

Our Governance

Governance as the DNA of Sustainable Transformation

*Just as DNA carries the instructions for life, governance at Sabancı Holding encodes the values and principles that guide who we are and how we evolve. Our governance structure mirrors a double helix, where **resilience and adaptability are built into every decision and process.** Each strand — **ethics, transparency, accountability, and strategic foresight** — works in harmony to form a system that is both strong and agile. This structural integrity allows us to **respond to change, protect stakeholder trust, and lead with clarity in a complex world.***

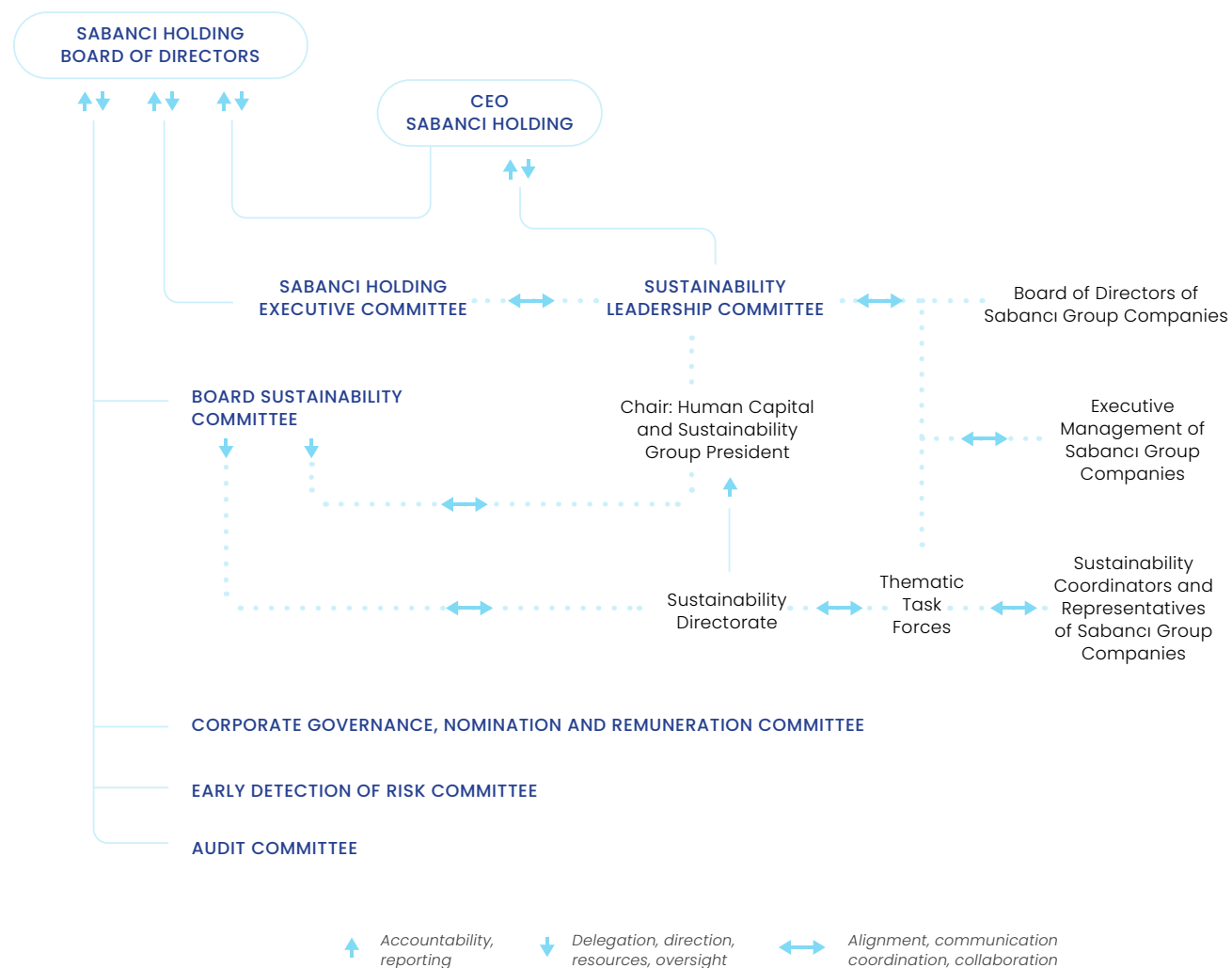
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Risk and Opportunity Management – Our Governance Model

Sabancı Holding assesses risks and opportunities emerging from both global and local developments. We formulate strategies to navigate them through a holistic approach, involving diverse teams. This strategy, centered on double-materiality analysis, empowers us to coordinate actions that capitalize on opportunities and mitigate risks throughout our entire Group. Our risk and opportunity management framework considers not only financial aspects but also, extra-financial factors relevant to our diverse business portfolio, ensuring robust opportunity management and agility. By incorporating double-materiality analysis into our strategy, we ensure that our decisions not only consider traditional financial metrics but also account for their broader societal and environmental implications. This integrated approach enables us to align our business practices with sustainability goals while simultaneously maximizing long-term value creation for all stakeholders.

Corporate Governance as the Pillar of Success

Sabancı Group acknowledges that a sound corporate governance system is the key driver of financial and extra-financial success. Based on this understanding, we design corporate governance practices that apply across Sabancı Group with primary attention to accountability, transparency, responsible business, and effective stakeholder management through collaboration and effective communication with stakeholders, all of which contribute to the sustainability and resilience of Sabancı Group.



Integration of Sustainability into Strategy

With our purpose to ‘unite Türkiye and the World for a sustainable life with leading enterprises’, Sabancı Holding integrates sustainability fully into its strategy to create long-term value. Sabancı Holding Board of Directors, the highest governing body, considers sustainability an integral part of its agenda and oversees sustainability performance through a variety of committees.

The Corporate Governance, Nomination and Remuneration Committee, the Early Detection of Risk Committee, the Audit Committee and the Board Sustainability Committee operate under the Board of Directors and contribute to oversee strategies designed to respond sustainability related risks and opportunities.

Sustainability-related risks and opportunities are analyzed by various groups within Sabancı Holding. The Sustainability Directorate is primarily responsible for identifying and assessing these potential risks and opportunities before presenting them to the Sustainability Leadership Committee, which includes members of the Holding’s Executive Committee. The analysis is conducted both quantitatively and qualitatively, supported by relevant benchmarks and scenario-based comparisons, for example, evaluating the implications of investing in a new technology or

facility and the sustainability impacts associated with such decisions. The Sustainability Directorate also works in close collaboration with the Risk Department during the evaluation phase to ensure a comprehensive and aligned approach to risk assessment.

In addition, the Sustainability Director is also a member of the Investment Committee who contributes to the evaluation of potential investments or M&As from both climate and social sustainability perspectives. The Investment Committee plays a significant role in reviewing major investment decisions across the Group, and the Sustainability Directorate provides in-depth assessments to ensure alignment with Sabancı Holding’s long-term sustainability goals. In line with the Group’s capital allocation framework, sustainability is embedded in the due diligence processes for both investments and M&As. Once the required evaluations are completed, findings are submitted to the Sustainability Leadership Committee. If a risk or opportunity is found to be strategically significant, it is escalated to the Board Sustainability Committee, which includes independent Board members. This committee collaborates closely with both the Sustainability Leadership Committee and the Early Detection of Risk Committee. Prior to final decisions, the Board Committee considers the consolidated insights of these two committees.

The Corporate Governance, Nomination and Remuneration Committee aims to maintain the continuity of the management process based on the ethical values of the company, having internal and external accountability, risk awareness, and that is transparent and responsible in its decisions; and oversees the benefits of the stakeholders, and has a sustainable success goal.

The duty of this Committee is to make suggestions and recommendations to the Board of Directors with regard to establishing the corporate governance principles in line with the principles of the Capital Markets Board, or other internationally recognized Corporate Governance Principles.

The Corporate Governance, Nomination and Remuneration Committee ensures the implementation of the Corporate Governance Principles within Sabancı Holding and if these principles are not implemented, the Committee makes suggestions for improvement to the Board of Directors. The Committee also oversees the activities of the Investor Relations Department. Alongside the determination of the principles and evaluation of the performance and remuneration of the Board of Directors and Senior Executive Managers, the Committee submits the nominations for independent Board directors to

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the Board of Directors by evaluating the independence qualifications of the candidates, also taking into account the candidates nominated by the management and the shareholders. The Independent Board Member Candidate submits a written declaration to the Corporate Governance, Nomination and Remuneration Committee at the time of nomination.

According to the bylaws, the Corporate Governance, Nomination and Remuneration Committee must convene 4 times at minimum annually. The Committee convened 4 times in 2024.

The Early Detection of Risk Committee (EDRC) reviews the company's exposure for strategic, operational, financial and compliance risks that may jeopardize Sabancı Holding's development and continuity. Then, EDRC evaluates, identifies, and determines necessary risk measures and management processes. Finally, it informs the Board of Directors of critical risks so proactive measures are put in place and fully implemented.

EDRC meetings are held at least 6 times a year. In 2024, the EDRC convened on 6 occasions to review risk exposures, and the audit was conducted by the external auditor. Additionally, guest participants may be invited to EDRC meetings if relevant to the agenda.

The Audit Committee supervises Sabancı Holding's accounting system, financial reporting, disclosure of financial statements, progress and effectiveness of independent audit, and internal control systems, on behalf of the Board of Directors. The Audit Committee reports its activities, evaluations, and suggestions with respect to its duties and area of responsibility to the Board of Directors in writing.

The Chair and the Members of the Audit Committee are appointed by the Board of Directors from among the Independent Members. The Audit Committee held 4 meetings in 2024 and the main agenda items were the review of the independent audit report and the examination of the presentations of the Audit Department.

Role of the Board Sustainability Committee

The Board Sustainability Committee plays a significant role in supporting the Board of Directors by monitoring local and international sustainability-related developments and guiding the Executive Committee. It oversees transparency and sustainability reporting, policy formulation, and ESG issues, ensuring alignment with stakeholder expectations.

The Committee is comprised of a Rapporteur and a maximum of three Board Members including Chair who

are appointed by the Board of Directors. The Chair of the Committee is selected from among the independent Board Members. The Committee meets in ordinary session at least twice a year. The Board Sustainability Committee convened 2 times in 2024.

The Board Sustainability Committee, in coordination with the Sabancı Holding Human Capital and Sustainability Group Presidency, oversees sustainability-related issues raised by the Sustainability Leadership Committee or directly by the Sustainability Directorate.

The Board Sustainability Committee monitors:

a) Sustainability Governance

- Structure and functioning of sustainability governance which was established to implement sustainability initiatives in accordance with expectations of internal and external stakeholders.
- Managing all risks which may arise in environmental and social issues, and which may transform into financial risks at times, including reputation risks, with the coordination of the EDRC.
- Having the necessary knowledge level to comply with all local and international developments to execute managerial duties of Sabancı Holding executive level in sustainability areas.

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b) Sustainability Performance

- Keeping performance indicators and targets of Sabancı Group up to date.

c) Transparency

- Disclosure of Sustainability Report and environmental and social performance at the Investor Relations web site or other platforms suggested by Human Capital and Sustainability Group Presidency.

d) Policies

- Establishment of environmental and social policies, which should be treated at the Board of Directors level, primarily Responsible Investment principles, and updating of current policies.

Empowering Executive Leadership for Sustainability

Our Executive Committee supports sustainability leadership within the organization, facilitating informed decision-making through proactive engagement with sustainability initiatives. Sabancı Holding's Executive Committee not only plays an important role in sustainability leadership within Sabancı Group but also provides and facilitates the culture of sustainability integrated strategic decision-making. Hard and soft controls are implemented to foster a cohesive approach across all executive functions.

The Sustainability Leadership Committee

The Sustainability Leadership Committee, chaired by the Human Capital and Sustainability Group President, leads sustainability initiatives and the Group's sustainability agenda and advises the Thematic Task Forces accordingly.

The Sustainability Leadership Committee includes all Strategic Business Unit Group Presidents, who are members of the Board of Directors of Group companies in their respective areas, that are responsible for monitoring the progress of the sustainability agenda.

The Sustainability Leadership Committee is primarily responsible for developing, overseeing and monitoring sustainability-related targets, including GHG emissions reduction goals, performance indicators related to the nature and social agendas, responsible investment pledge and other sustainability-related strategic KPIs. The Committee oversees the consolidated performance data and monitors progress reports mainly prepared by the Sustainability Directorate. Then these findings are presented regularly to the Board Sustainability Committee, which provides the final oversight and strategic direction when required. This approach ensures that target-setting and performance monitoring are both operationally robust and strategically aligned with the Holding's long-term objectives.

Sustainability metrics, including climate-related performance, are also embedded in the remuneration policies for Group Presidents and CEOs of Group companies. These metrics account for up to 10% of total variable compensation.

The Committee follows international developments, regulations, and trends in sustainability. The Committee reports directly to the CEO via the Committee Chair. The Chair of the Committee informs the Board Sustainability Committee biannually and receives their guidance and approval. In 2024, the Committee met 4 times.

Thematic Task Forces

Consisting of sustainability coordinators and representatives from Group companies, the Thematic Task Forces operate with agile working logic, that are responsible for program and project design to implement items detailed in the action plan. They report their work to the Sustainability Leadership Committee through the Sustainability Directorate.

This collaborative structure ensures alignment of sustainability goals and actions across Sabancı Group. In 2024, the Thematic Task Forces met 8 times.

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Role of the Sustainability Directorate

The Sustainability Directorate is a key driver of Sabancı Holding's sustainability efforts, overseeing various aspects of sustainability initiatives, facilitating connections between the Board Sustainability Committee, the Sustainability Leadership Committee and the Thematic Task Forces. It coordinates meetings, selects discussion topics, and invites relevant stakeholders to both Sustainability Leadership Committee and Thematic Task Force meetings as necessary to ensure comprehensive engagement.

Comprising a dedicated team of four full-time professionals, including a director, two managers, and one specialist, the Directorate acts as a strategic advisor by prioritizing key sustainability topics, offering insights into sustainability trends and best practices, thereby guiding decision-making processes.

Sustainability Directorate plays a major role in the governance model.

The Sustainability Directorate:

- Collaborates closely with senior management and key stakeholders to embed sustainability principles into corporate strategy. By aligning sustainability goals with business objectives, the Directorate ensures that

sustainability becomes an integral part of decision-making processes at all levels of the organization.

- Conducts thorough assessments to identify material sustainability issues that are most relevant to operations, industry, and stakeholders.
- Establishes clear and measurable sustainability targets that address priority areas such as carbon emissions reduction, resource efficiency and diversity and inclusion.
- Conducts scenario planning exercises to anticipate and mitigate potential sustainability related risks that could impact long-term viability. By identifying emerging trends, regulatory changes, and stakeholder expectations, the Directorate helps Sabancı Holding adapt and thrive in a rapidly changing landscape.
- Promotes a culture of innovation and resilience by exploring new technologies, business models, and partnerships that enhance the Holding's ability to address sustainability challenges.
- By recognizing the interconnected nature of sustainability challenges, collaborates with international organizations, industry peers, and multi-stakeholder initiatives to exchange best practices, advocate for policy change, and drive collective action on global issues such as climate change, human rights, and supply chain sustainability.
- Develops a long-term vision for sustainability that goes beyond short-term targets and incorporates a

holistic understanding of the Holding's role in creating a more sustainable future. This involves anticipating future trends, identifying emerging opportunities, and positioning the Holding as a leader in sustainable business practices.

- Raises awareness of sustainability issues among employees and empowers them to contribute to sustainability goals through training programs, internal communications, and engagement initiatives.

By taking a proactive and strategic approach to sustainability planning, the Sustainability Directorate helps the Holding navigate complexity, manage risks, and seize opportunities for innovation and growth while creating value for all stakeholders.

The Sustainability Directorate reports directly to the Human Capital and Sustainability Group President, ensuring alignment with organizational strategies and objectives. It plays a significant role in reporting progress on sustainability initiatives and outcomes to relevant stakeholders, fostering transparency and accountability.

Integration of Sustainability into Strategy

Name of Task Force/Committees	Level of Participation	Number of Meetings in 2024	Examples of Issues Discussed
BOARD SUSTAINABILITY COMMITTEE	Independent Board Members, CEO, Sustainability Leadership Committee Chair, Sustainability Director and Sustainability Managers	2	<ul style="list-style-type: none"> ◦ Nature Projects and Targets ◦ ESG Indices ◦ Interim GHG Emissions Reduction Targets ◦ SDG-linked Investment Pledge ◦ International Sustainability-related Regulations ◦ Alignment with Local and International Frameworks (e.g., TSRS, CSRD, ISSB) ◦ Scenario Analysis ◦ Digitalization and AI ◦ UN Biodiversity Conference (COP16) Outcomes ◦ UN Climate Change Conference (COP29) Outcomes ◦ ESG Backlash ◦ Human Rights and Due Diligence Processes
SUSTAINABILITY LEADERSHIP COMMITTEE	Group Presidents, Corporate Brand Management and Communications Department President, Investor Relations Director, Sustainability Director, Sustainability Managers	4	
OTHER EXECUTIVE MEETINGS	Executive Members, Sustainability Director, Sustainability Managers	2	
SUSTAINABILITY THEMATIC TASK FORCE	Sustainability team of Sabancı Holding, Sustainability Coordinators, Representatives and manager-level representation from other functions at Group companies (i.e. Human Capital, R&D, Risk Management etc.)	8	<ul style="list-style-type: none"> ◦ Nature Agenda (Decarbonization, Circular Economy, Water Management, Biodiversity) ◦ Local and International Frameworks (e.g., TSRS, CSRD, ISSB) ◦ Voluntary Carbon Markets ◦ Sustainability Assurance Process ◦ EU ETS and CBAM ◦ Human Rights and Due Diligence Processes ◦ Sustainable Innovation ◦ UN Biodiversity Conference (COP16) Outcomes ◦ UN Climate Change Conference (COP29) Outcomes

Three Lines Model in Sabancı Holding

Sabancı Holding adopts the three lines model that identifies clear processes and roles to guide Sabancı Group toward effective governance, risk management and internal controls. To embed sustainability considerations, all roles work in close collaboration to ensure feedback loops and collectively contribute to the creation and protection of value with the prioritized interests of stakeholders, thus making the business model future-proof.

The first line of defense comprises Strategic Business Units (SBUs) and support functions like Human Capital and Finance. The primary responsibility of the first line of defense is to make decisions based on Sabancı Holding's strategy and to assess the risks defined within the framework of the Enterprise Risk Management System. They play a significant role in identifying and mitigating risks during daily operations.

The second line of defense supports the first line by independently evaluating decisions and identifying additional risks. Oversight bodies like the Sustainability Leadership Committee and the Legal and Compliance Presidency assess decisions made by the first line and report findings to the Board Sustainability Committee and EDRC. Two directorates, Risk Directorate and Sustainability Directorate, under the second line monitor

financial and non-financial risks and escalate significant issues to relevant committees or senior management.

The third line of defense is the Sabancı Holding Internal Audit Department, which provides independent assurance on the effectiveness of control, governance, and risk management practices. Using a risk-based approach aligned with the Holding's strategies, audits are conducted, and results reported to senior

management as well as the Audit Committee. Follow-up on action plans ensures timely mitigation of identified risks.

Overall, this three-tiered approach ensures robust governance, risk management, and compliance practices within Sabancı Holding, safeguarding its sustainability and continuity.



Enterprise Risk Management at Sabancı Group

Sabancı Group is committed to robust risk management practices to ensure the continuity of its operations, safeguard stakeholder interests, and drive sustainable growth. Our approach to risk management is built upon proactive strategies designed to identify, assess, and mitigate potential threats effectively.

KEY PRINCIPLES AND FRAMEWORK

At Sabancı Group, we adhere to corporate risk management principles aimed at maximizing stakeholder value while minimizing risks that could hinder our progress. In 2024, we incorporate a risk training framework to enhance risk awareness across all levels. Regular AI-supported training sessions include Corporate Risk Management Training, Global Corporate Financial Crises Training, and Artificial Intelligence Risks Training.

We manage risks both at the Holding and at the Group level. Our framework encompasses a blend of quantitative and qualitative metrics to gauge risk exposure accurately. We prioritize risks based on their potential impact and likelihood, addressing them through strategies of avoidance, transfer, reduction, or acceptance. Each prioritized risk's tolerance and critical thresholds, along with the overall risk management

system, are reviewed and updated annually. The review process includes quantitative and qualitative approaches – statistical analysis by historical data, Monte Carlo simulations – incorporating Sabancı Holding's strategic direction and financial performance targets.

At Sabancı, risk management is a proactive process which includes different stress scenarios pursued regularly by considering an integral and forward-looking view of all risks. Not only for financial risk such as foreign currency and inflation but also for non-financial risk, stress scenarios are used. For instance, Sabancı Group Disaster communication exercise was held on an earthquake scenario with the participation of more than 30 thousand Sabancı employees in 2024.

Furthermore, we conducted a thorough Business Continuity Training in 2024 for all Sabancı Group Companies' Risk employees underlying the importance of developing comprehensive disaster recovery plans, conducting regular supply chain risk assessments, and integrating climate risk scenarios into business continuity strategies.

In addition to the stress scenarios, we used sensitivity analyses to see the impact of different components in 2024.

COMMITTEE OVERSIGHT AND GOVERNANCE

Our risk management operations are overseen by dedicated committees, including the Risk Coordination Committee and the EDRC. These committees play a critical role in evaluating risk operation results, updating risk tolerance levels, and ensuring alignment with our strategic objectives. Additionally, guest participation in EDRC meetings enriches our discussions with diverse perspectives.

RISK MANAGEMENT ACROSS GROUP ENTITIES

Our banking subsidiary, Akbank, maintains a multidimensional approach to risk management, legal compliance, and environmental-social impact assessments across key operational domains including balance sheet management, capital allocation, and product development. With its prudent risk management practices, the Bank contributes to Sabancı Holding's long-term strategies and goals.

At Sabancı Group's non-bank subsidiaries, executive leadership and Senior Management oversee corporate risk management practices. Under the guidance of relevant Boards of Directors and affiliated risk committees, risks are identified, prioritized based on

Enterprise Risk Management at Sabancı Group

likelihood and potential impact, and systematically monitored. These entities regularly report potential risks to the EDRC and the Board of Directors, ensuring transparency and accountability. Furthermore, the management of financial, strategic, operational, and compliance risks across Group subsidiaries is overseen by the Holding's Strategic Business Unit Presidents, in collaboration with key departments including the Office of the Chief Financial Officer, the Risk Management Directorate, and the Legal and Compliance Group Presidency.

KEY FOCUS AREAS

Sabancı Group prioritizes risk management across various categories, including financial, strategic, operational, and compliance risks. This methodology is backed by the risk surveys that are repeated every year. In 2024, the risk perception survey was conducted by the Risk Management Department across all Sabancı Group Companies with the participation of more than 2 thousand employees. The results were presented to senior and executive management teams, accompanied by a comparison with international risk survey results.

Financial Risks

The Sabancı Holding Treasury Management Policy defines the rules and principles of the company's investment policy encompassing interest, exchange rate and liquidity risks. The Holding's Finance and Risk Management teams closely monitor and manage financial risks using various indicators at both the company and consolidated levels, ensuring these risks remain within defined thresholds.

Strategic Risks

Strategic risks are assessed within the scope of corporate risk, industrial risks, economic risks, regulatory changes, reputational risk, and sustainability risk. Sabancı Holding manages strategic risks with a long term dynamic business lines management approach. This approach focuses on cultivating highly profitable and sustainable businesses to gain a competitive edge. Sabancı Holding categorizes sustainability risks within the framework of strategic risks. Sustainability risks include the potential for non-compliance with sustainability policies, regulations, and international standards in addition to transition risks stemming from investments aimed at aligning with a lower-carbon economy. This risk type also encompasses physical risks, such as financial implications resulting from extreme weather events.

These risks and associated opportunities are managed systematically by the Holding to align them to the overall strategic direction.

Operational Risks

The Audit Department conducts regular checks of company processes and systems to determine and eliminate operational risks. The Information Technology Department manages technology risks, such as damage to information systems, cyberattacks, and the like, via preventive actions, regular tests and backup plans. Sabancı Group utilizes cyber risk insurance to ensure an effective level of cyber security and mitigate technology risks. The Human Resources Department manages occupational health and safety risks.

Compliance Risks

Compliance with applicable laws, rules and regulations is a key responsibility of Sabancı Holding. The Holding's Legal and Compliance team conducts thorough compliance risk analyses across key areas including competition law, sanctions and export controls, third-party due diligence, and data privacy.

Enterprise Risk Management at Sabancı Group

BUSINESS ETHICS, ANTI-BRIBERY AND ANTI-CORRUPTION

At Sabancı Group, we define the framework of our mutual responsibilities with our employees and stakeholders with the Sabancı Group Code of Business Ethics (SA-ETHIC). Based on the principles of honesty and integrity, SA-ETHIC guides the laws, regulations, and internal procedures that are decisive in all decisions and activities and complies with the Universal Declaration of Human Rights and the fundamental conventions of the International Labor Organization.

SA-ETHIC is binding on all Board Members, managers, and employees of Sabancı Holding and Group companies. We also expect all our suppliers, subcontractors, dealers, business partners, and similar stakeholders to respect this Code. The Sabancı Holding Board of Directors is primarily responsible for the adoption, implementation, and compliance control with SA-ETHIC across the Group. Holding and Group companies' senior management are responsible for implementing SA-ETHIC, or in this context, for their companies' specific business ethics rules and for creating a culture that supports its implementation. SA-ETHIC and all concerning relevant policies are reviewed, revised and documented by the Human

Capital and Sustainability Group Presidency upon the recommendations of the Board of Ethics and the revisions are announced to the Holding and Group Companies upon the approval by the Sabancı Holding's CEO and the Chair of the Board of Directors.

- The Holding and Group companies' Human Resources are responsible for informing all employees (including our part-time and contracted employees) at least once a year about SA-ETHIC to ensure the clarity of policies and rules, providing training, and ensuring constant communication with employees.
- The Holding and Group companies are responsible for employees reading the ethical rules, being informed about this matter, and ensuring they sign the Employee Statement.
- At the beginning of each year, the Holding and Group companies ensure all employees renew their notifications by signing the Business Ethics Compliance form.

Within the scope of Sabancı Holding, there are no lawsuits filed and/or concluded against ESG issues, which are important in terms of ESG policies and/or which will significantly affect the activities, for the 2024 fiscal year.

Sabancı Group does not tolerate bribery or corruption under any circumstances. We expect all Group managers and employees to comply with the duties and responsibilities in the Anti-Bribery and Anti-Corruption Policy. The Anti-Bribery and Anti-Corruption Policy is binding on Group executives and employees, all relevant stakeholders, suppliers, business partners, and consultants. In contracts, we impose as a condition that our business partners comply with SA-ETHIC and the Anti-Bribery and Anti-Corruption Policy.

We follow black-listed individuals and companies in close coordination with public authorities. We black-list suppliers deemed objectionable or risky by public institutions for any reason, act contrary to our Group culture, or violate our processes, and we terminate our business relationship with them. We can thus identify suppliers, contractors, and customers who are known or suspected of being involved in bribery.

We apply sanctions on people who urge, encourage, and legitimize violating acts, as well as those who tolerate such acts by not reporting them despite being aware of them. Nevertheless, those suppliers can be re-evaluated every year and added to the suppliers' list once they have remedied the violations.

Enterprise Risk Management at Sabancı Group

The Sabancı Holding Board of Ethics is responsible for supporting the Board of Directors in fulfilling oversight and audit functions. All stakeholders can report ethical violations to the Board of Ethics by e-mailing etik@sabanci.com, dialing +90 212 385 85 85, or mailing to the Sabancı Holding Headquarters. The Board of Ethics is responsible for reviewing all reported notifications thoroughly according to the privacy policy and resolving them as soon as possible. The person reporting to the Board of Ethics is under the protection of this Committee and is guaranteed that they shall not endure any repression, pressure, or penalty for raising concerns.

[Sabancı Group Code of Business Ethics](#) and [Anti-Bribery and Anti-Corruption Policy](#) cover corporate issues, primarily the fight against bribery and corruption, human resources and environmental matters, and compliance with operating principles and legal obligations. The respective Audit Departments carry out periodic or on-demand custom audits under the control of the Audit Committee per International Internal Auditing Standards and Ethical Rules to ensure compliance with legal regulations, contracts, company policies and procedures and ethical rules; to prevent errors and irregularities; to protect assets; to ensure the effectiveness of the risk management and internal control environment, the accuracy and integrity of operational and

financial information, and to identify opportunities for improvement. The audits encompass all Group companies entering the sustainability reporting scope, and the business units to be audited are prioritized from a risk perspective. In addition, the Internal Audit Units of Group companies also carry out regular audits for the same purpose under the supervision of Audit Committees at least once every three years.

The audit scope covers all Group companies and the units to be audited within the relevant year are prioritized from a risk perspective. Audit activity covers notifications and complaints submitted through the Ethics Hotline or other channels, and special examinations into violations against legal regulations, our code of ethics and the other company regulations. The number of ethical notifications made in 2024 is 916 excluding the bank. Of these notifications, 4% were made to the Board of Ethics, and the rest were made directly to the companies. Notifications and violations are divided into the following five categories: negligence, poor and irresponsible management, bribery and corruption- conflict of interest, mobbing and harassment, working conditions- wages-job complaints, complaints and notifications from customers and suppliers. Following the evaluation of the notifications, all cases were examined, and ethical violations were observed at a rate of 48%.

Of the violations, 45% were related to administrative issues. Mobbing and harassment related issues, cases relating to working conditions, wages and other job-related complaints follow this at 32%. As a result of the investigations, the employment contracts of 162 employees were terminated in 442 cases due to ethical violations. At H.Ö. Sabancı Holding A.Ş. in particular, no ethical notifications or cases have occurred.

Training on Ethics, Anti-Bribery and Anti-Corruption

To foster a culture of integrity and compliance within Sabancı Group, we provide comprehensive training on Ethics, Anti-Bribery, and Anti-Corruption. We annually provide refresher training for current employees to keep their SA- ETHIC knowledge up-to-date and raise awareness. We ensure that every new employee in the Group receives SA- ETHIC training. The university students participating in the New Generation Career Experience Program also receive SA-ETHIC training. At the end of the training, we request a written statement from the employees signifying their willingness to comply with SA-ETHIC.

In 2024, we provided approximately 15 thousand hours of Ethics Training and 36 thousand hours of Anti-Bribery and Anti-Corruption Training.

Enterprise Risk Management at Sabancı Group

COMPLIANCE

Compliance with laws, regulations, and ethical standards is essential at Sabancı Holding. Our standards apply to all Group companies and require acting lawfully, ethically, and in the best interests of Sabancı Group wherever Sabancı Group's business operates.

In 2024, Sabancı Group completed its policies and procedures on compliance and initiated a unified ethics and compliance program ensuring consistent standards across subsidiaries, streamlined data reporting and enhanced transparency through clear, tangible metrics.

Competition and Anti-trust

We ensure fair and ethical competition within our Group, aligning with competition laws. In mergers and acquisitions involving Group companies, we conduct thorough competition risk assessments and fulfill mandatory filings prior to transaction closure.

Sanctions and Export Controls

Sabancı Group companies operate in regions throughout the world. This expansive geographic footprint requires dedicated attention to complex trade sanctions and export control laws and regulations that prohibit the import, export or re-export of certain

products and services to or from certain countries or parties.

We have established policies and procedures to ensure compliance with all applicable sanctions and export control regimes.

Third Parties

Sabancı Group companies supply a diverse array of products and services in banking, financial services, energy and climate technologies, material technologies, mobility solutions and digital sectors around the globe in 17 countries worldwide. This expansive scope includes engaging with a wide range of third parties, including suppliers, distributors, intermediaries, agents and business consultants, and thus increasing the likelihood of Sabancı Group companies being held accountable for non-compliant activities and behaviors of business partners. To mitigate such risks, we have implemented policies and procedures for third party risk assessment, enhanced due diligence, and risk mitigation measures.

Cybersecurity and Data Privacy

It is essential for Sabancı Group to protect personal data, confidential information, and IT systems from unauthorized access, use, or disclosure. The Information Security Committee adopts and implements

industry best practices to keep pace with emerging developments, providing company wide guidance and implementing security measures in collaboration with the cyber security team.

INTERSECTION OF SUSTAINABILITY WITH STRATEGIC RISK MANAGEMENT

In today's complex business environment, the intersection of sustainability with strategic risk management is critical for long-term success. At Sabancı Group, we recognize the connection of sustainability with our business model, strategy, and risk management framework. Through a holistic approach, we navigate through a broad spectrum of sustainability risks with foresight, supporting resilience, innovation, and stakeholder value creation. Our risk spectrum encompasses physical risks, compliance risks, transition risks, and emerging sustainability risks, ensuring a thorough understanding of the challenges we face.

Mitigating Climate-Related Risks and Opportunities

The Sustainability Directorate collaborates closely with a broad network of internal and external stakeholders to assess climate-related risks and opportunities. These stakeholders include Group companies' sustainability as well as risk professionals through Thematic Task

Enterprise Risk Management at Sabancı Group

Force meetings, senior executives via the Sustainability Leadership Committee, and governance bodies such as the Board Sustainability Committee and the EDRC. External stakeholders, including investors—one of Sabancı Holding's key stakeholder groups—are also engaged in the process.

Through these multi-level engagements, material climate-related risks and opportunities with the potential to significantly affect the Holding's operations are identified. Following this identification, detailed analyses are primarily conducted by the Sustainability Directorate in collaboration with the Risk Department and evaluated at the Executive Committee level through the Sustainability Leadership Committee, with additional input from the EDRC.

Once key risks are identified, comprehensive roadmaps are developed with the active participation of sustainability teams across Group companies. For example, in response to emerging international sustainability regulations, transition risks were identified in key sectors of the Group's diversified portfolio, particularly in energy and material technologies. As a result, a strategic decarbonization roadmap was developed for a two-year period. Building on this foundation, the scope has since expanded to address

broader nature-related themes, including biodiversity, circular economy, and water management.

These initiatives incorporate scenario analysis, impact and dependency assessments, and comparative evaluations across different operating conditions to define climate-related targets.

These assessments strengthen both risk mitigation and opportunity planning. A proactive approach is sustained through internal monitoring systems, policies such as the Sabancı Holding Responsible Investment Policy, and continuous engagement with Group companies and external stakeholders. For investments and mergers and acquisitions, climate-related scenarios are evaluated under this policy and reviewed by the Investment Committee, with the participation of the Sustainability Director.

Mitigating Physical Risks

Physical risks, ranging from natural disasters to resource scarcity, pose significant threats to our operations and communities. Leveraging sector-specific practices and robust supply chain management resilience measures, we fortify our infrastructure against wildfires, hurricanes, water scarcity, and other climate-related hazards. By prioritizing water efficiency measures, biodiversity

conservation, and ecosystem protection, we mitigate risks and foster sustainable growth in harmony with nature.

Navigating Compliance Risks

Adherence to evolving regulations and ethical standards is central to our commitment to sustainability. We adopt a proactive stance towards compliance risks, aligning with GHG emissions regulations, advancing sustainable development goals, and upholding human rights across our value chain. Through continuous monitoring, digitalization, and capacity-building initiatives, we ensure compliance with regulatory requirements and mitigate legal penalties, reputational damage, and loss of social license to operate.

Managing Transition Risks

As technology develops rapidly and industries undergo transformative shifts towards sustainability and digitalization, we recognize the inherent risks and opportunities. Our sustainable business model prioritizes investments in green technologies, innovation, and talent development, positioning us to thrive in a rapidly changing landscape. By embracing circular economy principles, decarbonization strategies, and sustainable supply chain practices, we mitigate transition risks and capitalize on emerging market trends.

Enterprise Risk Management at Sabancı Group

Embracing Emerging Sustainability Risks

Anticipating future challenges is part of our risk management philosophy. We closely monitor emerging sustainability risks and proactively develop mitigation strategies. Through scenario analysis, stakeholder engagement, and horizon scanning, we enhance our resilience to unforeseen threats and seize new opportunities for sustainable growth.

SUSTAINABLE VALUE CREATION

Our commitment to sustainability goes far beyond managing risks. It serves as a compass that guides our overall strategy and decision-making. By embracing integrated thinking and fostering collaboration across business functions, we unlock synergies that drive innovation and long-term resilience. This approach enables us to create shared value for all our stakeholders, from shareholders and customers to employees and communities.

Transparent reporting, open stakeholder dialogue, and a culture of continuous improvement are central to how we operate. With these pillars, we aim to be a catalyst

for positive change, contributing meaningfully to the economic, social, and environmental transformation of the world around us.

FUTURE OUTLOOK

As Türkiye's regulatory environment continues to evolve in alignment with global sustainability developments, Sabancı Group has remained committed to foresight and proactive preparation. Thanks to the structured efforts across our Group, we are well-positioned to adapt and lead responsibly. This preparedness strengthens our ability to respond with agility while reinforcing our leadership position across all areas of operation.

Looking ahead, we will continue to embed risk and opportunity management into our strategic agenda. This will enhance our resilience and support our pursuit of new avenues for sustainable growth and innovation. With a long-term mindset and a strong foundation of trust, we remain committed to creating lasting value and contributing to a future defined by purpose, prosperity, and progress.

Board of Directors



HAYRİ ÇULHACI
Chair



EROL SABANCI
Vice Chair



SUZAN SABANCI, CBE
Board Member



**E. MELİSA
SABANCI TAPAN**
Board Member



SERRA SABANCI
Board Member



KIVANÇ ZAIMLER
Board Member
and CEO



HÜSEYİN GELİS
Independent Board
Member



MEHMET KAHYA
Independent Board
Member



TAYFUN BAYAZIT
Independent Board
Member

Note: As of March 27, 2025, Hayri ÇULHACI has been appointed as the Chair of the Board of Directors and Tayfun BAYAZIT has been appointed as an Independent Member of the Board of Directors. Following the resignation of Mr. Cenk ALPER from his duties as Chief Executive Officer and Member of the Board of Directors, effective as of 31 May 2025; Mr. Kivanç ZAIMLER has been appointed as Chief Executive Officer and Member of the Board of Directors, effective as of 1 June 2025.



Please click [here](#) for the detailed resumes of the Members of the Board of Directors.

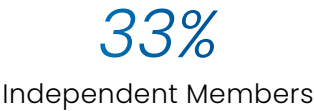
Skill Matrix

At Sabancı Holding, we believe that a Board of Directors enriched with a broad spectrum of skills, knowledge, and experience enhances its functionality and the quality of its decision-making processes. [Studies indicate that companies with diverse executive teams see a 39% increase in profitability compared to their counterparts.](#)

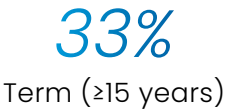
Our nomination process for the Board of Directors goes beyond merely ensuring gender equality in diversity and inclusion. We meticulously assess candidates' competencies, considering a wide array of factors, including industry expertise, management experience, proficiency in ESG matters, crisis management skills, and a capacity for global and long-term strategic thinking.

We uphold a strict non-discrimination policy, ensuring that no candidate is discriminated against based on gender, age, ethnicity, religion, language, race, or any other characteristic.

Board Members Composition



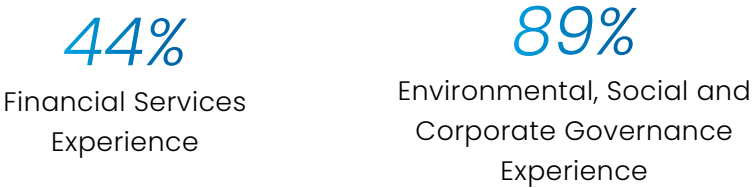
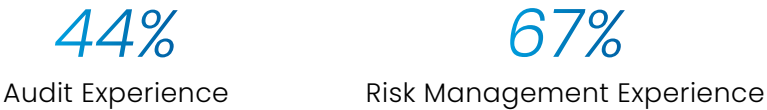
Term and Tenure of Board Members



Board Meeting Attendance



Board of Directors Experience Composition



The relevant data have been prepared based on the members of the Board of Directors serving during the 2024 fiscal year. Data reflecting the changes in 2025 will be included in the 2025 fiscal year Sustainability Report, to be published in 2026.

Executive Committee



KIVANÇ ZAIMLER
Board Member
and CEO



GÖKHAN EYİGÜN
Strategy and Business
Development



N. ORHUN KÖSTEM
Finance



YEŞİM ÖZLALE ÖNEN
Human Capital and
Sustainability



BURAK ORHUN
Material Technologies



HAKAN BİNBAŞGİL
Banking and Financial
Services



ŞEBNEM ÖNDER
Legal and Compliance



FİLİZ KARAGÜL TÜZÜN
Corporate Brand
Management and
Communications



ŞERAFETTİN KARAKIŞ
Secretary General

Note: Effective April 1, 2025, the Financial Services Strategic Business Unit (SBU) and the Banking SBU of Sabancı Holding have been merged into a single structure as Haluk DİNÇER left his role as Sabancı Holding Financial Services Group President as of March 31, 2025. Accordingly, Hakan BİNBAŞGİL, who served as Sabancı Holding Banking Group President, continues to serve as Sabancı Holding Banking and Financial Services Group President. Following the resignation of Mr. Cenk ALPER from his duties as Chief Executive Officer and Member of the Board of Directors, effective as of 31 May 2025; Mr. Kivanç ZAIMLER has been appointed as Chief Executive Officer and Member of the Board of Directors, effective as of 1 June 2025. As of June 20, 2025, Max SPEUR, left his position. As of April 30, 2025, Cevdet ALEMDAR, left his position. As of April 30, 2025, Fuat ÖKSÜZ has been appointed as the President of Audit, while Şerafettin KARAKIŞ has been appointed as the Secretary General.



Please click [here](#) for the detailed resumes of the Members of the Executive Committee.

Committees and Policies

Sabancı Holding has established a robust framework of committees dedicated to upholding the principles of good corporate governance and sustainability. These committees serve a vital supervisory function, overseen and audited by the Board of Directors, ensuring the integrity and effectiveness of the entire Holding.

Regular reviews of the structure, activities, and impact of these committees are conducted to uphold their effectiveness. Furthermore, meticulous documentation and traceability of committee processes are maintained to ensure accountability and transparency.

The Board of Directors has established four key sub-committees; namely the Audit Committee, Corporate Governance, Nomination and Remuneration Committee, Early Detection of Risk Committee, and Sustainability Committee. Each of these sub-committees reports directly to the Board of Directors, aligning their functions with the overarching goals of the organization.

Additionally, the Holding has formed other committees such as the Board of Ethics, Information Security Committee, Risk Coordination Committee, Sustainability Leadership Committee, Investment Committee, Communication Committee and more. Sabancı

Holding's Sustainability Director is a member of the Investment Committee, underlining the sustainability integrated governance, decision-making structure, and business model of Sabancı Holding. This strategic inclusion ensures that all investment decisions are aligned with Sabancı Holding's commitment to sustainable practices, promoting long-term value creation and responsible growth. By embedding sustainability at the core of its governance framework, Sabancı Holding is better positioned to address ESG considerations, ultimately driving the business towards a more resilient and sustainable future.

Additionally, the Sustainability Team is an integral part of the M&A process, ensuring that all potential acquisitions align with Sabancı Holding Responsible Investment Policy. The team conducts thorough ESG due diligence and sustainability business model assessment on prospective companies, evaluating their environmental, social, and governance practices to identify any risks and opportunities. This assessment helps to ensure that new investments contribute positively to Holding's sustainability objectives and long-term strategy. By incorporating ESG due diligence into the M&A process, Sabancı Holding reinforces its commitment to responsible growth and sustainable value creation.

All these committees collectively address various aspects of governance, risk management, and sustainability, reflecting the Holding's comprehensive approach to responsible business practices.

Sabancı Holding's unwavering commitment to core values such as trust, integrity, accountability, and transparency underscores its responsibility to all stakeholders. These values not only guide the Holding's actions but also serve as the cornerstone of its reputable standing in the business community.

For detailed information on the committees please refer to [Integration of Sustainability into Strategy](#) section.

Committees and Policies

Board of Directors

Board Committees

- Audit Committee
- Corporate Governance, Nomination and Remuneration Committee
- Early Detection of Risk Committee
- Sustainability Committee

Executive Committees

- Board of Ethics
- Information Security Committee
- Risk Coordination Committee
- Sustainability Leadership Committee
- Investment Committee
- Communication Committee

Policies and Principles

- Donations and Grants Policy
- Dividend Policy
- Disclosure Policy
- Corporate Social Responsibility Policy and Principles
- Health and Safety Policy
- Communication Principles
- Environmental Policy
- Responsible Investment Policy
- Anti-Bribery and Anti-Corruption Policy
- Equality, Diversity and Inclusion Regulation
- Diversity Policy for the Board of Directors
- Remuneration Policy For the Board of Directors and Senior Executive Officers
- Data Protection and Processing Policy
- Sabancı Group Code of Business Ethics
- Women's Empowerment Principles
- Equity at Work Declaration
- Tax Policy
- Transfer Pricing Policy



[For detailed information about each policy, please click on the headline of the relevant policy.](#)