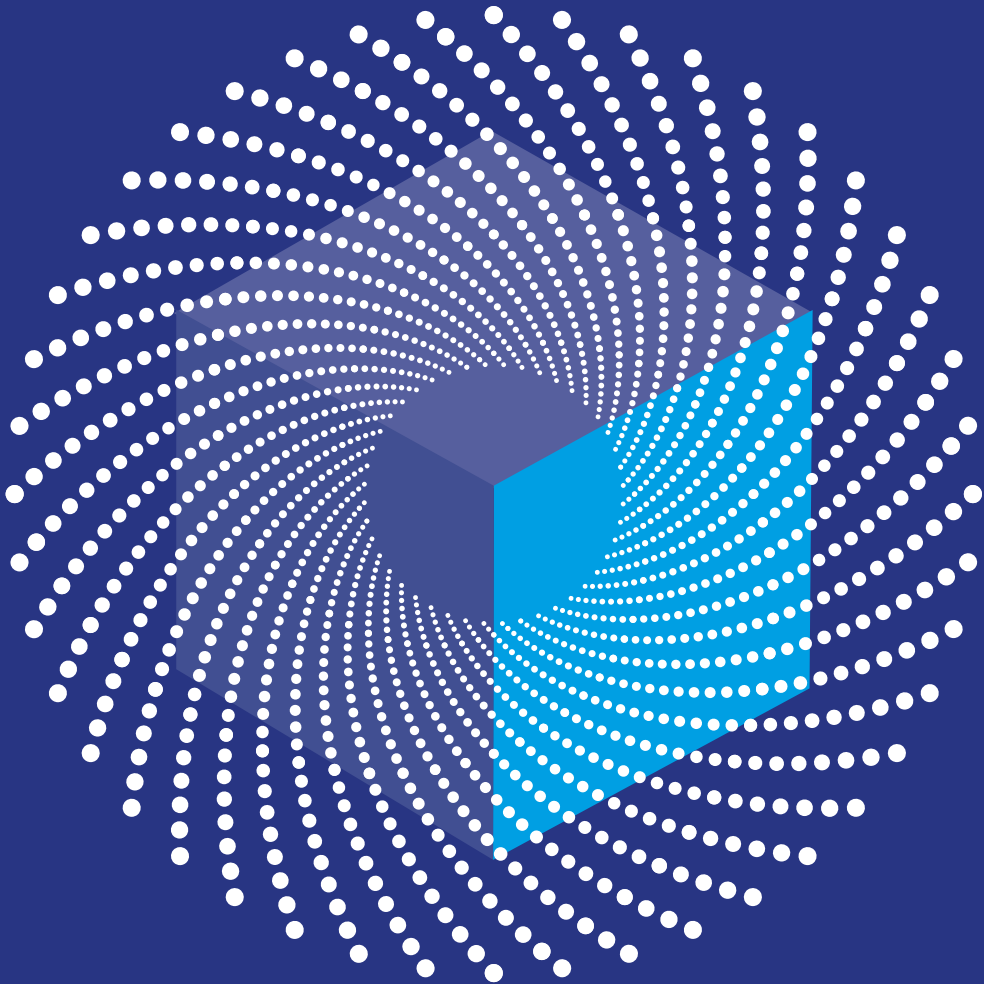


İŞ INVESTMENT

INTEGRATED ANNUAL REPORT



2023



İŞ YATIRIM MENKUL DEĞERLER A.Ş.

THE BOARD OF DIRECTORS INTEGRATED ANNUAL REPORT

**PERTAINING TO THE PERIOD OF 1 JANUARY 2023 - 31 DECEMBER
2023, PREPARED IN ACCORDANCE WITH CAPITAL MARKET BOARD
COMMUNIQUE II-14.1 ON THE PRINCIPLES REGARDING FINANCIAL
REPORTING IN THE CAPITAL MARKETS**

1 JANUARY 2023 – 31 DECEMBER 2023

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ABOUT THE INTEGRATED ANNUAL REPORT

The 2023 Integrated Annual Report (the Report) of İş Yatırım Menkul Değerler A.Ş. (İş Investment or the Company) addresses the performance and progress achieved in the financial, sustainability and the ESG (Environmental, Social, Governance) fields in detail in the context of the Company's strategic goals and priorities.

This Report is the primary source of disclosure for the Company's ESG performance. It is recommended that it is examined together with the policies, approaches and strategies set out on different tabs of the İş Investment's website.

The data in the report covers the period between 1 January 2023 and 31 December 2023, unless otherwise stated.

The report covers İş Investment's integrated business model, which describes its capacity to create short, medium and long-term value for all its stakeholders, its risk and opportunity management, priorities, future strategies, stakeholder communication and its performance for the period in the financial, environmental, social and governance fields.

The report refers to the activities carried out by the Company in the Turkish capital markets.

The financial information contained in the report pertains to the Company's consolidated results. The sustainability performance results pertaining to İş Investment's subsidiaries are not included in this report.

The report was prepared in line with the **GRI Universal Standards** and the **Integrated Reporting Framework** included in the IFRS Foundation. İş Investment's contributions to the United Nations Sustainable Development Goals (SDGs) are also set out in the report by associating them with business lines and performance results.

Disclosures regarding the topics, in which İş Investment complies with the principles within the Capital Markets Board (CMB) Sustainability Principles Compliance Framework are disclosed to the public on the **PDP (Public Disclosure Platform)**.

The information on the ESG performance included in the Integrated Annual Report was provided by İş Investment. No independent verification or limited assurance service was obtained. All topics included in the report were prepared according to Company records, based on reliable and verifiable information.

The financial information presented in the report was audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi, a member firm of Ernst & Young Global Limited. Relevant Independent Auditor's Statements are presented on page 82.

The content of this report may not be copied, modified or distributed without the explicit written consent of İş Investment. All rights of İş Investment are reserved.

Questions and feedback regarding the report may be sent to İş Investment's e-mail address, investorrelations@isinvestment.com. Your opinions and suggestions will guide us in the process of improving our work in the field of sustainability and the ESG. The İş Investment Integrated Annual Report was published on the Company's corporate website in April 2024.

MESSAGE FROM THE CHAIRPERSON OF THE BOARD

Dear Stakeholders,

Despite the interest rate hikes implemented around the globe to tackle inflation, and the geopolitical uncertainties, the global economy proved resilient in the face of such an environment in 2023 with no crises which could pose a threat to the financial system. Many countries achieved significant progress in tackling inflation without undergoing stagnation, notably the USA. Moreover, the global economy grew by 2.6% according to the World Bank's estimates.

The devastating earthquakes, which struck early in 2023, deeply affected us all. According to the calculations carried out by the Strategy and Budget Directorate, the impact of the earthquakes on the economy exceeded USD 100 billion. Following the elections, the expansionary economic policies were wound down with tightening steps starting to be taken. The policy rate, which had started to be gradually increased in the second half of the year, was raised to 42.5% by the end of 2023. On the other hand, inflation reached 64.8% by the end of the year with the effect of the depreciating Turkish Lira, pay rises and pricing behavior in the third quarter. However, Türkiye is still predicted to rank among the fastest growing economies in the OECD, with 4.5% growth in its economy.

Against such a backdrop of rapidly changing conditions and generally low predictability, İş Investment managed to advance its competitive advantage to even higher levels thanks to its strategic management approach, flexible business model, emphasis on digitalization and effective risk management.

İş Investment achieved continuous improvement in its compliance with the Environmental, Social and Governance principles within the framework of sustainability. In addition to its general practices, the Company carried out awareness projects on decarbonization and reduced greenhouse gas emissions. Our company was accepted as a signatory of the "UN Global Compact", which works around the world to spread human rights, labor standards, environmental awareness and anti-corruption in the business world. As such, we stand as an example for our sector in terms of sustainability. In this vein, we published our first Integrated Annual Report, in which we present our corporate structure, business model, value creation chain and sustainability performance to our stakeholders with a holistic view. The performance of our İSMEN shares serves as an important indicator of our investors' appreciation of the value created by our Company with its financial and non-financial performance.

The basis of our success is our goal of creating high and sustainable value for our capital markets and stakeholders. The devoted contributions of our employees, the valuable support of our main shareholder and founder, Türkiye İş Bankası, and the confidence which our shareholders and customers place in us are our most important sources of motivation.

Respectfully,

Mr. Hasan Cahit Çınar

İş Investment
Chairperson

MESSAGE FROM THE CEO

Dear Shareholders,

Early in 2023, we were all deeply saddened by the earthquake which struck our country. The Presidential election and general election, the ongoing war between Russia and Ukraine and the situation between Israel and Palestine were other important developments which stood out in 2023 and affected economic activity. A raft of expansionary monetary and fiscal policies and macroprudential measures were implemented in our country in the first five-months of 2023, with monetary policies gradually tightened after the elections. The steps taken in economic policy paved the way for a positive course in expectations in the market.

The capital markets were a focal point of attraction throughout 2023, especially for domestic individual investors, with an increase of more than 3.8 million in the number of investors. The financial multiples of the listed companies, the increase in the number of public offerings and a general perception of equity market investments being an instrument of protection against inflation were the main factors driving the growth in the number of investors.

Despite the environment of uncertainty that prevailed throughout most of the year, İş Investment achieved significant progress in its domestic and international brokerage activities through 19 different digital transaction channels. It recorded significant growth in share-secured loans and participated in 2 public offerings as the consortium leader. It also took part in 36 public offerings as a consortium member. It mediated in 90 private sector bond issuances, raising a total of TL 52.5 billion, and also demonstrated a successful performance in its Treasury activities, which it carries out without compromising its position in risk management.

İş Investment wrapped up a successful year in 2023 with the contribution of digitalization and improvements made in our technological infrastructure, product and service diversity, the performance of our model portfolio, an expanding sales network, the Company's effectiveness in international capital markets, its operational efficiency and its strategic structure of subsidiaries. The Company achieved a 21% real terms increase in net profit based on its inflation-adjusted financial statements. Reinforced by our strong performance, the confirmation of our long-term AAA national credit rating once again demonstrated the quality of our balance sheet structure.

The 118% return of our ISMEN shares in 2023 – more than triple the rate of return on the BIST 100 index – represents a vote of confidence in the sustainability of our operational and financial performance.

İş Investment observes the UN Sustainable Development Goals within the framework of the sustainability, an area it attaches great importance to, and the Company's application to become a signatory of the UN Global Compact was accepted. İş Investment will continue to create value for all of its stakeholders through a healthy and sustainable growth strategy with its strong partnership structure, corporate culture, business model and technological infrastructure in the coming period. I would like to take this opportunity to thank all of our stakeholders who have supported us in reaching our distinguished position.

Respectfully,

Mr. Kenan Ayvaci

İş Investment
CEO and Board Member

KEY FINANCIAL INDICATORS

CONSOLIDATED SUMMARY BALANCE SHEET AND INCOME STATEMENT

Summary Balance Sheet (TL x1,000)	31 December 2023	31 December 2022
Assets		
Current Assets	40,525,378	58,369,136
Fixed Assets	1,468,367	1,260,118
Total Assets	41,993,745	59,629,254
Liabilities		
Short-Term Liabilities	24,440,610	46,378,647
Long-Term Liabilities	302,316	697,382
Non-Controlling Interests	1,277,935	1,067,602
Equity of the Main Shareholder	15,972,884	11,485,623
Total Liabilities	41,993,745	59,629,254

Summary Income Statement (TL x1,000)	1 January- 31 December 2023	1 January- 31 December 2022
Sales Revenues, Net	4,846,359	2,957,469
Main Operation Interest and Futures Transaction Income, Net	6,608,763	1,848,742
Service Revenues, Net	4,435,262	3,126,106
Other Revenues from Main Operations, Net	526,447	5,489,547
Gross Profit	16,416,831	13,421,864
Operating Expenses	(3,592,861)	(2,565,126)
Other Operating Revenues/(Expenses), Net	956,637	(1,612,940)
Operating Profit	13,780,607	9,243,798
Shares in the Profit/(Loss) of Investments Valued by Equity Method	72,272	83,087
Financial Income/(Expenses), Net	544,657	231,096
Net Monetary Position Gains (Losses)	(5,137,384)	(3,196,482)
Profit/Loss Before Tax from Continuing Operations	9,260,152	6,361,499
Tax Expense	(3,478,865)	(1,674,272)
Profit/Loss for the Period	5,781,287	4,687,227
Non-Controlling Shares	241,525	124,585
Net Profit for the Period (Main Shareholder Shares)	5,539,762	4,562,642
Earnings Per Share from Continuing Operations (TL)	3.6932	3.0418

Our company's financial statements and footnotes can be accessed at www.isyatirim.com.tr.

Financial Ratios (Consolidated)	31 December 2023	31 December 2022
Current Assets/Short-Term Liabilities	1.66	1.26
Total Liabilities/Total Equity	1.43	3.75

KEY DEVELOPMENTS IN 2023

- Our Equity Market transaction volume increased by 128% YoY.
- Our Turkish Derivatives Market (VIOP) transaction volume increased by 52% YoY.
- Equity loans recorded 64% growth when compared to the end of 2022.
- The Company was the consortium leader in 2 public offerings and a consortium member in 36 public offerings.
- Three Mergers & Acquisitions transactions, in which the Company served as an advisor, were successfully completed.
- The Company mediated in 90 private sector debt instrument issuances with a nominal size of TL 52.5 billion.
- The Company continued issuances of warrants and market making activities within this scope and maintained its leading position in the warrant market with a market share of 71%.
- The research department's model portfolio outperformed the BIST 100 index by 28%.
- ISMEN shares provided investors with a return of 118%, 3.3 times the return provided by the BIST 100 index.
- The Company's long-term national credit rating was confirmed as AAA by SAHA Rating.
- The volume of the portfolio managed by the group increased by 98% YoY to TL 337.6 billion.
- The sales network continued to expand with the addition of five new branches.
- The number of employees increased to 582.
- Women accounted for 52% of those joining the Company in 2023, with 47% of the Company's total employees being women.
- The Company became a signatory of the UN Global Compact and a member of the Global Compact Signatories Association (Global Compact Türkiye Network).
- The activities carried out contributed to 12 UN Sustainable Development Goals.
- A total of 14,313 hours of training were provided to employees, of which 3,457 hours were provided over digital platforms, with total training of 25 hours per person.
- A total of 1,032 hours of training was provided to employees on occupational health and safety issues.
- Total greenhouse gas emissions in Scope 1, Scope 2 and Scope 3 decreased by 10% compared to 2022 and by 61% compared to 2019, which is considered as the reference year before the pandemic.
- "Sustainability and Decarbonization Awareness" training was provided to employees.
- Thanks to the waste collected in the project carried out in cooperation with the Istanbul Technical University Zero Waste Club in line with the principle of "Environmental Restoration/Cleaning", greenhouse gas emissions equivalent to 51.92 kg of CO₂e were prevented, supporting the Company's efforts to protect nature.
- The savings achieved in paper consumption by sending 99% of account statements digitally prevented a total of 301 kg of CO₂e in carbon emissions, with 294 kg CO₂e of this being due to the use of paper and 7 kg of CO₂e due to post-use waste generation.
- The Company's YouTube channel reached a total of 182,234 subscribers with the addition of 32,926 new subscribers throughout the year. The X (Twitter) account gained 36,131 new followers during the reporting period, reaching a total of 375,619 followers.
- With the inclusion of five more universities, the number of universities supported by the TradeMaster Campus project increased to 50.
- With significant improvements achieved in digital transaction platforms, investors were able to carry out all of their domestic and international transactions through a single channel.
- The Company's wholly owned subsidiary, Levent Varlık Kiralama A.Ş., was established.

AWARDS

ETİKA AWARD

İş Investment won this award for the ninth time within the scope of ETİKA Türkiye Ethics Awards, where the Association of Ethical Values Centre evaluates companies which attach importance to ethical values.

THE ADMIRER COMPANIES SURVEY BY CAPITAL

İş Investment won first prize in the “Brokerage Institutions Sector” category in Capital Magazine’s “Most Admired Companies in the Business World” survey for the 14th time.

THE TCMA - PRIVATE SECTOR BOND ISSUANCE

İş Investment won the “Private Sector Debt Instrument Issuance Brokerage Leader 2022” award in the “Corporate Financing Transactions Category” at the Turkish Capital Markets Association’s Golden Bull Awards.

İS INVESTMENT AT A GLANCE

İş Investment was established by Türkiye İş Bankası A.Ş. in 1996. In addition to providing traditional trading brokerage services, İş Investment also offers corporate finance, investment advisory, portfolio management, market making and liquidity provider services to domestic and foreign individual and corporate investors.

İş Investment is a brokerage firm operating in the Turkish capital markets a wide corporate and individual customer. The Company has a total of 30 branches throughout Türkiye, 12 of which are in Istanbul (Ataşehir, Bağdat Caddesi, Bahçeşehir, Beylikdüzü, Güneşli, Kalamış, Levent, Maltepe, Maslak, Nişantaşı, Taksim and Yeşilyurt), three in Ankara (Ankara, Anadolu and Başkent) and three in İzmir (İzmir, Ege and 9 Eylül), in addition to branches in Adana, Antalya, Bodrum, Bursa, Denizli, Diyarbakır, Eskişehir, Gaziantep, Kayseri, Mersin, Samsun and Trabzon.

Contributing to the capital markets and the Turkish economy with its activities, İş Investment works to turn the flow of time into value by constantly monitoring changing risks, opportunities and rapid development of technology with its identity as a pioneer and a leader.

İş Investment has been a pioneer in the sector with its experience going back more than a quarter of a century, an identity reinforced by its many “firsts” including leading the first foreign company offering on the Borsa Istanbul, being the first brokerage firm to issue its own debt instruments with the commercial bills it offered to the public, mediating in the first TL-denominated domestic private sector lease certificate (sukuk) public offering, and being Borsa Istanbul’s first liquidity provider.

İş Investment’s shares have been trading on the stock exchange under the ISMEN ticker since May 2007. It is currently the only brokerage firm trading in the BIST Sustainability Index, commanding a long-term national credit rating of AAA and a short-term national credit rating of A1+ as determined by SAHA Rating, with a stable outlook for both ratings.

[Click here for detailed information](#) about İş Investment and its activities.

Vision

To be the most preferred, leading and reliable investment institution in Türkiye and the region.

Mission

- To offer all kinds of investment banking services under one roof.
- To produce qualified information, create information-based strategies and create value.
- To be innovative in product and service development.
- To lead the development of the capital markets.
- To monitor technological developments and apply them to its activities.
- To achieve customer satisfaction.
- To increase the value created for stakeholders.

Corporate Values

Being Customer Focused: To be close to our customers, to carry out accurate risk-reward analysis in line with customer expectations and to provide the required and desired quality of service to expand our customers' assets in line with this analysis.

Being Market Oriented: To be able to generate the highest possible added value for our investors and our Company in line with developments, by monitoring the domestic and international capital markets in real time.

Dynamism and Innovation: To always seek the better and the new with inexhaustible energy for the continuous improvement of our values, services and products with specialized and competent human resources in a manner most appropriate to market conditions and by being true to our Company policies.

Confidentiality: To comply with the principles of confidentiality within the scope of the laws, our Company's policies and our ethical values in matters associated with inside information, which may compromise the security of our customers' identities and transactions, as well as the value of our shares.

Reputation: To continue to represent the sense of trust and success synonymous with the "İş" brand that we represent proudly in the capital markets.

Valuing Employees: To ensure the continuous training and development of our expert personnel, who we have recruited in accordance with our values with an understanding of corporate social responsibility. To implement a human resources policy within the scope of a relax, safe and specific career plan, by providing equal rights to those who under equal conditions, regardless of religion, language, race and gender.

Teamwork: To increase efficiency to the highest possible level by creating synergies with the understanding of cooperation and division of labor, and with effective sharing and solidarity skills.

Adherence to Laws, Principles of Corporate Governance and Ethical Values: To be able to realize the best international practice in compliance with the principles of corporate governance through transparent management and an effective risk management and internal control mechanism in order to sustain the success of our operational and financial performance in accordance with the law and our ethical values.

Perfectionism: Being aware that the more you strive for perfection, the better you will become.

Objectivity and Impartiality: To ensure that relations with customers are managed without allowing any conflict of interest in the performance of the capital market activities, that our shareholders are informed accurately, wholly and on time, and that our commentary on the markets is provided with an objective understanding.

Social Responsibility: While seeking to fulfil our goals of growth and profit, to undertake the greatest effort to provide maximum benefit to our employees, the environment and other internal and external elements.

İŞ INVESTMENT'S SHAREHOLDER STRUCTURE

Issued Capital¹ : TL 1,500,000,000

Registered Capital Ceiling : TL 3,000,000,000

Shareholder's Structure (31 December 2023- Public Disclosure Platform)

Trade Name of Shareholder	Share in the Capital (TL)	Share in the Capital /Voting Right (%)
Türkiye İş Bankası A.Ş.*	986,169,367.44	65.74
Other	513,830,632.56	34.26
Total	1,500,000,000	100.00

* The shareholder's structure of Türkiye İş Bankası A.Ş. can be accessed on the website www.isbank.com.tr.

No real person is an ultimate controlling shareholder at İş Investment.

Information regarding Shares Representing the Capital*

Group	Name / Bearer	Total Nominal Value (TL)	Ratio in the Capital (%)	Privilege Type	Listing on the Stock Exchange
A	Name	150,000**	0.01	Six (6) members of the Board of Directors are elected from among the candidates who will be nominated by a majority of Group A shares.	Not listed.
B	Bearer	1,499,850,000	99.99	None.	438,234,921 shares are traded on the stock exchange with a float rate of 29.2%.
Total		1,500,000,000	100.00		

* Figures are provided by the Central Registry Agency (Merkezi Kayıt Kuruluşu) dated 31 December 2023.

**New Group A shares may not be created in capital increases.

Capital Market Instruments Traded on the Stock Exchange

Type of Capital Market Instrument	First date of Trading	Markets and Indices it is Traded on during the Current Period
Shares	18 May 2007	Equity Market- BIST Financials / BIST Star / BIST 100 / BIST 100-30 / BIST Dividend / BIST Dividend 25 / BIST Sustainability / BIST All Shares / BIST Brokerage Houses
Debt Instruments	16 April 2012	Debt Securities Market - Outright Purchase and Sale Market / Issuance Market to Qualified Investors
Investment Firm Warrants	1 November 2010	Equity Market - Structured Products and Fund Market

¹ In line with the decision taken by the General Assembly on 23 March 2023 to increase the issued capital by TL 1,145,000,000 from TL 355,000,000 to TL 1,500,000,000, to be added from the profit of 2022, a total of TL 1,145,000,000 was transferred to the paid in capital account. An application was submitted to the Capital Markets Board on 24 May 2023. Based on the Board's approval dated 13 July 2023, the capital increase was registered on 25 July 2023 and the process was completed.

THE İŞBANK GROUP

İşbank will celebrate its centenary in 2024. The bank is a leading financial institution in its sector with its strong financial structure and its vision of developing innovative products, services and applications in line with the banking expectations of the future.

İşbank is Türkiye's largest private bank with total assets of TL 2,453,783 million as of the end of 2023. It is also among the most respected institutions in the banking sector with the products and services it offers in the fields of corporate, commercial, SME, individual and private banking.

İşbank serves its customers from its Head Office located in Istanbul, the Technology and Operations Centre (TUTOM), the Atlas Data Centre, the Ankara Operations Centre (ATOM) and its 1,066 branches located throughout the country as of the end of the year.

As of the end of 2023, İşbank was carrying out its cross-border banking activities in 11 countries with 22 foreign branches, 3 bank subsidiaries and 2 representative offices.

Detailed information about İşbank is provided in the Current [Investor Presentation](#) and [Annual Report](#).

CORPORATE GOVERNANCE AT İŞ INVESTMENT

İş Investment is a public company whose shares traded on the Borsa Istanbul under the ISMEN ticker.

İş Investment adopted the Corporate Governance Principles published by the CMB in 2003.

In 2023, the Company fully complied with all mandatory principles according to the current Corporate Governance Communiqué and complied with the majority of non-mandatory principles.

THE BOARD OF DIRECTORS AT İŞ INVESTMENT

The Board of Directors consists of members elected by the General Assembly in accordance with the Turkish Commercial Code and the Capital Market legislation. The number and qualifications of independent members who will serve on the Board of Directors are determined in accordance with the CMB's corporate governance regulations.

In accordance with the Articles of Association, the Company is represented and managed by the Board of Directors, which consists of nine members. Members of the Board of Directors serve a term of office not exceeding one year. Members of the Board of Directors whose tenure has expired may be re-elected as Members of the Board of Directors. However, independent members are restricted from serving on the Board of Directors for more than six years in the last ten years, in accordance with the capital markets legislation.

The Board of Directors carries out its activities in a transparent, accountable, fair and responsible manner. Shareholders and stakeholders are informed of the distribution of duties among the Members of the Board of Directors through the PDP, our annual reports and our Company's website.

The Board of Directors plays a leading role in maintaining effective communication between the Company and its shareholders and in eliminating and resolving any disputes that may arise. For this purpose, it coordinates Investor Relations and Sustainability activities through the Corporate Governance Committee.

During the reporting period, the Board of Directors consisted of a total of nine members, three of whom were independent. In accordance with corporate governance regulations, three committees are active within the Board of Directors at İş Investment; the Corporate Governance Committee, the Audit Committee and the Risk Committee.

Within the framework of the CMB's Corporate Governance Communiqué, the Corporate Governance Committee holds the authority, duty and responsibility to fulfil the duties stipulated for the Nomination Committee and Remuneration Committee. The areas of duty, working principles and members of the committees were determined by the Board of Directors, and announced on İş Investment website.

Members of the Board of Directors were elected at the Annual General Meeting dated 23 March 2023 to serve until the next Annual General Meeting.

Board Member Mr. Kenan Ayvaci also serves as the CEO and is the head of execution. The Articles of Association stipulates that the CEO may not also be the Chairperson of the Board of Directors. No executive members serve on the Board of Directors other than Mr. Kenan Ayvaci.

The qualifications that Independent Board Members must hold are determined in the Corporate Governance Communiqué. Independence declarations of İŞ Investment Independent Board Members are included in the annual reports.

During the reporting period, two women served on the Board of Directors, a ratio of 22% of the total members.

All of our Board members hold higher education qualifications and have experience in their fields.

Operational Principles of the Board of Directors

The Board of Directors at İŞ Investment normally convenes at least once a month. It may also meet more frequently when necessary. The agenda of the meeting is determined according to the recommendation of the CEO and the approval of the Chairperson of the Board of Directors.

The Board of Directors convened 11 times in 2023, with the average participation of 95% among Board Members in the meetings.

A Deputy Chief Executive was appointed as a “Rapporteur” to inform and communicate with the members of the Board of Directors.

Members of the Board of Directors were not granted weighted voting rights and positive or negative veto rights during the meeting.

There have been no decisions and transactions that were submitted to the General Assembly or that will be disclosed to the public due to related parties or significant transactions. Moreover, no measures were taken or avoided during the period for the benefit of the parent company or a company affiliated with it. Disclosures regarding the transactions carried out with related parties during the period are presented in detail in the footnotes of the financial statements disclosed to the public.

The Working Principles of the Board of Directors and Committees, which include information such as meeting and decision quorums, are published in the Investor Relations/Corporate Governance/ Corporate Policies sections of our website. Members of the Board of Directors hold group insurance regarding any damages they may cause to the Company arising from any of their faults during the course of their duties.

Management's Discussion and Analysis of Financial Condition and Results of Operations Overview For the Year 2023

Strategic goals prepared by the Executive Board for Investment's operations are submitted to the Board of Directors in the form of a report. In addition to macroeconomic evaluations, the report also includes information and expectations pertaining to national and international markets. Strategic goals determined within the framework of this information and expectations are approved by the Board of Directors after discussing the previous period's performance and by conducting the necessary evaluations.

Despite the variability in global and regional conditions, with its strategic management approach based on variation in activity and revenue structure, correct planning, operational efficiency, risk management and ESG (environmental, social and governance) achievements, İş Investment's consolidated net profit recorded 21% real growth in 2023 based on its financial statements with inflation accounting applied.

The Board of Directors deemed that the Committees had worked efficiently in accordance with their job descriptions.

Financial Rights provided to the Board

The Articles of Association stipulates that the monthly Remunerations, premiums, bonuses and attendance fees of the members of the Board of Directors will be determined by the General Assembly.

During the Annual General Meeting of İş Investment held on 23 March 2023, the decision was taken to provide a gross monthly attendance fee of TL 60,000 to the Members of the Board of Directors.

The minutes of the Annual General Meeting were disclosed to the public both through the material event disclosure and the Company's website. A performance based reward system is not applied in determining the financial rights of Board Members.

The total sum of benefits such as allowances, travel, accommodation and representation expenses, cash, insurance and similar benefits provided to Members of the Board of Directors and Senior Managers stood at TL 150.7 million, a consolidated figure adjusted for inflation, in 2023.

There were no transactions such as lending, granting loans or guarantees in favor between İş Investment and the members of the Board of Directors and the managers.

Prohibition of Dealing and Competing with the Company

The right of Board Members to assume other duties outside İş Investment is subject to general provisions. However, the Articles of Association stipulates that Members of the Board of Directors may not obtain permission from the General Assembly for exemption from the ban on dealing with İş Investment and competing with the Company.

Number, Structure and Independence of the Committees Established in the Board of Directors

The Articles of Association stipulates that committees and units deemed necessary and appropriate in accordance with legislation may be established in order to ensure that the duties and responsibilities of the Board of Directors are fulfilled correctly. The Articles of Association also stipulates that the CMB Corporate Governance Principles are taken into account in the establishment of such committees and units.

At İş Investment, the Audit Committee, Corporate Governance Committee and Risk Committee function within the scope of Corporate Governance Principles. All members of the Audit Committee and presidents of the Corporate Governance Committee and the Risk Committee are independent members. Committee memberships also end when the Board Membership ends. The tenure of Committee Membership is limited to the tenure of the Board Membership.

Audit Committee	Corporate Governance Committee	Early Detection of Risk Committee
Prof. Dr. Ali Hakan Kara-Chair	İzzet Selim Yenel-Chair	Hasan Emre Aydın-Chair
Hasan Emre Aydın-Member	Dr. Cansel Nuray Aksoy-Member	Dr. Cansel Nuray Aksoy-Member
İzzet Selim Yenel-Member	Fatih Mehmet Yılmaz-Member	-

The Audit Committee convenes at least four times a year and at least once every three months. The results of the committee meetings are recorded in minutes and submitted to the Board of Directors. The committee convened 11 times in 2023. The Audit Committee evaluates issues and processes related to internal control every month. It did not detect any extraordinary situations in 2023.

The Corporate Governance Committee also assumes the responsibilities of the Nomination Committee and the Remuneration Committee. The committee convenes at least four times a year, and at least once every three months. The results of committee meetings are recorded in minutes and submitted to the Board of Directors. The committee convened seven times in 2023.

The Corporate Governance Committee, which also assumed the responsibilities of the Nomination Committee, submitted the Candidate Evaluation Report for Independent Members, to the Board of Directors during the reporting period.

The Risk Committee convenes at least four times a year, and at least once every three months. Committee meeting results are recorded in minutes and presented to the Board of Directors. The committee convened 11 times in 2023.

Other committees, organized under a chairpersonship of a responsible Board Member determined by the decision of the Board of Directors, meet whenever necessary.

Committees may benefit from the opinions of independent expert with the approval of the Board of Directors on matters that require expertise and when needed regarding their activities. The Company covers the cost of the consultancy services required by the committees.

The duties and responsibilities of the committees and their working procedures and principles are disclosed to the public on the PDP and in the Investor Relations/Corporate Governance/Corporate Policies section of our website. The Articles of Association state that the decision-making process regarding important transactions defined in the CMB Corporate Governance Principles and related party issues will be carried out in accordance with the CMB's corporate governance regulations.

Detailed information regarding İş Investment's Board of Directors and Senior Management during the reporting period are included in the following section.

İŞ INVESTMENT'S BOARD MEMBERS COMPETENCY TABLE FOR 2023

Name-Surname	Duty	Gender	Occupation	Duties Assumed in the Last 5 Years	Independent or non-independent Member	Committees and Duties	Number of Meetings Attended / Number of Meetings Held
Hasan Cahit Çınar	Chairperson	Male	Finance Sector Professional	Chairperson	Non-independent member	-	11/11
Ertuğrul Bozgedik	Vice Chairperson	Male	Finance Sector Professional	Member of the Board	Non-independent member	-	10/11
Kenan Ayvacı¹	Member of the Board and CEO	Male	Finance Sector Professional	Deputy CEO and CEO	Non-independent member	-	-/-
Buğra Avcı²	Member of the Board	Male	Finance Sector Professional	Member of the Board	Non-independent member	-	6/6
Tuba Tepret	Member of the Board	Female	Finance Sector Professional	Member of the Board	Non-independent member	-	11/11
Hasan Emre Aydın	Member of the Board	Male	Finance Sector Professional	Member of the Board	Independent member	Chair of the Risk Committee and Member of the Audit Committee	11/11
Prof. Dr. Ali Hakan Kara	Member of the Board	Male	Academic	Member of the Board	Independent member	Chair of the Audit Committee	11/11
İzzet Selim Yenel	Member of the Board	Male	Ambassador (R)	Member of the Board	Independent member	Chair of the Corporate Governance Committee and Member of the Audit Committee	11/11
Dr. Cansel Nuray Aksoy	Member of the Board	Female	Finance Sector Professional	Member of the Board	Non-independent member	Member of the Corporate Governance Committee and Member of the Risk Committee	11/11
<i>Hilmi Selçuk Çepni³</i>	<i>Previous Member of the Board</i>	<i>Male</i>	<i>Finance Sector Professional</i>	<i>Member of the Board</i>	<i>Non-independent member</i>	-	<i>3/5</i>
<i>Rıza İhsan Kutlusoy⁴</i>	<i>Previous Member of the Board</i>	<i>Male</i>	<i>Finance Sector Professional</i>	<i>Member of the Board and CEO</i>	<i>Non-independent member</i>	-	<i>11/11</i>

¹ Mr. Kenan Ayvacı was appointed as a Board Member by our Board of Directors on 1 February 2024, which will be submitted to the approval of the first General Meeting to be held in accordance with Article 363 of the Turkish Commercial Code.

² Mr. Buğra Avcı attended all six Board meetings held following his appointment as a Board Member on 26 May 2023, which will be submitted to the approval of the first General Meeting to be held by our Board of Directors in accordance with Article 363 of the Turkish Commercial Code.

³ Mr. Hilmi Selçuk Çepni resigned from the Board of Directors on 26 May 2023. Until this date, he attended three of the five Board of Directors meetings held in 2023.

⁴ Mr. Rıza İhsan Kutlusoy resigned from all his duties due to retirement with effect from 31 January 2024. He attended all 11 Board of Directors meetings held in 2023.

CURRICULUM VITAE OF THE BOARD MEMBERS

Hasan Cahit Çınar Chairperson

Mr. H. Cahit Çınar graduated from International Relations Department of Ankara University, Faculty of Political Sciences in 1988. He attended Munich Ludwig-Maximilians University between 1989-1990. Mr. Çınar began his career at İşbank as Assistant Specialist at Economic Research Division in 1991 and joined the Board of Inspectors as Assistant Inspector in 1992. Appointed to the Commercial Loans Division in 2001 as Assistant Manager, Mr. Çınar was assigned as the Regional Manager of Commercial Loans Division in 2007, Head of Commercial Loans Underwriting Division in 2010 and Manager of Güneşli Corporate Branch in 2013. He was appointed as Chief Executive Officer at İşbank AG on 25 March 2016. Mr. Çınar had served as Deputy Chief Executive of İşbank between October 5, 2018 and December 27, 2023. He was elected to the Board of Directors of İş Investment on September 21, 2021 and assumed the position of Chairperson of the Board from this date. Mr. Çınar is also Chairperson of Maxi Digital GmbH, İş Enerji Yatırımları A.Ş., Türkiye İş Bankası Banka ve Ticaret Hukuku Araştırma Enstitüsü and Vice Chairperson of Türkiye Şişe ve Cam Fabrikaları A.Ş., Isbank AG, Trakya Yatırım Holding A.Ş. and Polat Enerji Yatırımları A.Ş. while being Board Member of Is Energy Investments and Mimas SolarPark KFT.



Ertuğrul Bozgedik Deputy Chairperson of the Board of Directors

Mr. Ertuğrul Bozgedik graduated from Ankara University, Faculty of Political Science, Department of Economics. He began his career as an Assistant Inspector on the Board of Inspectors at İşbank in 1986. He was appointed as Assistant Manager in II. Loans Department in 1995, Regional Manager at I. Loans Department in 1999, Regional Manager in NonPerforming Loans Department in 2002 and Head of Corporate Loans Department in 2004. Mr. Bozgedik was promoted to Chair of the Board of Inspectors in 2008 and to the post of Deputy Chief Executive in 2011. Mr. Bozgedik, who was elected as a member of İşbank's Board of Directors on 31 March 2017 and as the Vice-Chairperson of the Board on 1 April 2019, served till 31 March 2020. Mr. Bozgedik was appointed to the Board of Directors of İş Investment as of June 29, 2020.



Kenan Ayvacı Member of the Board of Directors and CEO

Mr. Kenan Ayvacı graduated with a degree in Business Administration from the Faculty of Administrative Sciences at the Middle East Technical University in 1997. He joined İşbank as an Assistant Inspector on the Board of Inspectors in 1998 and was appointed as the Assistant Manager of the Capital Markets Division in 2006. He completed a graduate master degree at Galatasaray University and was appointed as a Unit Manager in 2010. Mr. Ayvacı became the Head of Capital Markets Division in 2016 and since June in the same year he had also been a member of the Board of Directors of İş Investment for three-year time. Mr. Ayvacı, who had been appointed as Deputy Chief Executive Officer in May 2019 and continued his role with various responsibilities until January 2024, was assigned as Board Member and Chief Executive Officer as of February 1, 2024. Mr. Ayvacı is also the Chairperson of Maxis Girişim Sermayesi Portföy Yönetimi A.Ş. and Maxis Investments Ltd.





Tuba Tepret
Member of the Board

Ms. Tuba Tepret graduated from the Department of Computer Technology and Information Systems at Bilkent University and completed her second degree at the Faculty of Economics in Anadolu University. Starting her career at İş Bank in 1993 at the Yenicami Branch, Ms. Tepret became the Unit Manager in the Private Banking Marketing and Sales Department in 2011, the Istanbul Private Banking Branch Manager in 2017, and the Head of Private Banking Marketing and Sales Department in 2019. Ms. Tepret has been a Member of the Board of Directors of İş Investment since July 3, 2019.



Dr. Cansel Nuray Aksoy
Member of the Board

Ms. Cansel Nuray Aksoy, who completed her undergraduate and graduate studies at Gazi University, Department of Business Administration, completed her undergraduate studies at Istanbul Commerce University Finance Institute in 2018. She joined İşbank in 1999 in Corporate and Commercial Branches' Marketing and Foreign Exchange departments and continued with Internal Department Branch audits, Human Resources Department Business Processes and Analysis, Recruitment and Orientation Training and HR transformation programs. In 2012, Ms. Aksoy was appointed Deputy Manager and became as the Unit Manager in İşbank's Subsidiaries Department. She has been appointed as the Member of the Board of Directors of İş Investment on September 2, 2022 where she has been serving as a member of the Corporate Governance Committee and Early Detection of Risk Committee. Ms. Aksoy is also Member of the Board of Directors of İş Yatırım Ortaklığı A.Ş., İş Girişim Sermayesi Yatırım Ortaklığı A.Ş., Efes Varlık Yönetim A.Ş., Yatırım Finansman Menkul Değerler A.Ş., Batı Karadeniz Elektrik Dağıtım ve Ticaret A.Ş., Maxis Girişim Sermayesi Portföy Yönetimi A.Ş., Yüzüncü Yıl Teknoloji Girişimleri A.Ş. and Levent Varlık Kiralama A.Ş.

Hasan Emre Aydın
Member of the Board - Independent Member

Having graduated with a BA degree in economics from Middle East Technical University, Mr. Hasan Emre Aydın completed an MBA and a degree in International Trade from the Southern New Hampshire University. He began his banking career at Soci t  Generale SA at Corporate Credit and Marketing Division in 1992. He then assumed various positions for corporate and financial institutions in the marketing, foreign trade, cash management, e-banking and investment banking lines at Citibank NA, ABN AMRO NV and the Royal Bank of Scotland PLC. He held a position of Deputy General Manager as well as Board memberships, with responsibilities for the Eastern Europe, Middle East, and Africa regions. He implemented a number of projects which were recognized with a number of international awards, including the long-term financing of banks, by using the method of deriving Asset-Backed Securities collateralized by credit cards debt, letter of credits based on foreign sales of companies, receivables and commodity stocks, optimization of technology and banking services to increase the efficiency of cash flows of globally operating Turkish companies, digitalization of corporate banking services and entered cooperation with a number of international technology platforms to provide SMEs with access early collection opportunities. He served as the CEO of Ubiq and Dataplan, which had operations in US and UK based supply chains, and receivable financing since 2015. In 2019, he joined Faturalab and Elsan Elektrik Companies, family companies, as a member of the Board of Directors, providing companies with working capital optimization and easy access to finance and also became a Board Member of Levent Varlık Kiralama A.Ş. On 20 March 2020, Mr. Aydın was appointed to the Independent Board of Directors of İř Investment where he also serves as the Chair of the Risk Committee and as a member of Audit Committee.



Prof. Dr. Ali Hakan Kara
Member of the Board - Independent Member

Having graduated with a Bachelor degree in Electrical and Electronics Engineering from Middle East Technical University, Ali Hakan Kara completed his MA degree in Economics at Bilkent University and Ph.D. degree in Economics at New York University. He began his career at Central Bank of Republic of Turkey (CBRT) in 2002. After holding various managerial positions at the CBRT since 2003 he became General Manager of Research and Monetary Policy between 2008-2012 and Chief Economist between 2012-2019. He played a leading role in the analysis, design, and implementation of monetary and macroprudential policies in Turkey in the called period. Then he became Assistant Professor in Economics in 2012. He gave lectures at New York University and Middle East Technical University while invited to numerous academic conferences, panels and international conferences as lecturer. His research works deal with Turkish Economy and Monetary Policy published by many reviews and books which referred by more than 2.000 researchs. He served as an editor of Central Bank Review and a member of the management committee of the International Journal of Central Banking and member of the board of trustee of ODT  Parlar Vakfı. Ali Hakan Kara, who had joined Bilkent University as Professor of Monetary Policy and Financial Markets Practice at Department of Economics in February 2020, teaching on Monetary Economics, Turkish Economy and Financial Markets. Mr.Kara was elected to the Board of Directors of İř Investment as an Independent Board Member in March 20, 2020 where he has been serving as Chair of the Audit Committee.





İzzet Selim Yenel
Member of the Board - Independent Member

İzzet Selim Yenel was born in İstanbul in 1956 and he entered the Ministry of Foreign Affairs (MFA) in 1979. His first posting was to represent the Turkish Delegation to the OECD in Paris between 1981 and 1984. After serving at the Turkish Embassy in Kabul, Türkiye, he returned to the Ministry of Foreign Affairs and was appointed to the United Nations delegation to represent Türkiye in New York (1988-1992). Mr. Yenel, who served in Türkiye's delegation to the European Union in Brussels between 1994 and 1999, returned to Ankara and dealt with EU issues until the beginning of Türkiye's accession process (1999-2005). Subsequently, in December 2005, he was posted to Vienna as an Ambassador until October 2009 when he returned to Ankara as Deputy Under-Secretary for Bilateral Political Affairs and Public Diplomacy. Between December 2011 and January 2017, he was posted as an Ambassador and Permanent Delegate of Türkiye to the European Union. Upon his return to Ankara, he became the Undersecretary at the Ministry of EU Affairs until July 2018 when the Ministry for EU affairs merged with the Foreign Ministry. In 2019 he was appointed as First Deputy Secretary General at the Black Sea Economic Cooperation (BSEC) Organization. In January 2020 he became President of Global Relations Forum. Mr. Yenel, the writer of a sciencefiction book which is titled "Uzaklardaki Cinayet" and "Avrupa Birliği'nin Türkiye Sınavı" which is recently published in December 2022, was appointed to the Board of Directors of İş Investment as an Independent Member on March 20, 2020 where he also serves as the Chair of the Corporate Governance Committee and as a member of the Audit Committee.



Buğra Avcı
Member of the Board

Mr. Buğra Avcı graduated from the Department of Business Administration at Bilkent University. He joined İşbank as credit specialist in 1998 and continued his career in Retail and Corporate Banking departments between 2000 and 2007. Mr. Avcı was appointed as Assistant Manager at Corporate Banking Product department in 2007 and became Manager at Corporate and Commercial Banking Pricing department in 2011. Having been assigned as Commercial Banking Product Manager in 2015, he was appointed as Gebze Corporate Branch Manager in 2019 and Kozyatağı Corporate Branch Manager in 2023. Mr. Buğra Avcı has been the Member of the Board of Directors of İş Investment since May 26, 2023. Mr. Avcı is also the Board Member of Moka Ödeme ve Elektronik Para Kuruluşu A.Ş.

DECLARATIONS OF INDEPENDENCE BY THE MEMBERS OF THE BOARD

Declaration of Independence

İŞ YATIRIM MENKUL DEĞERLER A.Ş.

TO THE BOARD OF DIRECTORS,

Due to my candidacy for Independent Board Membership at the Annual General Meeting of İş Yatırım Menkul Değerler A.Ş. ("the Company") to be held on 23 March 2023,

I declare that

- In the last five years, I have not been in an employment relationship in a managerial position that would assume significant duties and responsibilities, I have not held 5% or more of the capital or voting rights or privileged shares jointly or individually, and that no significant commercial relationship has been established between the Company or the partnerships over which the Company has management control or significant influence, the partners who have management control of the Company or have significant influence over the Company and the legal entities over which these partners have management control, and myself, my spouse and my blood relatives up to the second degree, and my relatives by marriage;
- In the last five years, I have not been a shareholder with 5% or more of the shares and I have not been an employee in a managerial position or a member of the board of directors, who will undertake important duties and responsibilities, in the companies from which the Company has purchased or sold a significant amount of services or products within the framework of agreements, especially in the firms that audit, rate and advice the Company, in the periods when services or products are purchased or sold,
- I possess the professional education, knowledge and experience to properly fulfil the duties I will undertake as an Independent Board Member,
- If I am elected as an Independent Board Member, I will not work on a full-time basis in public institutions and organizations during my tenure of office, except as a university faculty member,
- I am considered to be a resident in Türkiye according to the Income Tax Law,
- I possess the strong ethical standards, professional reputation and experience required to provide a positive contribution to the Company's activities, to maintain my impartiality in conflicts of interest between the Company and its shareholders and to make decisions freely by taking into account the rights of stakeholders,
- I am able to devote sufficient time to the Company affairs to monitor the functioning of the Company's activities and fully fulfil the requirements of the duties I undertake,
- I have not served on the Company's Board of Directors for more than six years during the course of the last ten years,
- I have not served as an Independent Member of the Board of Directors in more than three of the companies which are controlled by the Company or where the partners, who control the management of the Company, hold management control, and in more than five publicly traded companies in total,
- I have not been registered or announced on behalf of the legal entity elected as a Board Member.

Respectfully,

Hasan Emre Aydın

Declaration of Independence

İŞ YATIRIM MENKUL DEĞERLER A.Ş.

TO THE BOARD OF DIRECTORS,

Due to my candidacy for Independent Board Membership at the Annual General Meeting of İş Yatırım Menkul Değerler A.Ş. (“the Company”) to be held on 23 March 2023,

- In the last five years, I have not been in an employment relationship in a managerial position that would assume significant duties and responsibilities, I have not held 5% or more of the capital or voting rights or privileged shares jointly or individually, and that no significant commercial relationship has been established between the Company or the partnerships over which the Company has management control or significant influence, the partners who have management control of the Company or have significant influence over the Company and the legal entities over which these partners have management control, and myself, my spouse and my blood relatives up to the second degree, and my relatives by marriage;
- In the last five years, I have not been a shareholder with 5% or more of the shares and I have not been an employee in a managerial position or a member of the board of directors, who will undertake important duties and responsibilities, in the companies from which the Company has purchased or sold a significant amount of services or products within the framework of agreements, especially in the firms that audit, rate and advise the Company, in the periods when services or products are purchased or sold,
- I possess the professional education, knowledge and experience to properly fulfil the duties I will undertake as an Independent Board Member,
- If I am elected as an Independent Board Member, I will not work on a full-time basis in any public institution or organization during my tenure of office, except as a university faculty member,
- I am considered to be a resident in Türkiye according to the Income Tax Law,
- I possess the strong ethical standards, professional reputation and experience to provide a positive contribution to the Company's activities, to maintain my impartiality in conflicts of interest between the Company and its shareholders, and to make decisions freely by taking into account the rights of stakeholders,
- I am able to devote enough time to the Company affairs to monitor the functioning of the Company's activities and fully fulfil the requirements of the duties I undertake,
- I have not served on the Company's Board of Directors for more than six years in the last ten years,
- I have not served as an Independent Member of the Board of Directors in more than three of the companies controlled by the Company or where the partners who control the management of the Company have management control, and in more than five publicly traded companies in total,
- I have not been registered and announced on behalf of the legal entity elected as a Board Member.

Respectfully,

Prof. Dr. Ali Hakan Kara

Declaration of Independence

İŞ YATIRIM MENKUL DEĞERLER A.Ş.

TO THE BOARD OF DIRECTORS,

Due to my candidacy for Independent Board Membership at the Annual General Meeting of İş Yatırım Menkul Değerler A.Ş. ("the Company") to be held on 23 March 2023,

- In the last five years, I have not been in an employment relationship in a managerial position that would assume significant duties and responsibilities, I have not held 5% or more of the capital or voting rights or privileged shares jointly or individually, and that no significant commercial relationship has been established between the Company or the partnerships over which the Company has management control or significant influence, the partners who have management control of the Company or have significant influence over the Company and the legal entities over which these partners have management control, and myself, my spouse and my blood relatives up to the second degree, and my relatives by marriage;
- In the last five years, I have not been a shareholder with 5% or more of the shares and I have not been an employee in a managerial position or a member of the board of directors, who will undertake important duties and responsibilities, in the companies from which the Company has purchased or sold a significant amount of services or products within the framework of agreements, especially in the firms that audit, rate and advise the Company, in the periods when services or products are purchased or sold,
- I possess the professional education, knowledge and experience to properly fulfil the duties I will undertake as an Independent Board Member,
- If I am elected as an Independent Board Member, I will not work on a full-time basis in public institutions or organizations during my tenure of office, except as a university faculty member,
- I am considered to be a resident in Türkiye according to the Income Tax Law,
- I possess the strong ethical standards, a professional reputation and experience to provide a positive contributions to the Company's activities, to maintain my impartiality in conflicts of interest between the Company and its shareholders and to reach decisions freely by taking into account the rights of stakeholders,
- I am able to devote sufficient time to the Company affairs to monitor the functioning of the Company's activities and fully fulfil the requirements of the duties I undertake,
- I have not served on the Company's Board of Directors for more than six years within the last ten years,
- I have not served as an Independent Member of the Board of Directors in more than three of the companies which are controlled by the Company or where the partners who control the management of the Company have management control, and in more than five publicly traded companies in total,
- I have not been registered and announced on behalf of the legal entity elected as a Board Member.

Respectfully,

İzzet Selim Yenel

THE İŞ INVESTMENT EXECUTIVE BOARD

Executive Board

Name Surname	Position	Profession	Duties Assumed in the Partnership in the last 5 years	Current Duties Assumed Outside the Partnership
Kenan Aycacı	Member of the Board and CEO	Finance Sector Professional	Deputy CEO, CEO	Chairperson of the Board of Directors at Maxis Girişim Sermayesi Portföy Yönetimi A.Ş. and Maxis Investments Ltd.
Murat Kural	Deputy CEO	Finance Sector Professional	Deputy CEO	Member of the Board of Directors at Maxis Investments Ltd.
Özgür İlke Yerlikaya	Deputy CEO	Finance Sector Professional	Deputy CEO	-
Fatih Mehmet Yılmaz	Deputy CEO	Finance Sector Professional	Director, Deputy CEO	Member of the Board of Directors at Levent Varlık Kiralama A.Ş.
Serhat Devocioğlu	Deputy CEO	Finance Sector Professional	Manager, Director, Deputy CEO	-
Orhan Veli Canlı	Deputy CEO	Finance Sector Professional	Director, Deputy CEO	-
Enver İlkey Dalkılıç	Deputy CEO	Finance Sector Professional	Director, Deputy CEO	-

Mr. Kenan Aycacı was appointed as the CEO in line with the decision of our Board of Directors dated 27 October 2023, with effect from 1 February 2024.

Mr. Fatih Mehmet Yılmaz and Mr. Serhat Devocioğlu, who serve as Directors at our company, were appointed as Deputy CEOs on the basis of the decision taken by our Board of Directors dated 25 April 2023. Mr. Orhan Veli Canlı was appointed as a Deputy CEO in the decision dated 21 December 2023 and Mr. Enver İlkey Dalkılıç was appointed as a Deputy CEO in the decision dated 1 February 2024, following the legal processes. Mr. Ömer Hakan Yamaçoğuz, who had been serving as a Deputy CEO, left his position due to retirement as of 10 July 2023.

CURRICULUM VITAE OF THE MEMBERS OF THE EXECUTIVE BOARD

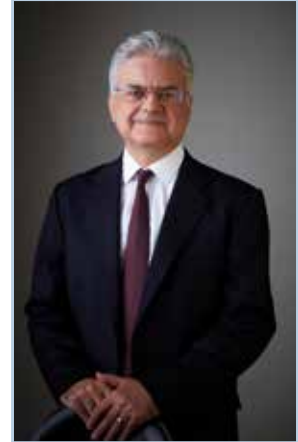
Kenan Ayvacı **Member of the Board of Directors and CEO**

Mr. Kenan Ayvacı graduated with a degree in Business Administration from the Faculty of Administrative Sciences at the Middle East Technical University in 1997. He joined İşbank as an Assistant Inspector on the Board of Inspectors in 1998 and was appointed as the Assistant Manager of the Capital Markets Division in 2006. He completed a graduate master degree at Galatasaray University and was appointed as a Unit Manager in 2010. Mr. Ayvacı became the Head of Capital Markets Division in 2016 and since June in the same year he had also been a member of the Board of Directors of İş Investment for three-year time. Mr. Ayvacı, who had been appointed as Deputy Chief Executive Officer in May 2019 and continued his role with various responsibilities until January 2024, was assigned as Board Member and Chief Executive Officer as of February 1, 2024. Mr. Ayvacı is also the Chairperson of Maxis Girişim Sermayesi Portföy Yönetimi A.Ş. and Maxis Investments Ltd.



Murat Kural **Deputy General Manager**

Mr. Murat Kural got his bachelor's degree in Electronics and Communication Engineering from İstanbul Technical University in 1987 and his master's degree from the Institute of Business Administration at Bilkent University in 1989. He started working at the Prime Ministry Privatization Administration in 1990 and held his post until 1997 when he became the President of Treasury. The same year he transferred to the World Bank in the capacity of an advisor. In 1999, he joined İş Investment as the Corporate Finance Manager. Since 2002, he has been serving as Deputy Chief Executive Officer responsible for Corporate Finance. Mr. Kural is also the Board Member of Maxis Investments Ltd.





Özgür İlke Yerlikaya
Deputy General Manager

Graduated from the Department of Business Administration in 1997 and completed a Master's degree from the Accounting and Finance Department of the Dokuz Eylül University in 1999. He started his professional career as an Investment Specialist in İzmir in 2000 and served as various managerial positions till 2011. He joined İş Investment as İzmir Branch Manager in 2011. He became Director who is responsible for local branches in 2015. Since 2018, he has been serving as Deputy Chief Executive Officer of İş Investment responsible for Branches, Investment Advisory, Sales & İş Bank Business Development.



Fatih Mehmet Yılmaz
Deputy General Manager

Mr. Fatih Mehmet Yılmaz graduated with a degree in Economics from Marmara University and joined İşbank as an Assistant Inspector on the Board of Inspectors in 1999. Following his duty on inspection, he was appointed as an Assitant Manager of the Financial Reporting and became Unit Manager in 2011. Fatih Mehmet Yılmaz continued his career as Director at İş Investment in 2020 and since May 2023 he has been serving as Deputy Chief Executive Officer responsible for Financial & Administrative Affairs, Financial Reporting, Investor Relations, Credit & Colletaral Management, Compliance, Operations, Human Resources and Coordination with Subsidiaries. Mr. Yılmaz is also the Board Member of Levent Varlık Kiralama A.Ş.

Serhat Devecioğlu, CFA
Deputy General Manager

Mr. Serhat Devecioğlu graduated with a degree in Industrial Engineering from Bosphorus University in 2006 and same year, he joined İş Investment for Treasury and Portfolio Management Department, where he was appointed as Manager in 2018. He continued his career as Director in 2021 and since May 2023, he has been serving as Deputy Chief Executive Officer responsible for Treasury&Portfolio Management, Quantitative Strategies & Arbitrage, Exchange Intermediary Services, Equity Market Transactions and Investment Technologies.



Orhan Veli Canlı
Deputy General Manager

Mr. Orhan Veli Canlı graduated from Hacettepe University Faculty of Business Administration in 1997. He joined İş Investment as an Assistant Specialist in Equity Market Transactions Department where he became as Manager in 2011 and was appointed as Director in the same department in 2015. Mr. Canlı was appointed as Deputy Chief Executive Officer in December 2023 responsible for Research, Corporate Communications & Digital Assets, Customer Care Center, Customer Experience & Data Analytics, Enterprise Architecture & Performance Management and Digital Investment Services.



Enver İlkay Dalkılıç
Deputy General Manager

Mr. Enver İlkay Dalkılıç graduated from Istanbul University Department of Economics in English, started his career at Fund Management Department at Türkiye İş Bankası A.Ş. In 1998, Mr. Dalkılıç joined İş Investment as an Assistant Specialist in International Capital Markets Department and was appointed as Manager in the same department in 2007 and had continued his role as Director since 2012. Mr. Dalkılıç was appointed as Deputy Chief Executive Officer in February 2024, responsible for International Capital Markets, Institutional Investors, Corporate Clients and Private Banking Business Development and Foreign Institutional Sales activities.



POLICIES APPLIED AT İŞ INVESTMENT

İş Investment carries out all of its activities within the scope of different policies and strategies that guide its service cycle and stakeholder relations.

The “İş” emblem at İş Investment represents of strong corporate perception in the eyes of society and the sector in which it operates. The Company believes that sound corporate governance practices are possible through practices such as determining the management strategy, establishing an effective risk management and internal control mechanism, determining a code of ethics, executing investor relations activities and discharging public disclosure obligations to the required quality, and conducting the Board of Directors’ work transparently.

The policies and similar documents in practice at the Company during the reporting period can be accessed from the web links provided in the following section and from the relevant sections of the report.

CORPORATE POLICIES

Information Security Policy	Information Policy	Best Execution Policy	Code of Ethics
Anti- Financial Crime and Sanctions Policy	Conflict of Interest Policy	Dividend Policy	Risk Management Policy
Social Responsibility Policy	Business Continuity Plan	Remuneration Policy	Operating Principles of the Board of Directors
Compensation Policy			

SUSTAINABILITY POLICIES

Sustainability Policy	Gifts and Entertainment Policy	Human Rights and Human Resources Policy
Anti-Bribery and Anti-Corruption Policy	Environmental and Social Impacts Policy	

SUSTAINABILITY MANAGEMENT AT İŞ INVESTMENT

As the leading institution in the Turkish capital markets, İş Investment sees its primary responsibility as striving for a more livable future with the banking discipline it has received from its founder, İşbank.

The Company operates with the understanding of “sustainable investment” by caring for the environment and the ecosystem in which it operates. It implements its projects in line with the Sustainable Development Goals (SDGs).

The following policies form an integral part of, and complement, the İş Investment Sustainability Policy.

- Human Rights and Human Resources Policy,
- Environmental and Social Impacts Policy,
- Anti-Bribery and Anti-Corruption Policy,
- Gift and Entertainment Policy

These policies were set out within the framework of the Environmental, Social and Governance areas, which are deemed as a priority by the decision of the Board of Directors. They were disclosed to the public on the website.

The Sustainability Policy outlines İş Investment’s sustainability approach. It creates the framework needed for the successful and effective implementation of the work in this field.

A process operating under the supervision of the Corporate Governance Committee

At İş Investment, the Sustainability Policy and implementation of Policies which are complementary to the Sustainability Policy, by the Head Office units are carried out under the supervision of the Corporate Governance Committee, which is also responsible for sustainability practices.

These Policies are regularly reviewed by the Corporate Governance Committee in line with changes in requirements and operating conditions. Necessary updates and changes are approved by the Board of Directors upon the recommendation of the Corporate Governance Committee and duly enter force. The Investor Relations Department is responsible for the coordination of sustainability work within the executive bodies.

The Sustainability Board was established in 2021. The purpose of its establishment was to ensure that environmental and social factors are applied to the Company’s activities and decision-making mechanisms along with corporate governance principles in order to create long-term value within the scope of Sustainability Policies. The Board also ensures that sustainability activities are effectively carried out by identifying and managing risks that may arise from these issues.

Sustainability Board

The Sustainability Board consists of the Investor Relations, Corporate Communications and Digital Assets, Human Resources, Compliance, Corporate Architecture and Performance Management and Financial Reporting department managers, under the chairpersonship of the Deputy CEO responsible for sustainability practices. The Board is required to convene at least four times a year. The development report to be prepared following the work is required to be submitted to the Corporate Governance Committee once a year.

Sustainability Board activities and agenda in 2023

The Sustainability Board convened on 22 May, 20 July, 29 September and 25 December 2023. It evaluated İş Investment's level of compliance with sustainability principles, the issues where there had been progress, the issues where there was scope for improvement in the short-medium-long term, national and international developments and reporting standards.

Topics including the following were discussed in these meetings with evaluations carried out and action points determined.

- İş Investment's level of compliance with the sustainability principles,
- Issues where there had been progress and issues open to improvement in the short-medium-long term
- BIST Sustainability Index work,
- Changes in reporting standards,
- Planning the environmental restoration/cleaning project,
- Providing Sustainability and Decarbonization Awareness training to employees,
- Evaluation of the OECD Corporate Governance Factbook 2023 and the G20/OECD Principles of Corporate Governance revisions and the COP28 results,
- Applications for membership of the UN Global Compact and the Global Compact Signatories Association,
- The SDGs supported within the framework of operations,
- Greenhouse gas reporting process
- Transition to Integrated Annual Reporting

The progress report for the reporting period was submitted to the Corporate Governance Committee and the Board of Directors on 25 January 2024.

In line with the work carried out, İş Investment's current key performance indicators have begun to be re-classified within the scope of Sustainability Policies.

A process operating in accordance with the principle of transparency

Information and explanations pertaining to İş Investment's operational and financial situation, position, performance and development are published on the website, which is updated quarterly and that is a communication platform that directly meets the needs of different stakeholders. This information includes financial statements, annual reports and investor presentations.

The website is also an effective information tool that provides all kinds of general information to all stakeholders, from corporate policies to information regarding the General Assembly.

The work carried out in the context of sustainability and ESG and the results obtained are also considered within the same scope. They are available both on the website and in the relevant section of the reports.

İş Investment demonstrates a high level of compliance with the Corporate Governance Principles. Within the framework of the importance it attaches to transparency, the Company informs stakeholders of all important developments by disclosing them to the public on its website and on the [Public Disclosure Platform](#) in a timely, complete, accurate and simultaneously accessible manner for all stakeholders.

İş Investment's activities do not violate any environmental legislation. In this vein, no lawsuits were filed against the Company regarding Environmental, Social and Governance issues in general during the reporting period. The Company has not been subjected to any legal sanctions that would significantly affect its activities in terms of sustainability policies.

İS INVESTMENT'S STAKEHOLDERS AND PRIORITIES

About İS Investment's Stakeholders

The Company's continuous improvement in relations with stakeholders contributes to İS Investment's success. Relations with stakeholders play an important role in determining and implementing an effective sustainability and corporate social responsibility strategy. These relationships also help determine corporate strategy priorities and develop policies. Within the scope of these relationships, İS Investment identifies opportunities for sustainable development as presented by the economic environment. The Company increases its contribution to stakeholder welfare and economic development through the multifaceted collaborations which it develops.

Stakeholder communication is carried out continuously and transparently. As a company whose shares are traded on the stock exchange, İS Investment is in constant contact with both customers and shareholders and holds informative meetings. In addition, the Company pursues relations with relevant non-governmental organizations and public institutions on a balanced and continuous basis.

Transparent communication is established for employees, which command the most important place among stakeholders, in all aspects ranging from their job descriptions to the performance system, their professional development and the use of employee rights.

İS Investment attaches tremendous importance to maintaining sustainable dialogue with stakeholders. The Company uses the feedback it obtained from the stakeholder communication process as an input in a range of fields, such as the following.

- Determining strategic priorities,
- Creating policies,
- Designing the business model,
- Development of social responsibility projects

İS Investment and Sustainability Development Goals

The agreement entitled "Transforming Our World: the 2030 Sustainable Development Agenda" was adopted by 193 member countries of the UN on 25 September 2015. It consists of 17 Sustainable Development Goals (SDGs) and 169 subheadings.

The 17 Sustainable Development Goals have gone beyond the Millennium Development Goals by setting out a very broad sustainability agenda. The goals aim to find solutions to the root causes of poverty and ensure development for all as a universal need. The global consensus achieved around the SDGs has marked an important turning point to guide our planet towards a more inclusive and sustainable growth path.

Today, tens of thousands of companies and non-governmental organizations on a global scale are carrying out new and exciting processes in line with the targets defined within the scope of the SDGs. The classical way of doing things is being reconsidered in light of the universal criteria of sustainability.

İş Investment has defined the areas where it contributes to the UN Sustainable Development Goals within the scope of its operating cycle and implementation of its policies. The Company acts by considering the targets suggested by the SDGs presented on the list and creates value in the relevant areas.

 Quality Education	 Sustainable Cities and Communities
 Gender Equality	 Responsible Consumption and Production
 Affordable and Clean Energy	 Climate Action
 Decent Work and Economic Growth	 Life on Land
 Industry, Innovation and Infrastructure	 Peace, Justice and Strong Institutions
 Reduced Inequalities	 Partnerships for the Goals

The UN Global Compact is the world's most comprehensive corporate sustainability initiative. It carries out work around the world to spread the ten Principles, which are clustered under the headings of human rights, labor standards, environment and anti-corruption, in the business world and to expand good practices. İş Investment is a signatory of the "UN Global Compact" with its application accepted on 6 December 2023. In the same vein, the Company also became a member of the Global Compact Signatories Association*, which is the Global Compact Network Türkiye, in December.



Global Compact
Network Turkey

Initiatives which İş Investment is a member of

TKYD (Corporate Governance Association of Türkiye)

UN Global Compact

Global Compact Signatories Association (Global Compact Türkiye Network)

DEİK (Foreign Economic Relations Board)

TSPB (Turkish Capital Markets Association)

Global Relations Forum

İS INVESTMENT'S STAKEHOLDER COMMUNICATION CHANNELS AND FREQUENCY

Stakeholder Group	Form of Communication	Communication Frequency
Main Shareholder isbank	Reporting, risk management, audit and consolidation processes	Monthly, quarterly, annually and whenever necessary
	Collaborations such as social responsibility projects	Whenever necessary
Other Shareholders and Investors	Performance presentations and information meetings	Quarterly, annually and whenever necessary
	Financial reports and material event statements	Quarterly, annually and whenever necessary
	Sustainability and corporate governance reports	Once in a year
	General Meetings and other information acquisition processes (e-mail, telephone, etc.)	One Annual General Meeting per year and obtaining information whenever necessary
	Social media accounts (Instagram, YouTube, Facebook, Twitter, LinkedIn) and the website	Continuous
Employees	Written notification of internal regulations and Corporate Policies	Whenever necessary in terms of sustainability strategy
	Employee meetings	3-4 times a year
	Special day events (for employees and their families)	3-4 times a year
	Performance evaluation processes	Once in a year
	Employee satisfaction survey	Once in a year
Customers	Customer recognition processes	Whenever necessary
	Customer satisfaction survey	Whenever necessary
	Investment Advisors	Whenever necessary
	Digital transaction channels	Whenever necessary
Business Partners	The Company's e-mail, telephone and social media channels	Whenever necessary
	Business partnership review processes	Whenever necessary
Suppliers	Email, telephone, face-to-face and online interviews	Whenever necessary
	Supplier review processes	Whenever necessary
Suppliers	Email, telephone, face-to-face and online meetings	Whenever necessary
		Whenever necessary

Stakeholder Group	Form of Communication	Communication Frequency
Regulatory Organizations, Stock Exchanges and Public Institutions	Meetings held, opinions and evaluations conveyed within the framework of the activities carried out as a brokerage firm and the relevant regulations	Whenever necessary
	Meetings held, opinions and evaluations conveyed within the framework of the relevant regulations as a public company,	Whenever necessary
NGOs and Universities	Collaborations within the scope of activities carried out with corporate responsibility projects	Whenever necessary
All Stakeholders	Annual, Sustainability and Integrated reports, financial statements and independent audit reports, investor presentations and other information documents	Quarterly, annually and whenever necessary
	Social media accounts and the website	10 times a week on average
	Social responsibility projects	4-5 times a year on average
	Economy panels and seminars and evaluation meetings held with the Chambers of Commerce and Industry	4-5 times a year on average
	Panels and seminars and evaluation meetings held in cooperation with universities	4-5 times a year on average
	Written and visual press	Whenever necessary

İŞ INVESTMENT'S SUSTAINABILITY PRIORITIES

Priority	Importance for İş Investment
Operational efficiency and sustainable financial performance	Ensuring the reinforcement of competitiveness and continuity of financial performance by using human resources, financial resources, intellectual resources and all other resources required to effectively carry out the Company's activities.
Qualified human resources, human rights and employee rights	The Human Rights and Human Resources Policy was created on the principles of providing equal opportunity to people under equal conditions; to ensure that there is no discrimination on the basis of race, religion, language, sect or any other belief, gender, age, cultural or social class; to respect human rights, to take measures against ill-treatment such as physical, spiritual and emotional abuse in the Company; to implement a fair and competitive Remuneration policy; and to maintain succession planning and the importance attached to training and occupational health and safety. Relationships are established with the employees, who are İş Investment's most important asset, within the framework drawn by the Human Rights and Human Resources Policy.
Compliance with the codes of ethics and legislation and tackling corruption	In order to enhance social and economic benefit, to protect and develop the reputation of the capital market brokerage profession and prevent unfair competition, the Code of Ethics established by the Board of Directors, as well as legal and administrative regulations, are taken as a basis in carrying out activities.
Information security and business continuity	Business continuity activities are carried out to ensure that the activities and services offered are carried out effectively, reliably and without interruption. Information security is ensured in the working environment.
Digitalization and technological infrastructure	The increase in efficiency achieved by integrating technology into products, services and work processes contributes to İş Investment's competitiveness.
Effective internal audit and risk management	Risks which the Company may be exposed to are identified and managed by ensuring that all activities are carried out regularly, efficiently and effectively in accordance with the management strategy and policies, within the framework of legislation and rules in place. Effective internal audit and risk management also ensures integrity and reliability of the accounting and recording system and the timely and accurate acquisition of information in the data system.
Supply of renewable energy within the framework of our activities	Aware of its responsibility in the context of the global climate crisis, İş Investment aims to increase the consumption of I-REC certified electricity, which is generated from renewable energy sources, in its expanding organizational structure. In this regard, the Company discloses its Greenhouse Gas Report to the public on its website.

VALUE CREATION MODEL

Issues affecting our activities and our future

Recession, fluctuations in interest rates, exchange rates and commodity prices, the climate crisis and global and geopolitical developments

Value creation at İŞ Investment and its components

Our Stakeholders

- Capitalists/ Founders
- Investors
- Employees
- Customers
- Business partners
- Suppliers
- Regulatory Organizations and Stock Exchanges
- Public institutions
- NGOs
- Universities

Our Operations

- Investment advisory
- Brokerage for the Purchase and Sale of Capital Market Instruments
- Securities Loans
- Brokerage for Public Offerings
- Brokerage for Corporate Bonds Issuances
- Merger & Acquisition Consultancy
- Financial Investments and Treasury Transactions

Our Resources

- Capitalists/Founders
- Employees
- Technological Infrastructure
- Financial Resources
- Brand and Reputation
- Intellectual Know-how
- Natural resources
- Our Business and Social Network
- Renewable energy

Our Value proposition

- Investment advice provided methodically with qualified knowledge and market experience
- Accessing and transacting in domestic and international markets in a simple, fast, reliable and uninterrupted manner with a strong technological infrastructure and digital innovation.
- Portfolio management services
- Economic research, sector and company reports, basic analysis and short-term investment recommendations
- Providing securities loans
- Strategic partnership consultancy to companies
- Advising companies on access to finance and brokerage for public offerings
- Informative meetings held between listed companies and domestic/foreign institutional investors
- Supporting venture capital investments

For the country and society

- Establishing investment strategies for the correct direction of savings and investments
- Being innovative in product and service development
- Contributing to the formation of an environment of fair competition
- Supporting the development of financial literacy
- Ensuring access to finance
- Contributing to the financial and corporate structure and reputation of the sector
- Supporting venture capital investments
- Employment and training of specialized human resources
- Increasing the use of renewable energy and reducing emissions

Our cost base

Pay and benefits, technological infrastructure costs, license fees, stock exchange transactions, clearing and storage fees, superstructure (e.g. building) rents, external services, other general administrative and marketing expenses



Our corporate organization

The Board of Directors has adopted sustainability as a strategic management method. The Board of Directors executes its development, supervision and audit functions through the Audit Committee, Risk Committee and Corporate Governance Committee. It achieved the development of sustainability practices through the Sustainability Board, which reports to the Corporate Governance Committee.

Our risk management approach

- In line with our strategic goals, effective risk management covering the entire organization is implemented with the aim of a sustainable business model.
- Our risk management activities are implemented by taking the consolidated risk policies of our main partner into account.
- Risk identification, monitoring, analysis, control and reporting form the basis of an integrated risk management system.
- Risk is measured not only by mathematical models but also by expert opinion.
- Sustainability-related risks are identified.

Our revenue streams

- Investment advisory
- Brokerage for the Purchase and Sale of Capital Market Instruments
- Securities Loans
- Brokerage for the Public Offerings
- Brokerage for the Issuances of Private Sector Bonds and Bills
- Merger & Acquisition Consultancy
- Financial Investments and Treasury Transactions

The value we create and share

- Benefits provided to capitalists/Founders and shareholders (dividends, etc.)
- Utilization of customers' assets in the financial products most appropriate to their risk-reward preferences
- Capital markets and contribution to the sector
- SDG-related practices, services and social projects
- Employee benefits (training, pay and benefits, career)
- Disclosure of greenhouse gas report
- Digital processes that reduce consumption of paper and energy
- Collaborations with suppliers and other stakeholders
- Donations and support
- Taxes paid



THE GLOBAL GOALS

For Sustainable Development

- SDG 4 Quality Education**
- SDG 5 Gender Equality**
- SDG 7 Affordable and Clean Energy**
- SDG 8 Decent Work and Economic Growth**
- SDG 9 Industry, Innovation and Infrastructure**
- SDG 10 Reduced Inequality**
- SDG 11 Sustainable Cities and Communities**
- SDG 12 Responsible Consumption and Production**
- SDG 13 Climate Action**
- SDG 15 Life on Land**
- SDG 16 Peace, Justice and Strong Institutions**
- SDG 17 Partnerships for the Goals**

Our contribution to sustainable development

- Transparent, accountable, responsible and fair management
- Equal opportunity in recruitment, training and career planning
- Professional and personal development of employees
- Increasing financial literacy
- Increasing the use of renewable energy
- Digitalization and development of technological infrastructure
- Contribution to sustainability and decarbonization awareness
- Reduction in paper consumption and waste generation
- Employment and sustainable profitability

RISK MANAGEMENT AT İŞ INVESTMENT AND SUSTAINABILITY RISKS

The Risk Management Department operates under the Board of Directors. It continued to regularly inform the Risk Committee of compliance with legal and internal restrictions and the risks the Company is exposed to during monthly meetings. During the reporting period, the Committee carried out evaluations regarding risks related to the market, assets and liabilities, credit, operations and other risks arising as a result of the Company's activities.

“Value at Risk (VAR)” methodology is used to calculate the market risk of the Company's portfolio.

The Company's total risk arising from market making transactions, money market activities, hedging positions and all trading transactions is calculated on a daily basis by the Risk Management Department. The risks are broken down on a departmental basis and presented to the relevant managers.

In order to test the effectiveness of the VAR measurements, backtesting work continued in 2023. Stress tests and scenario analyses were applied to determine the extent that the Company's portfolio would be affected by unusual market movements and to prevent possible losses. The results were reported to the Board of Directors. Company risk reports are submitted to our main shareholder, İşbank, for the purpose of providing information and evaluation, on a monthly basis. Consolidated risk reports, including the risk measurements of our subsidiaries, are submitted on a quarterly basis to İşbank.

Risk Management and Internal Control Mechanism

In line with the increasing needs of shareholders, legal regulators and customers, the basis for success in today's financial brokerage services is based on effective risk management. On the other hand, in the changing and developing world of risk management, the level that constitutes effective risk management activities is constantly rising. At İş Investment, risk measurement and management activities are integrated into the main business lines. Risk Management activities are carried out independently of the executive units.

İş Investment may encounter various integrated risk groups in the management of functional activities. Proactive control and management activities are carried out mainly for the market, credit, liquidity and operational risk classes.

The full text of the Risk Management Policy may be accessed from the [Investor Relations/Corporate Governance/Corporate Policies](#) section of our website.

An effective internal audit system, including internal control and inspection activities, established at İş Investment

The organization plan implemented at İş Investment and all relevant principles and procedures are monitored in order to ensure that all of İş Investment and its decentralized organizations' business and transactions are carried out in an orderly, efficient and effective manner, in accordance with the management strategy and policies, within the framework of current legislation and rules, to ensure the integrity and reliability of the accounting and recording system, to ensure the timely and accurate availability of information in the data system and to prevent and detect errors, fraud and irregularities.

In addition, the Inspectors Board Directorate carries out compliance audits with legislation and our policies, which are independent of İş Investment's daily activities, in accordance with the needs of the management. In this vein, an audit system has been established that covers all activities and units of İş Investment, especially the functioning of the internal control system. The audit system enables evaluations in these areas and includes the systematic audit process in which the evidence and findings used in the evaluations are obtained as a result of examination. An audit report is prepared at the end of the audit process.

Moreover, within the scope of reputation risk and legal risk management, all units, especially the Legislation Compliance Directorate, go to maximum lengths to protect the Company's reputation in terms of obligations arising from the legislation, compliance with the Company policies, customer satisfaction, reputation and reliability.

No significant lawsuits were filed against our Company and no significant penalties were imposed by public authorities during the period. In addition, no administrative or judicial sanctions were imposed on our Company or members of its management body due to any practices contravening the provisions of the legislation. No special audits were carried out other than the internal audit, independent audit and the audit of Group functions during the period.

Consultancy, audit and rating services are received from various institutions. The Company ensured that there were no conflicts of interest in this regard.

The assets and liabilities of the companies included in the consolidation are audited within the scope of general internal audit practices and reconciliations are noted.

Risks identified by İş Investment within the scope of sustainability and responses

İş Investment has assessed sustainability risks within the scope of its priorities, strategies and goals, and determined its corporate approach accordingly.

Definition of Risks	İş Investment's Approach
Fluctuations that may occur in financial indicators such as foreign currency rates and interest rates on a global or national scale.	Hedging transactions are carried out for the Company's financial positions within the framework of İş Investment's Risk Management Policy and integrated business model. As a result of the hedging transactions applied, the impact of changes in exchange rates and interest rates is insignificant in the context of the financial size, as set out in the financial reports.
Negative effects on the capital markets due to various reasons such as systemic risks, geopolitical developments or the general outlook.	Thanks to the diversity of income obtained from various domestic and international markets, products and lines of activity within the framework of the Company's strategic consolidation structure, the impact of the contraction in any product or market activity on the Company's overall financial performance remains limited.
Deterioration in the profile of qualified human resources and loss of key employees.	Our practices such as providing equal opportunity to people under equal conditions in recruitment, training and career planning, opposing all kinds of discrimination, respecting employee rights, implementing a fair and competitive Remuneration Policy including benefits, attaching importance to personal and professional training and continuous development, and succession planning significantly contribute to employee loyalty.
Disruption to business continuity due to emergencies or unexpected situations such as earthquakes or fire.	İş Investment determined measures and priority actions to be taken in order to manage risks and problems in situations likely to cause sudden and unplanned interruptions, loss of work or crisis in its activities. The Company prepared the Business Continuity Plan accordingly.
Climate change and greenhouse gas emissions.	İş Investment is aware of the effects of climate change on daily life. The Company takes responsibility in this regard and discloses the Greenhouse Gas Report. The supply of I-REC certified electricity produced from renewable energy sources is increased throughout the organization. Projects and training sessions are carried out to raise awareness among the employees regarding sustainability and decarbonization.

The critical importance of business continuity

İş Investment operates in the field of financial services. In this context, predictable or unpredictable internal or external factors such as cyber-attacks, hardware or software errors, electricity and telecommunication outages, physical attacks, natural disasters, social upheaval, terrorism, contagious and epidemic diseases could have critical consequences on the operation cycle. Such situations raise the possibility of damage and potential harm to the Company. At İş Investment, a "Business Continuity-Emergency and Contingency Action Plan", which determines the conditions and requirements for ensuring business continuity in the event of such adversity was created and disclosed to the public on the Company's website.

With the action plan set out, plans and actions were determined to ensure the continuity of business processes, maintain uninterrupted customer services and fulfil responsibilities to legal authorities and third parties in the event of situations which may pose a threat to business continuity. Accordingly, the Company seeks to minimize the financial, legal and reputational negative effects and ensure that the Company's assets are protected in the best possible way.

The Importance of informing stakeholders

The latest updated version of İş Investment's Information Policy, which was approved by the Board of Directors on 17 May 2007, was disclosed to the public on 26 June 2020.

The Board of Directors holds authority and responsibility for fulfilling the public disclosure obligation at İş Investment, and monitoring, supervising and improving the Information Policy. The Investor Relations Department and the Deputy CEO are assigned to coordinate the Information Policy. The activities carried out by these authorities within the scope of the Information Policy are reported and submitted to the Corporate Governance Committee.

The Investor Relations Department responds in detail to received for information, by telephone, e-mail or in one-on-one investor meetings, within the scope of the Information Policy. The Department attends domestic and international meetings and organizes teleconferences and online meetings. In addition, required answers are provided to questions posed by individual investors on issues such as operational performance, the interpretation of financial results, the dividend distribution policy, performance of subsidiaries and share price performance. Domestic and international institutional investors often request one-to-one meetings where they ask questions.

The Investor Relations Department managers and their contact information

Fatih Mehmet Yılmaz

Deputy CEO

Phone +90 212- 350 25 00

Fax +90 212- 350 25 01

E-mail fyilmaz@isyatirim.com.tr

Ozan Altan

Investor Relations Manager

Phone +90 212 - 350 28 72

Fax +90 212 - 350 28 73

E-mail oaltan@isyatirim.com.tr

Investor Relations Directorate

E-mail : investorrelations@isinvestment.com

İş Investment provides explanations and information regarding developments which may affect investors' investment decisions and the value of capital market instruments traded on the stock exchange, especially those that do not constitute inside information within the framework of the Capital Markets Law, the Turkish Commercial Code and relevant legislation, by observing the Corporate Governance Principles.

İş Investment pursues an active approach to the adoption and implementation of Corporate Governance Principles. The Company goes to the greatest lengths to implement the relevant legislation and international best corporate governance practices in terms of public disclosure and information.

The full text of the Information Policy is published on our website, www.isyatirim.com.tr.

İş Investment has websites with content in Turkish and English, including www.isyatirim.com.tr and www.isinvestment.com. Both websites were renewed in the first quarter of 2017 and are actively used for public disclosure. The information used on these sites is constantly updated.

The "Investor Relations" headings of our websites in Turkish and English contain information specified in the relevant section of the CMB Corporate Governance Principles.

The Company's annual reports include information specified in the relevant legislation, the CMB Corporate Governance Principles and Sustainability Principles Compliance Framework.

After the end of the activity period, no incidence of special importance had occurred at the Company, which could affect the rights of shareholders, creditors and other relevant persons and organizations.

There is no additional information that the management body deems appropriate to be disclosed in the annual report. On the other hand, there were no legislative changes that could significantly affect the Company's activities during the reporting period.

At İş Investment, there are no practices that complicate the shareholders' right to obtain and review information. In addition, the Company strives to facilitate these rights.

Since the request to appoint a special auditor is clearly stated in the Turkish Commercial Code, the request is not stipulated in the Articles of Association. There were no requests for the appointment of a special auditor during the period.

Annual General Meetings

In order to increase the participation of shareholders in Annual General Meetings, care is taken to ensure that they are held in a manner that does not cause inequality among shareholders and the Company ensures that shareholders participate at the lowest possible cost. Annual General Meetings are held in Istanbul, at the location of the Company's head office, as stated in the Articles of Association. Istanbul is also where the majority of shareholders are based.

The invitation for the Annual General Meeting is announced at least three weeks prior to the meeting date, excluding the date of the announcement and meeting. In accordance with the Articles of Association, each share with a nominal value of TL 1 carries one voting right. In the General Meetings, shareholders vote in proportion to the total nominal value of the shares they hold with each share carrying one voting right. There is no right to cumulative voting.

During the Annual General Meeting, the chairperson of the meeting exercises care to convey the topics on the agenda in a manner which is impartial, detailed, clear and understandable. Shareholders are given the opportunity to express their opinions and ask questions under equal conditions. The chairperson of the meeting ensures that all questions asked by shareholders are answered directly at the Annual General Meeting, provided that they do not fall within the scope of inside information or information containing trade secrets. If the questions asked are not related to the agenda or are too comprehensive to be answered immediately, the question asked will be answered in writing by the Investor Relations Department within 15 days at most. In this vein, Members of the Board of Directors, relevant senior managers and investor relations managers, officials responsible for the preparation of financial statements and auditors are present at the Annual General Meeting in order to provide the necessary information and answer questions regarding issues of particular importance on the agenda.

At times other than the Annual General Meeting, our shareholders, investors and other relevant parties have the opportunity to ask questions and submit suggestions and criticisms through channels such as e-mail, letter, telephone and in face-to-face meetings in accordance with our Information Policy. Required information and feedback is provided within the framework of the relevant legislation and in accordance with the principles of protecting inside information.

İş Investment held its Annual General Meeting for the 2022 accounting period on 23 March 2023. The invitation for the Annual General Meeting was announced on the Public Disclosure Platform (PDP), the Company's website and the Central Securities Depository's Electronic General Meeting System (EGKS) on 28 February 2023, in accordance with the rule of announcement at the earliest three weeks in advance, excluding the dates of the Annual General Meeting and its announcement as specified in the relevant legislation and the CMB's Corporate Governance Principles. The invitation was also carried out by notifying registered shareholders of the meeting date and agenda by letter. In addition, the meeting date was announced in issue 10782 of the Turkish Trade Registry Gazette, dated 3 March 2023.

From the examination of the list of those present at the Annual General Meeting, of the Company's shares with a nominal value of total TL 355,000,000.00 (of which TL 150,000.00 are Group A shares and TL 354,850,000.00 are Group B shares), it was understood that a total of TL 280,778,601.19 nominally valued shares, TL 150,000.00 of which were Group A shares, were represented in the meeting. Accordingly, the meeting quorum stipulated in both the relevant law and the Articles of Association was met.

The invitation, agenda, power of attorney sample and minutes of Annual General Meetings were published on the PDP. These documents are constantly made available to our shareholders and stakeholders on our website in Turkish and English. In addition, the CVs of the Board Members nominated and elected at the Annual General Meeting were also published on our website.

Article 13/d of the Articles of Association stipulates that the Annual General Meetings and the decision-making quorum at the meetings are subject to the provisions of the Turkish Commercial Code and the Capital Markets Law. It is also stipulated that in Annual General Meetings to be held for the matters referred to in paragraphs 1 and 3 of Article 421 of the Turkish Commercial Code, the meeting quorum in Article 418 of the Turkish Commercial Code will be applied. Accordingly, Annual General Meetings congregate with the presence of shareholders or their representatives representing at least one quarter of the capital, except in cases where a higher quorum is stipulated in the Turkish Commercial Code or the Articles of Association. This quorum must be maintained throughout the meeting. In the event that this quorum is not reached in the first meeting, no quorum is required to hold the second meeting. Decisions are taken by the majority of votes present at the meeting. Unless there is a contrary provision in the law or the Articles of Association, decisions amending the Articles of Association are taken by a majority of votes present at the Annual General Meeting where at least half of the Company's capital is represented. In the event that the required meeting quorum is not achieved in the first meeting, a second meeting may be held within one month at the latest. The meeting quorum for the second meeting is for at least one third of the Company's capital to be represented at the meeting. On the other hand, decisions to amend the Articles of Association regarding the issues of completely changing the Company's field of business, creating privileged shares and limiting the transfer of registered shares are taken with the positive votes of the shareholders or their representatives, who constitute at least seventy-five percent of the capital.

In the event of an increase in the capital, existing shareholders hold priority right to purchase new shares in proportion to their shares in the Company's capital in accordance with Article 8 of the Articles of Association. The Board of Directors determines the form requirements regarding the use of these priority rights.

No agenda suggestions were submitted by shareholders for the Annual General Meeting. Additionally, since no decision requiring a vote of the majority of independent members was taken during the period, there was no issue included on the agenda of the Annual General Meeting. The electronic Annual General Meeting process was successfully completed

simultaneously with the physical Annual General Meeting.

There are no privileges in voting rights. Group A shareholders hold privileges only in respect to the election of members of the Board of Directors. Six members of the Board of Directors are nominated by Group A shareholders and three members are nominated by Group B shareholders.

At the Annual General Meeting dated 23 March 2023, information was provided with a separate agenda item regarding TL 51,734 in donations (the amount indexed for inflation is TL 98,319) provided to various educational institutions in 2022. The total amount of this support and donations constituted 0.00002% of the sales revenue in the relevant period. In addition, the Company donated TL 55,000,000 in cash to the Disaster and Emergency Management Presidency of the Ministry of Internal Affairs of the Republic of Türkiye on 15 February 2023 in order to support citizens affected by the earthquakes which affected 10 provinces with their epicenter in Kahramanmaraş, and to meet the needs arising in those regions. This cash donation was approved by the Annual General Meeting. With the inclusion of this amount, TL 55,048,468 in total donations (the amount indexed according to inflation is TL 82,448,967) was provided in 2023, constituting 0.01799% of the sales revenue in 2023.

Auditors also attend our Annual General Meetings. No stakeholders requested attendance at the meeting as observers.

Those with administrative responsibilities and shareholders who hold management control did not carry out any significant transaction that could cause a conflict of interest with our Company and its subsidiaries. In addition, no commercial transaction within the scope of our Company or the subsidiaries' business was carried out on their own behalf or on behalf of others, and they did not enter another partnership dealing with the same type of commercial business as an unlimited partner.

İş Investment does not have a reciprocal shareholding relationship with any company. No nominations were submitted to the Board of Directors by minority shareholders. The Articles of Association stipulates that minority rights may not be lower than one twentieth of the capital.

There is no founder's usufruct certificate and no privileged shares regarding receiving a share of the profits.

The Articles of Association stipulated that there are no restrictions regarding share transfers within the framework of the conditions stipulated by the capital markets legislation.

Relations with stakeholders and the information cycle

İş Investment ensures that a wide range of stakeholders, from employees to potential investors, analysts and media organizations are informed of the issues that concern them in the shortest time and in the most accurate way.

Material event statements submitted through the PDP regarding pertaining to developments regarding İş Investment may be accessed simultaneously on our website. In addition, press releases are sent to media organizations after material situation statements on issues thought to be of interest to the public.

Stakeholders are adequately informed of the Company's policies and business processes. The Code of Ethics and Anti-Financial Crime and Sanctions Policy are constantly published both on the website and in the Company's internal communication system.

In this context, complaints received by İş Investment are reviewed sequentially by the authorized units and then submitted to the Audit Committee for evaluation.

The Articles of Association stipulates that stakeholders defined in the Corporate Governance Principles may invite the Board of Directors to a meeting by submitting a request to the Chairperson. If the Chairperson concludes that there is no need to hold an immediate meeting, they may open the issue regarding the invitation for discussion at the next Board of Directors meeting.

As such, a mechanism was established in which important suggestions and complaints from stakeholders can be monitored by the Board of Directors and the relevant committee.

No meeting invitation requests were forwarded to the Board of Directors during the reporting period.

In 2023, a total of 60 interactive meetings were held with corporate investors to provide regular information on operational and financial performance and sustainability practices within the scope of the Company's Disclosure Policy. In these meetings, information is provided to the Board of Directors on a quarterly basis in regard to the questions, evaluations and opinions submitted by investors.

In addition, the opinions of the Company employees are directly sought on some issues of general concern, thus enabling the direct participation of employees in decisions to be made.

İş Investment employees command a very important place among the Company's stakeholders. In addition to this right, İş Investment employees are provided with an environment where they may comfortably express their thoughts and suggestions regarding the Company management, both through the Human Resources Department and directly through their own managers.

İş Investment offers investors capital market activities within the framework of its code of ethics and customer-oriented investment banking approach. In this vein, the Company aims to determine the requirements by analyzing developing investor needs and changing market conditions before developing products and services that will most appropriately meet these needs. Protecting customer confidentiality within the framework of legislation is one of the Company's corporate values.

Relations with customers are handled through investment advisors at İş Investment. The aim of the investment advisors is to ensure that the assets are utilized in the most appropriate financial instruments according to customers' risk-reward expectations.

VALUE CREATED AND SHARED IN 2023

MACROECONOMIC DEVELOPMENTS

General Evaluation

A year when the resilience of the world economy was tested

Even in the face of the harshest rate hike cycle in the last 40 years took place, the global economy remained resilient in 2023, with no rise in unemployment in major economies and no banking crises which could threaten the financial system. Many countries, notably the USA, succeeded in significantly bringing down inflation without going into recession.

According to World Bank estimates, the global economy grew by 2.6% in 2023 with growth of 2.5% in the USA, 1.8% in Japan, 5.2% in China, 3.2% in developing countries other than China and 0.4% in European economies. The global economy is expected to grow by 2.4% in 2024. The risk of a sharper than expected slow-down in the European economy remains under the spotlight as the most fundamental risk to growth expectations, notwithstanding extraordinary situations such as war.

The tragic 6th February earthquake

The year 2023 started with a major tragedy for Türkiye with tragic earthquakes inflicting large-scale loss of life in February 2023. According to calculations carried out by the Strategy and Budget Directorate, the earthquake's economic impact has exceeded USD 100 billion.

Monetary and credit policies were tightened after the elections with the policy rate raised by 34 percentage points, to stand at 42.5% by the end of 2023, 45% in January 2024, and 50% in March. There were also increases in direct and indirect taxation to limit the budget deficit.

Special measures in the tightening process

At the same time, in order to prevent a sharp contraction in the economy during the tightening process, the CBRT raised the rediscount credit limits for exporters and investing companies. Banking regulations were implemented in a bid to encourage the transition from the exchange rate protected deposit instrument to the Turkish lira.

The normalization in economic policies ushered in a significant improvement in the global risk perception towards Türkiye. The CDS risk premium, which had stood at around 550 basis points before the elections and reached levels as high as 700 basis points during the election period, eased back to below 300 basis points by the end of 2023. There were also improvements in the country's credit rating and outlook during the year.

Inflationary pressure

Despite the policies implemented, inflation continued to rise due to the depreciation of the Turkish Lira, indirect tax increases and pay rises, to reach 64.8% at the end of the year. However, as the temporary shocks receded, the exchange rate stabilized and the monetary policy was tightened, the trend in monthly inflation rates normalized somewhat in the final months of the year.

Economic growth of 4.5%

The Turkish economy grew by 4.5% in 2023. The annual rate of inflation is expected to continue to rise in the first months of 2024 due to the effect of pay rises, to peak in the region of 74-75% in May. Assuming there are no interest rate cuts until the last quarter of the year and no increase in the national minimum wage in July, inflation is expected to drift down to 45% by the end of 2024. Economic growth is estimated to end the year at 2024 at 3%, despite monetary tightening and weakening industrial production.

İŞ INVESTMENT'S ECONOMIC FOCUS

DOMESTIC CAPITAL MARKETS AND İŞ INVESTMENT'S PERFORMANCE

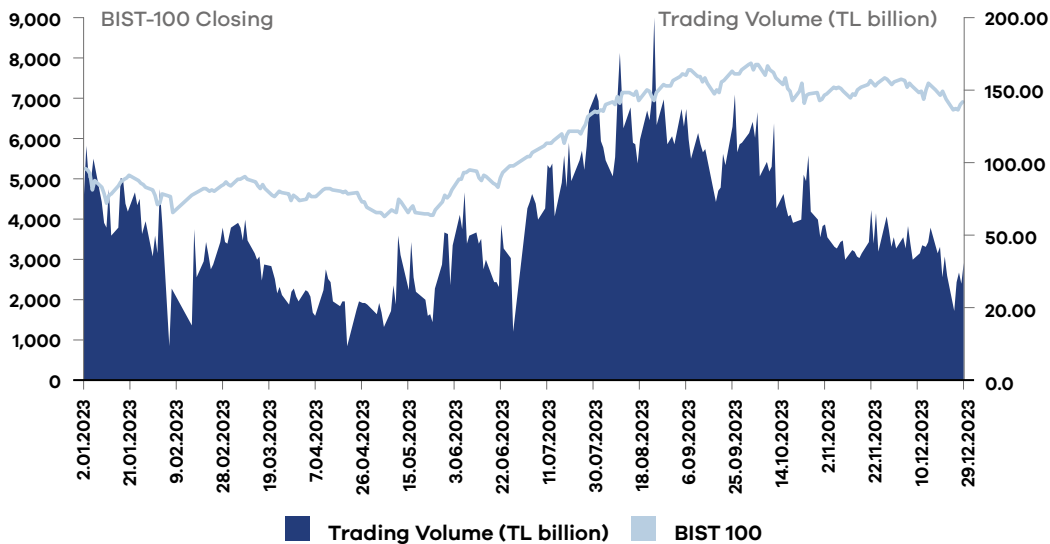
A volatile course for the equity market in 2023

The Borsa Istanbul Equity Market closed the year 2023 at 7,470 points, providing investors with a 36% rate of return. News flow was brisk during the year, with the stock market following a volatile course. After the tragic earthquakes struck in February, the Borsa Istanbul remained closed for five days. Although the BIST 100 index dropped to a level of 4,480 after the opening, the pricing mechanism functioned more smoothly with regulations such as increasing the weight of shares in pension funds. The index rapidly resumed an upward course.

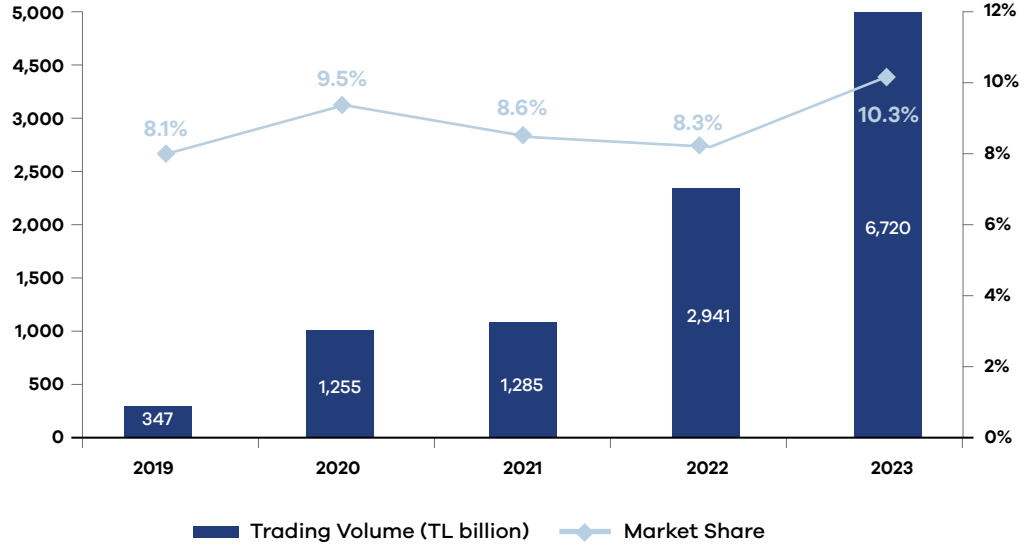
After the general election held in May 2023, a more conventional monetary policy was implemented to ensure price stability. These policies were welcomed in the market. On the other hand, the depreciation of the currency drove expectations that the inflationary environment would continue, further stimulating interest in the stock market. The BIST 100 index exceeded 8,500 at the beginning of October 2023 and reached its all-time peak during the year.

The financial performance of companies, public offerings and a general perception that the market remains discounted in foreign currency terms have ensured that the stock market has remained an important alternative for investors. Despite increasing interest rates, the number of investors reached 8.6 million in October 2023, before ending the year at 7.5 million. The ownership ratio of foreign investors in the stock market averaged 29% in the first half of the year. With renewed interest in the banking sector, the ownership ratio of foreign investors increased to 38% by the end of the year. On the other hand, in addition to the existing positions of institutional investors, retail and insurance companies also stepped up their investments.

The economic policies to be implemented domestically and the course of currency rates will remain very much in the spotlight in 2024. Attention abroad will focus on the policies to be pursued by the European Central Bank (ECB) and US Federal Reserve (FED). The level of interest from foreign investors, in particular, will have an important bearing of the performance of the stock market.



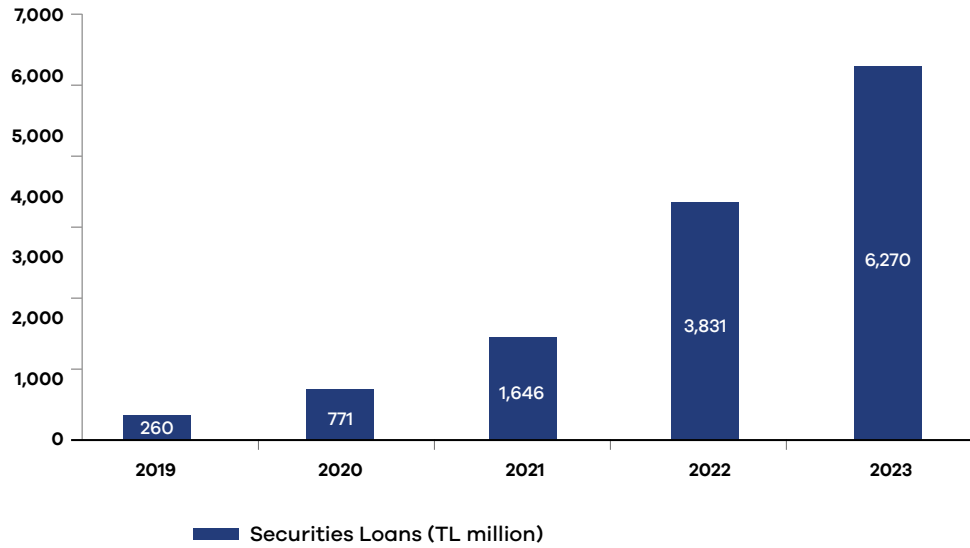
BIST 100 INDEX PERFORMANCE - 1 JANUARY-31 DECEMBER 2023



İS INVESTMENT'S TRANSACTION VOLUME ON THE STOCK MARKET AND MARKET SHARE

İş Investment ranked third place in the Borsa Istanbul Equity Market with a transaction volume of TL 6,720 billion and a market share of 10.3% in 2023.

The size of the securities loans we provide İş Investment customers increased by 64% YoY to reach TL 6.3 billion by the end of 2023.



İS INVESTMENT - SECURITIES LOANS

A buoyant year for the Debt Securities Market

In line with the domestic debt strategies announced by the Ministry of Treasury and Finance, the Ministry realized domestic borrowing of TL 1.1 trillion and USD 6.6 billion in 2023 with 52% of the domestic borrowing in TL terms consisting of fixed coupon TL bonds, 15.7% of TLREF-indexed government bonds, 14.2% consisting of CPI-indexed government bonds, 11% consisting of fixed-income lease certificates, 6.4% consisting of government bonds with variable interest rates and 0.7% consisting of zero-coupon securities.

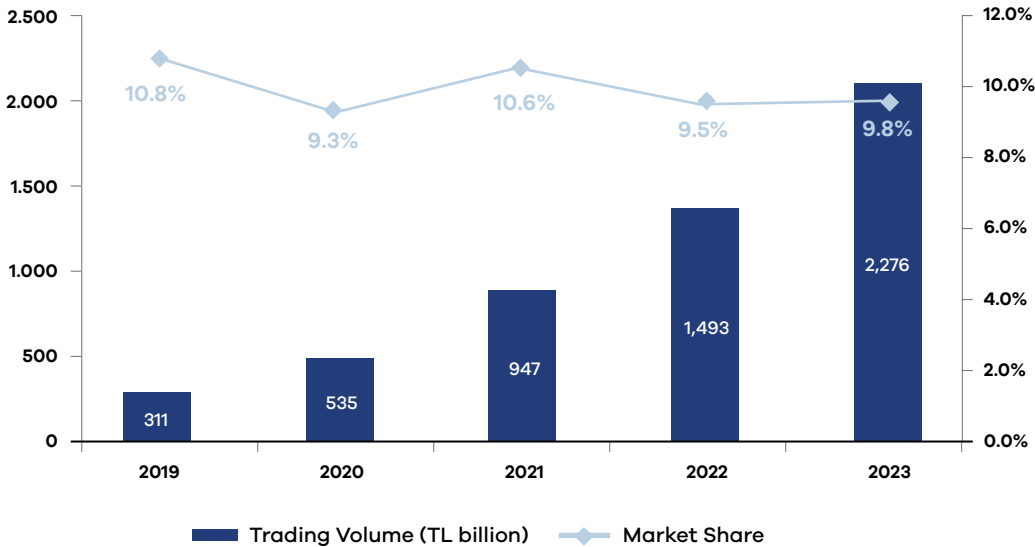
Yields of the two-year benchmark bond and ten-year bond, which closed 2022 at single-digit levels, started to rise in the first quarter of 2023 amid expectations that the monetary policy would gradually tighten after the elections in May 2023. The CBRT duly raised the policy rate from 8.5% to 15% in June 2023. The policy rate was then raised first by 250 basis points, then by 750 basis points and later by 500 basis points in the third quarter, to reach 30% in September 2023. In the last quarter of the year, the policy rate was increased by 500 basis points, again by 500 basis points and finally by 250 basis points, bringing the policy rate to 42.5%.

Yields on the two-year benchmark bond and the ten-year bond reached their highest levels of the year in November 2023, exceeding 42.5% and 32.2%, closing the year at compounded rates of 39.7% and 26.8%, respectively.

In 2023, İŞ Investment ranked fifth among brokerage firms with a transaction volume of TL 27.5 billion and an 8% share in the Debt Securities Outright Purchase and Sales Market.

İŞ Investment continued its market activities as being one of the leading participants of the Turkish Derivatives Market (VIOP).

In 2023, the total transaction volume of the VIOP stood at TL 23,322 billion. During this period, İŞ Investment ranked second in terms of transaction volume with a transaction volume of TL 2,276 billion and a market share of 9.8%.



İŞ INVESTMENT VIOP TRADING VOLUME AND MARKET SHARE

İş Investment maintained its position as one of the leading participants of the VIOP.

The Company continued to carry out market making activities in the VIOP single stock futures and index option contracts. İş Investment ranked second in index futures contracts and share option contracts with its market making activities in 2023.

Maintaining a leading position in warrant transactions

Our position as a pioneer and leader in the Warrant Market continued in 2023. Market making activities continued in 35 different underlying assets in four different underlying asset groups with our underlying assets launched in this period. We commanded a leading position in warrant transactions with a 71% market share in 2023.

For the last 13 years, İş Investment has gone to great lengths to create and deepen the Warrant Market in Türkiye under the “İş Varant” brand. The Company created a transparent, accessible and easily understandable market with the content it offered to investors through İsvarrant.com, the Varant Academy and Varant Support Line. In addition, in the first half of 2023, the warrants based on the Nasdaq index were put on sale on the Borsa Istanbul with the advantage İş Varant.

At the same time, the Company aims to help investors create effective investment strategies in line with their own expectations while investing in warrants through informative videos about the Warrant Market on social media. The İş Varant mobile app was introduced to warrant investors last year. The development process of our İş Varant mobile app also continued in 2023 in line with investor feedback. With the İş Varant mobile app, investors are able to monitor the warrants issued by İş Investment at instant prices. With the smart warrant filter, they may choose the warrant that suits them, calculate the target price and gain experience about warrants by taking advantage of training content and access to demo calculations.

INTERNATIONAL CAPITAL MARKETS

Following the resolution of the US debt ceiling tension and the banking crisis experienced towards the end of the first quarter, the Swiss and the US authorities acted decisively to control financial irregularity, reducing risks to the financial markets.

The employment market remained strong in 2023, as expectations increasingly turned to the possibility of a soft landing in the global economy.

The decline in inflation and a softening in expectations regarding FED policies precipitated an increase in interest in risky assets, paving the way for a decrease in bond yields.

Anti-inflation policies the main concern in international stock markets

In 2023, the main ongoing concern for stock markets was the tightening in monetary policies being implemented to curb inflation and direct economic activity during this process. The normalization in the employment market in the second half of the year, the steeper than expected decline in inflation and expectations of a soft landing supported stock markets.

The signs of normalization in both the inflation and employment data in the US economy spearheaded near record returns in US indices. The S&P 500 index ended the year 24% higher, the Nasdaq technology index up 54% and the Dow Jones index up by 14%. European indices also closed the year notching up significant gains on the back of the expectations driven by the more dovish tone taken in FED decisions. The Frankfurt Dax index yielded a return of 20%, the London FTSE 100 index 4% and the Euro Stoxx 50 index provided a return of 19%.

A largely stable course for international futures transactions (Futures & London Metal Exchange) despite some occasional volatility amid geopolitical developments

Commodity prices were broadly stable in 2023, despite weakness in global demand, with supply being sufficient with US data supporting scenarios of a soft landing.

In addition to the global economic slowdown, price rises remained restrained as a result of softening private consumption, business expenditures and capital investments putting pressure on commodity demand in the second half of the year. However, geopolitical risks that could lead to supply disruptions sparked continued volatility in the last quarter of the year.

Near-term WTI oil tested a low of USD 64.2 in the first half of the year amid concerns of recession. WTI oil prices surged amid the series of decisions to cut oil production taken by the OPEC+ and the events in the Middle East. WTI oil tested a high of USD 88.20 in the near-term contract during the year before retreating sharply in the wake of mounting concerns over a slowdown in economic activity, ending the year 3.8% lower than where it started.

Slowing economic growth in China and ongoing woes in the real estate market continued to pressure industrial metal prices throughout the year. Copper prices in The London Metal Exchange (LME) ended the year 1.3% down, with falls of 11.2% in LME zinc prices and 9.9% in LME lead prices while LME aluminum prices ended the year unchanged.

Among food commodities, coffee prices stood out by gaining 11.6% in 2023 while there was a 30.4% slide in corn contract prices and a 14.9% drop in soybean contract prices in parallel with the improvement on the supply side. Cotton prices, on the other hand, decreased by 2.8% during the year on the back of low demand in the textile sector.

There were generally limited increases in year-end transaction volumes compared to the previous year, whereas higher transaction volumes were realized in the agricultural commodity group due to sharp price movements.

XAU/USD, XAG/USD and EUR/USD stand out as the star instruments of leveraged trading transactions

The year was generally shaped by the rate hikes implemented by global central banks. The last quarter of the year was marked by a slide in the dollar index amid expectations that the FED would cut interest rates in 2024. In parallel with this, other G10 currencies recorded strong gains with the EUR rising 4.4% against the USD in the last quarter. Looking at the year as a whole, the CHF was the currency to post the strongest gain among G10 currencies. Conversely, the Japanese Yen recorded the steepest fall among G10 currencies due to loose monetary policies. With the weakness of the US dollar in the last quarter of the year, precious metals also saw gains. Gold prices ended the year up by 13.1%. In leveraged FX transactions, the most traded instruments in the last quarter, as in the whole year, were the XAU/USD, XAG/USD and EUR/USD.

Interest in stock index CFD (Contract for Difference) contracts waned in the last quarter compared to the third quarter, with a contraction in volumes for all share contracts while volumes in CFD contracts in the S&P 500 index increased. The biggest contraction in volumes for stock contracts was seen in the German DAX index and Dow Jones index CFDs.

Oil markets tested peaks at the end of the third quarter but failed to hold onto these levels due to the increase in oil supply by non-OPEC members led by the USA, Iran and Brazil and news that the high environment of high interest rates would continue for some time. However, developments in the Middle East led to a slight uptick in prices in the last weeks of the last quarter. Pricing volatility in oil markets brought about a decrease in oil CFD volumes compared to the third quarter, although this decrease was milder than for other contracts.

İş Investment mediates in the utilization of investments in international capital market instruments such as shares, futures contracts, options, CFD and commodities such as gold and oil in more than thirty of the world's leading stock exchanges. TradeMaster International is İş Investment's international markets platform. TradeMaster International enables investors around the world to monitor developments in the global markets in detail and in real time, enabling them to trade easily and quickly in many different stock exchanges around the world, 24 hours a day.

SYNERGY-BASED COOPERATION WITH İŞ PORTFÖY IN ASSET MANAGEMENT

TL 337.6 billion in consolidated assets under management

Asset Management activities continued to develop in 2023, with a 98% YoY increase in the amount of consolidated assets managed by İş Portföy, reaching TL 337.6 billion, with a market share of 11%.

The size of investment funds under management increased by 117% YoY to reach TL 174.2 billion, with a market share of 10%. The size of pension funds managed increased by 80% YoY to end the year at TL 132.6 billion, with a market share of 18%.

Fund Types	Assets under Management (TL Million)*		Annual Change (%)
	31.12.2022	31.12.2023	
Mutual Funds	80,310	174,211	117
Pension Funds	73,803	132,635	80
Other	16,484	30,726	86
Total	170,597	337,572	98

*Size of assets managed by our subsidiary İş Portföy Yönetimi A.Ş.

ADDED VALUE CREATED FOR CORPORATE CUSTOMERS

In 2023, İř Investment continued to attach importance to corporate investment advisory as well as individual investment advisory.

In 2023, İř Investment continued to provide investment advisory services to portfolio management companies, collective investment organizations, insurance and reinsurance companies, private pension companies, pension funds, foundations and other capital market institutions. The Company also provided investment advisory services to corporate clients including holdings, joint-stock companies and family offices.

Informational meetings to discuss current topics of the economy and markets continued to be held with the participation of corporate customers and our international markets and research analysts.

Close cooperation with international investors in international corporate sales activities

The exit of foreign investors from the Borsa Istanbul Equity Market continued in the first half of the year with the foreign investor ownership rate falling to a historical low of 27% in early June. With expectation of new economic policies and tightening steps following the elections, foreign investor interest in the Equity Market started to rise again the foreign investor swap rate improved to 29% on the back of strong purchases carried out during the third quarter. Although foreign investor interest largely stagnated in the last quarter due to the impact of events in the Middle East, foreign investors' share in the free float closed the year at 38% with purchases, specifically in the banking sector.

In order to evaluate the effects of global, regional and domestic developments during the year, foreign investors and some leading Borsa Istanbul listed companies were brought together with informative meetings held in Istanbul, Northern Europe and London.

There was an increase of 60% YoY in foreign investor transaction volume in the Futures & Options market, constituting 40% of the total transaction volume.

CORPORATE FINANCE

İş Investment mediated in 38 out of the 54 public offerings which took place in 2023 and was the consortium leader in two of them.

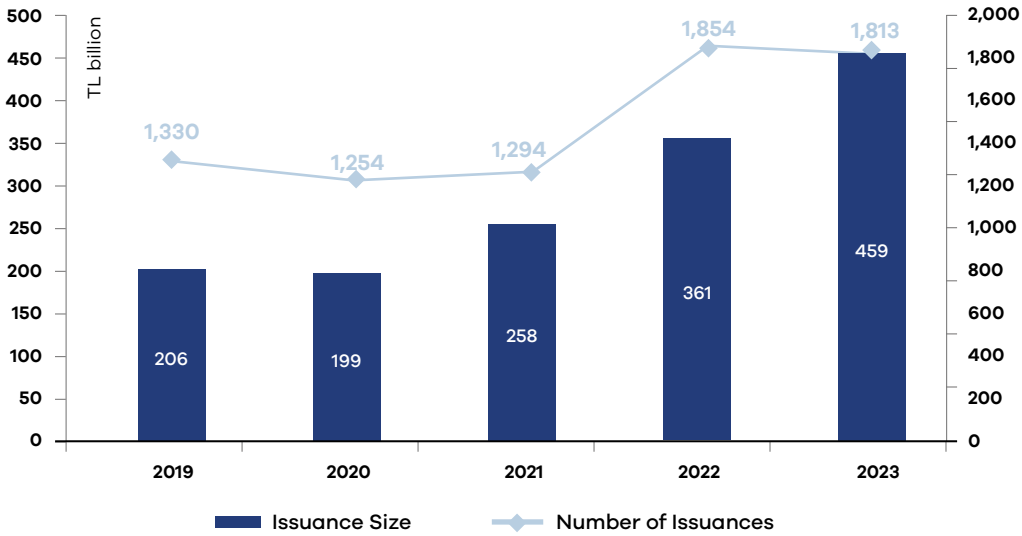
A total of 54 public offerings took place in the market in 2023, raising a total of TL 79.3 billion in proceeds.

İş Investment was the consortium leader in two public offerings during the year - Atakey Potates Gıda ve Sanayi A.Ş. (TL 1.1 billion) and TAB Gıda Sanayi ve Ticaret A.Ş. (TL 6.8 billion). The Company commanded a 10% market share on the basis of transaction size.

In addition to the public offerings in which the Company served as the consortium leader, İş Investment also served as a consortium member in 36 public offerings with a total offering size of TL 60 billion during the year.

İş Investment mediated in TL 52.4 billion of private sector debt instrument issuances in 2023

There were a total of 1,813 private sector debt instrument issuances in the market in 2023, raising TL 459.2 billion, an increase of 27% compared to 2022.

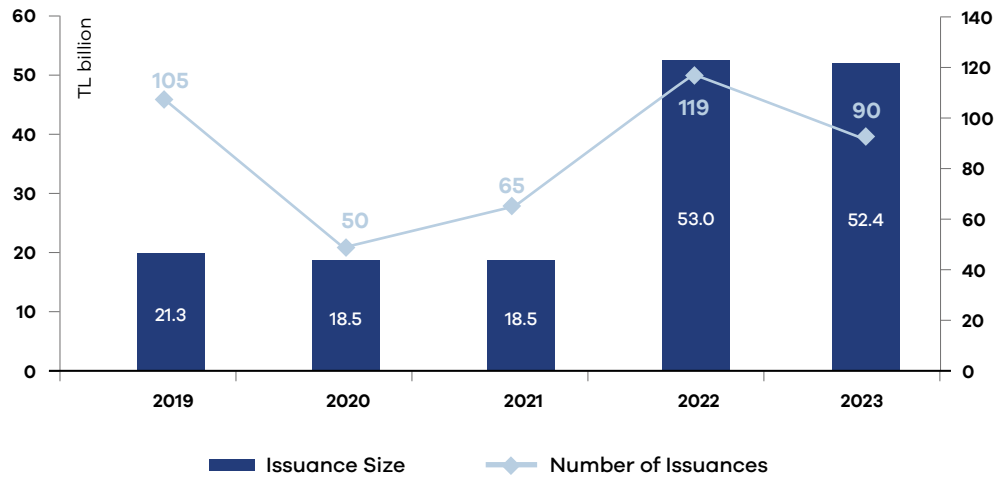


PRIVATE SECTOR DEBT SECURITY ISSUANCE SIZE AND NUMBER OF ISSUANCES (EXCLUDING PRIVATE PLACEMENTS)

In terms of primary market issuances, banks accounted for 26.6% with non-bank financial institutions accounting for 49.3% and the real sector accounting for 24.1%. Banks borrowed with a weighted average maturity of 114 days, non-bank financial institutions with a weighted average maturity of 147 days and real sector companies with a weighted average maturity of 264 days. A total of 1,765 of these issuances were sold to qualified investors with 48 realized through public offering.

During this period, the Company mediated in the debt instrument issuances of İşbank and the İş Group companies. In addition, İş Investment mediated in the issuance of two bonds by Selçuk Ecza, one TL 1,550 million issuance with a maturity of 182 days, and a TL 450 million issuance of a 376-day maturity. The Company also mediated in Deva Holding's issuance of four bonds, worth TL 80 million, with a maturity of 273 days, and a total of TL 920 million with a maturity of 364 days, Migros's bond issuance worth TL 450 million with a maturity of 183 days and Koç Finansman's bond issuances, one being a 548 day maturity, TL 500 million bond issuance and the other being a TL 500 million, 735 day maturity issuance.

İş Investment mediated in 90 issuances with a total nominal size of TL 52.4 billion, concluding 2023 with an 11.4% market share.



DEBT SECURITY ISSUES ARRANGED BY İŞ INVESTMENT (EXCLUDING PRIVATE PLACEMENTS)

İş Investment completed the closing of three merger and acquisition (M&A) transactions.

The spotlight was on the renewable energy, oil and fuel distribution, software and technology and basic production sectors in M&A transactions. According to publicly disclosed data, 171 M&A transactions amounting to approximately USD 7.7 billion were realized (comparing to USD 11.8 billion for 212 M&A transactions in 2022). Domestic investors accounted for a 59% share of the transaction volume, (58% in terms of quantity).

Funds turned to the sale of companies in their existing portfolios or reducing their shares or exiting, especially through public offerings, with their efforts to undertake new investments and create new funds.

M&A transaction activity is expected to remain robust in 2024. While the Company is expected to press ahead with new investments and consolidation efforts, especially in the technology, renewable energy and export-oriented sectors, on the other hand, foreign investor interest is expected to continue.

İş Investment completed three transactions in 2023.

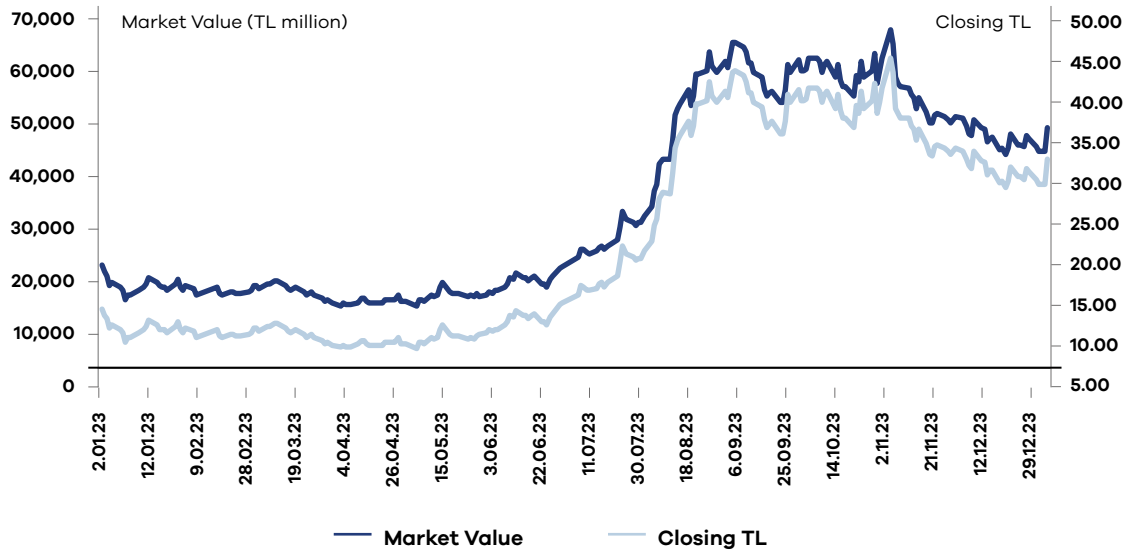
- İş Investment provided sell-side advisory services to CEZ A.Ş. for the sale of its entire stake in AKCEZ Enerji Yatırımları San. ve Tic. A.Ş., which is the main shareholder of Sakarya Elektrik Dağıtım A.Ş. and Sakarya Elektrik Perakende Satış A.Ş., to Torunlar Enerji Sanayi ve Ticaret A.Ş. and Başkent Doğalgaz Dağıtım Gayrimenkul Yatırım Ortaklığı A.Ş.
- İş Investment provided sell-side advisory services to Tarshish Hapoalim Holdings and Investments Ltd. in the sale of BankPozitif Kredi ve Kalkınma Bankası A.Ş. to Pay Fix Elektronik Para ve Ödeme Hizmetleri A.Ş.
- İş Investment provided buy-side advisory services to Topkapı Danışmanlık Elektronik Hizmetler Pazarlama ve Ticaret A.Ş.'ye ("Pazarama") in the sale of minority shares of Hamurlabs Elektronik Hizmetler Yazılım ve Ticaret A.Ş. to Pazarama.

PERFORMANCE OF İŞ INVESTMENT SHARES (ISMEN) AND INVESTOR RELATIONS

ISMEN shares provide investors with a return of 118% in 2023, 3.3 times the return of the BIST 100 index

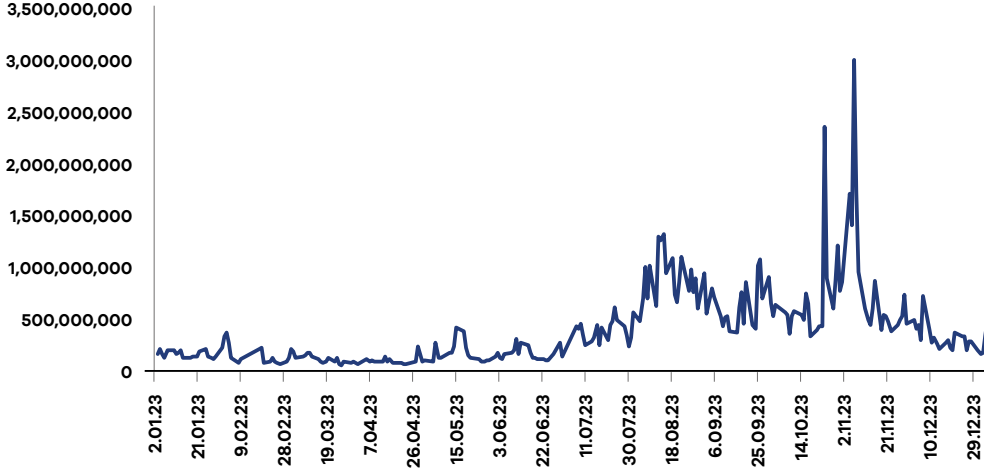
The Investor Relations department at İş Investment continued to effectively carry out its activities in 2023. During the period, informative meetings were held with local foreign corporate and individual investors, both in the form of face-to-face conferences and video conferencing.

ISMEN shares closed the year at a price of TL 32.00 and a market value of TL 48 billion based on the adjusted prices after cash dividends and the free capital increase. The shares provided investors with a return of 118%, 3.3 times higher than the return of the BIST 100 index.



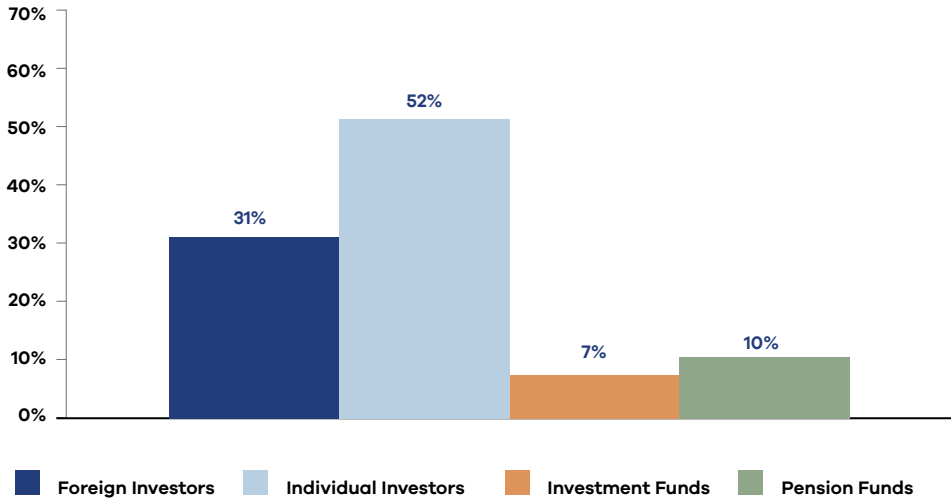
SHARE PRICE PERFORMANCE OF ISMEN - 1 JANUARY - 31 DECEMBER 2023

The average daily transaction volume of İSMEN shares stood at TL 262 million, an increase of 335% compared to 2022.



İSMEN DAILY TRANSACTION VOLUME (TL) - 1 JANUARY - 31 DECEMBER 2023

As of the end of the year, 31% of the shares in free float, accounting for 29.2% of İŞ Investment's capital, were held by foreign investors, with 10% held by pension investment funds, 7% by investment funds and 52% by individual investors.



İSMEN FREE FLOAT SHAREHOLDING STATUS - 31 DECEMBER 2023

According to the decision on the distribution of profit taken at the Annual General Meeting on 23 March 2023 and in accordance with our dividend policy, a cash dividend of TL 755 million from the 2022 distributable profit was paid to shareholders starting from 26 May 2023. The distribution of TL 1,145,000,000 in the form of bonus shares to be added to the capital was completed on 21 July 2023, following the legal processes.

İŞ Investment did not acquire its own shares during the reporting period.

The Company's long-term national credit rating of AAA and short-term national credit rating of A1+ were confirmed by SAHA Rating with a stable outlook on 14 September 2023.

İş Investment fully fulfilled its public disclosure obligations and continued to use electronic media as an effective information tool.

İş Investment's Subsidiaries subject to Consolidation:

Trading Name	Participation Capital	Direct Stake (%)	Nominal value of Shares
Maxis Investments Ltd.	GBP 6,500,000	100.0	GBP 6,500,000
Maxis Girişim Sermayesi Portföy Yön. A.Ş.	TL 18,000,000	100.0	TL 18,000,000
Levent Varlık Kiralama A.Ş.*	TL 100,000	100.0	TL 100,000
Efes Varlık Yönetim A.Ş.**	TL 130,000,000	85.1	TL 110,685,714
İş Portföy Yönetimi A.Ş.	TL 150,000,000	70.0	TL 105,000,000
İş Girişim Sermayesi Yatırım Ortaklığı A.Ş.	TL 74,652,480	29.0	TL 21,654,290
İş Yatırım Ortaklığı A.Ş.	TL 160,599,284	28.9	TL 46,454,100

**Following the decision taken by the Board of Directors on 22 December 2022 and the CMB's approval dated 3 August 2023, the trade registry recording took place on 17 November 2023.*

*** Our consolidated share is 91.1%.*

İŞ INVESTMENT'S FOCUS ON CUSTOMERS, PRODUCTS AND SOLUTIONS

İş Investment uninterruptedly pressed ahead with its domestic product development, sales and corporate communication activities throughout the year.

Integration of the TradeMaster platform

In 2023, the TradeMaster International platform, which is used by investors in foreign market transactions, was integrated into our domestic transaction channels, TradeMaster Web and TradeMaster Mobile. It was therefore possible for investors to carry out all their transactions through a single channel, and the Company's trading platforms were rendered compliant with the "Two-Factor Authentication" rules as set out in the Communiqué on the Documentation and Record Keeping System Regarding Investment Services and Activities and Ancillary Services (III-45.1).

The TradeMaster FX platform, which is used for leveraged trading transactions, was also ported to the MetaTrader5 infrastructure within the framework of the same rules.

Two new additions to transaction channels

İş Investment widened its range of transaction channels in 2023, with two new additions. The FX Plus platform, owned by ForInvest Yazılım ve Teknoloji Hizmetleri A.Ş., enabled orders to be sent to İş Investment accounts from the Ideal Data Terminal belonging to Ideal Data Finansal Teknolojiler A.Ş.

The instant notification feature, Push, added to the TradeMaster Mobile transaction channel, allowed investors to be informed of developments in the capital markets in real time.

With the addition of the "Fund Transactions" menu to the TradeMaster Web channel, investors may examine İş Portföy's funds in detail and issue buying and selling orders for all TEFAS funds and other funds that İş Investment brokers in sales.

Fund recommendation lists appropriate to İş Portföy's various risk levels were also added to the channel.

In addition, the Online Transactions menu added to the platform allows investors to carry out transactions such as public offering applications and annual investor reconciliation through the channel. With the new function added to the Money Transfer menu, investors may now transfer foreign currency to their accounts in foreign markets.

Our new generation application, "Herkesine Borsa", which offers a completely digital and branchless experience for a customer base versed in technology who prefer to trade on their own, was launched as a mobile app and a web app at the end of 2023.

30 branches

İş Investment sales network continued to grow in 2023.

With the opening of the Beylikdüzü, Mersin, Bağdat Caddesi, Denizli and Bahçeşehir branches, the total number of branches reached 30, with 12 of the branches being in İstanbul.

Support for women entrepreneurs in the field of sustainability

The "Arya Venture Capital Investment Fund (Arya)" was established by our subsidiary, Maxis Girişim Sermayesi Portföy Yönetimi A.Ş., a wholly owned subsidiary of İş Investment. Arya was established to invest in venture companies, especially those where at least one of the founders or key senior personnel playing a decisive role in the activities of the venture company is a woman. Arya realized its investments in this context in 2023.

The Company also places priority on the products marketed by women entrepreneurs in the purchase of items such as gifts given to İş Investment employees to celebrate birthdays and other special occasions.

Added value created through research

In addition to producing high value-added reports in the fields of macroeconomics and equity markets, İş Investment continued to provide Buy, Sell and Hold recommendations throughout the year by regularly producing reports for 58 companies which constitute 63% of the actual circulation value (of the shares) of the Borsa Istanbul Equity Market.

A model portfolio is created by selecting the most attractive companies among the companies with a “Buy” recommendation. The model portfolio outperformed the BIST 100 index by 28% in 2023.

In addition to macroeconomic reports for institutional and qualified investors, the Company prepared comprehensive reports in Turkish and English on strategies for equity and fixed income securities.

Strategy meetings were held with institutional investors and portfolio management companies in the country. Active participation in domestic and international sales activities continued during this period, with meetings held with investors to promote listed companies to foreign investors. Together with the sales teams, meetings were held with investors regarding the country’s macroeconomy, the outlook for the shares and strategies.

The need for opinions and reports on capital market instruments and macroeconomic expectations is expected to grow in the coming periods in parallel with developments in the capital markets.

A service cycle shaped by the Responsible Investment Approach

İş Investment upholds the rights and responsibilities of all stakeholders with the understanding of accountability, equality, transparency, fairness and responsibility.

Customer complaints may be forwarded to addresses clearly set out on the Company’s website.

“The Principles of Practice Regarding Investor Complaints and Requests” was created in writing and a Customer Solution Center was established in 2020 to resolve customer complaints.

In addition, our “Investor Rights”, “Conflicts of Interest” and “Order Execution” policies are disclosed to the public on our website. Customers may also be able to convey their expectations and suggestions through the investment advisors assigned to them, and communicate with the Company through social media channels. İş Investment conducted a satisfaction survey on the services provided to customers opening an account between January and August 2023, with 66% of customers participating in the survey. The survey found an average satisfaction rate of 4.5 (90%) out of 5 points. The survey was conducted over a longer period and with a higher participation rate than the previous reporting period.

Continued growth in the number of subscribers and followers of İş Investment on digital platforms in 2023

The Company’s YouTube channel had a total of 182,234 subscribers at the end of 2023, gaining 32,926 new subscribers throughout the year.

The X (Twitter) account gained 36,131 new followers and ended the year with 375,619 followers.

According to the BoomSocial 2023 data, the İş Investment YouTube channel ranked fourth in the YouTube Türkiye Finance league, and its X account ranked fifth in the X Türkiye Finance league.

Our Company continued to upload video clips providing information about funds and the funds market on our YouTube channel, in cooperation with İş Portföy. Likewise, within the scope of the cooperation initiated with Anadolu Hayat Emeklilik, introductory and informative videos regarding the private pension and the system are periodically uploaded on our channel.

In order to demonstrate that the investment approach has a dimension that increases the quality of life and adds value not only in the field of finance but also in different disciplines, the #InvestmentInHealth video series was launched in September with the Bayındır Health Group, an İş Group company. Videos were prepared with specialist doctors on certain subjects in the field of health and uploaded to the YouTube channel.

İS INVESTMENT FOCUS ON PEOPLE

İs Investment's focus on people aims to create a business environment which is equitable, fair and respectful of human rights, and to support the development of employees and unleash their potential.

Governance of human resources

In 2023, İs Investment declared that it would go to all lengths to fulfil the requirements of the international agreements which our country is party to in this regard, especially the fundamental principles of the United Nations Universal Declaration of Human Rights and the International Labour Organization, in areas such as labor rights, human rights and social justice. This declaration is embodied in the Human Rights and Human Resources Policy. The policy was approved following the decision taken by the Board of Directors and disclosed to the public on the website.

This Policy is regularly reviewed by the Corporate Governance Committee in line with changes in requirements and operating conditions. Necessary updates and changes are approved by the Board of Directors upon the recommendation of the Corporate Governance Committee and duly entered force.

Compliance with the provisions of the Human Rights and Human Resources Policy is subject to internal audit.

The Human Rights and Human Resources Policy is based on principles such as providing equal opportunity to people under equal conditions, refraining from any discrimination among employees based on race, religion, language, sect or any belief, gender, age, cultural or social class, respecting human rights, protecting employees from physical, psychological or emotional mistreatment within the Company, implementing a fair and competitive remuneration policy, succession planning, and placing importance on training and occupational health and safety. The full text of our Human Rights and Human Resources Policy may be accessed from the Investor Relations/Corporate Governance/Sustainability Policies section of the website.

The İs Investment Mentoring Program

The Mentoring Program, which continued in 2023, is implemented for newly recruited employees to develop their competencies within the first six months, raise their motivation, strengthen their loyalty to the Company and ensure that they focus on the Company's goals and strategy.

On one hand, the program helps less experienced İs Investment employees effectively demonstrate their potential in working life in their career development, while on the other hand enabling experienced personnel to serve as mentors to contribute to the development of others and also providing them with the opportunity to develop their own talents, learn from others and achieve personal development.

New employees at İs Investment are provided with information on tackling Financial Crime and Sanctions, Capital Markets Professional Rules (Code of Ethics) and Policies on the Prevention of Laundering the Proceeds of Crime and Financing of Terrorism.

No İs Investment employees submitted any complaints regarding discrimination or mistreatment to the Company management during 2023.

A family of 582 people

The total number of employees in the entire organizational structure of İs Investment reached 582 at the end of 2023. The proportion of female employees stood at 47% in the reporting period, with the proportion of female employees among senior managers standing at 41%, with a proportion of 48% for middle-level managers and 46% for the average of these two groups. On the other hand, the rate of female employees among newly employed employees stood at 52% in 2023.

At İs Investment, the rate of employee turnover stood at 11% in 2023.*

¹ Turnover Rate: the number of employees who left / the average number of employees

The legal framework, including the basic qualifications of the employees employed by İŞ Investment such as higher education graduation, professional licensing documents and seniority is compatible with the legislation in place defining the qualifications of companies operating in the capital markets. The employment of child labor at İŞ Investment is strictly prohibited in accordance with the personnel regulations and the Company policies.

Additionally, İŞ Investment does not use forced labor under any circumstances. All work is entirely on a voluntary basis.

No employee reporting actions which contravene İŞ Investment's Anti-Bribery and Corruption Policy to the Company in good faith will be subject to any sanction or ill-treatment accordingly, provided they act within the framework of the principles of honesty and transparency.

İŞ Investment has a Leave Board consisting of employer and employee representatives in order to ensure closer monitoring of the needs and expectations of the personnel.

No work accidents resulted in serious consequences, such as serious injury or death, during the reporting period. Likewise, no İŞ Investment employee experienced any loss of working days due to the activities carried out.

Talent management and training

Discovering talent, bringing the right talent to İŞ Investment and ensuring that our competitive position is sustainable form the basis of the Company's approach to talent management. In this context, employee training is an essential tool and constitutes an important element of the work/life balance.

The İŞ Investment training policy establishes the aim of the policy as contributing to the professional and personal development of employees who adopt continuous learning as a life philosophy and providing equal opportunity to employees in this regard. In this context, in addition to providing information in the training sessions offered, the Company attaches importance to the transferability of the acquired knowledge, skills and behavior into practice and work.

Our training plans aim to ensure that our employees develop appropriate behavioral patterns in accordance with the corporate culture while helping them fulfil their duties as well as possible by developing their professional competencies and improving their management skills.

The Company encourages employees to participate in national and international training and certificate programs and provides all forms of support.

In 2023, employees continued to participate in training programs in parallel with the Company's managerial strategies. Management development programs, seminars, technical and vocational training programs and external training with individual participation are implemented within the scope of our training activities. At the same time, the e-learning platform is used effectively to access information on the professional and personal development subjects, whenever and wherever needed, in parallel with digitalized business processes and technological developments.

In 2023, a total of 14,313 hours of training was provided, with 3,457 hours of the training provided in the digital environment. An average of 25 hours of training was provided for each employee.

The sector in which İŞ Investment operates does not require trade union activity or collective bargaining agreements in terms of personnel quality and number of personnel.

No Company employee was represented by a union in 2023. However, İŞ Investment does not have any regulations or practices which expressly prohibit union representation.

Performance management

Job descriptions and performance and reward criteria for employees at İŞ Investment were set in writing as a basis of practice and announced to employees.

The performance evaluation system is a mixed system in which objectives and competencies are evaluated together. Performance evaluation is based on objective analyses and syntheses which investigate the extent that employees have complied with the requirements and the nature of work and which seek to determine the level of success in their work.

For open positions within the Company, employees are primarily recruited from internal sources, taking account their career goals and development. The principle of providing equal opportunities to people under equal conditions has been adopted in creating recruitment policies and setting out career plans.

Digitalization in human resources processes

İş Investment also carries out digitalization work in its human resources applications. The digital processes implemented allow an unlimited number of job postings to be opened and an unlimited number of candidate applications to be received. Candidate application information may be collected through the application, with filtering on the basis of the required criteria. All aptitude tests, personality inventory and interview applications compatible with the recruitment process and job posting may be carried out through the digital application, regardless of the time and place.

Remuneration and other rights

İş Investment rejects any form of discrimination in all of its processes and practices within the framework of the Human Rights and Human Resources Policy. At İş Investment, employees are paid in accordance with the Remuneration Policy, the Human Rights and Human Resources Policy and Personnel Regulation principles.

Remuneration for İş Investment employees is determined fairly and competitively within the framework of the Remuneration Policy, taking into account the Company's remuneration principles, job results and productivity, as well as qualifications such as education level, experience, position and title.

Pay rises are normally offered once a year, taking into account employees' contributions to the Company's goals, the achievement of their performance targets, sectoral remuneration surveys and the rate of inflation. The implemented Remuneration Policy was approved by the Board of Directors and presented to the shareholders at the first General Meeting.

The Company's publicly disclosed Remuneration Policy is valid for managers and employees at all levels.

According to the Remuneration Policy, fixed wages are cash payments provided in fixed amounts on a regular basis and continuously at certain periods of the year, regardless of performance. Such wages are determined by taking into account the financial situation of the Company and are paid to all employees based on merit, working time, title and the nature of the work performed.

Variable wages are all kinds of cash and non-cash payments other than fixed wages, such as performance based incentive payments and bonuses. Performance based wages are paid only to certain employees, taking the performance of the Company and the contribution of the relevant unit and the employee into account.

Variable wages are determined in a manner that does not weaken the Company's equity base, taking into account current and potential risks, capital and liquidity status, and the probability and timing of planned future income. The full text of İş Investment's Remuneration Policy may be accessed from the [Investor Relations, Corporate Governance and Corporate Policies](#) section of the website.

At İş Investment, a total of TL 1,370 million in personnel expenses was incurred in the form of wages and similar benefits in 2023.

It is the duty and responsibility of the Corporate Governance Committee to determine the principles, criteria and practices to be used in the remuneration of managers with administrative responsibilities and to submit suggestions to the Board of Directors on these issues.

Employees are provided with private health insurance as part of their additional benefits. In addition, in 2023, all employees were covered by death and disability insurance which was provided free of charge. Moreover, the complex where our Head Office is located includes doctors and medical personnel, which our employees may consult for examination whenever needed. Social rights in cases such as marriage, birth, natural disasters, and optional group retirement plans with employer contribution are among the other benefits provided to employees, which are disclosed to the public in the Human Resources section of the website.

Succession planning for executive positions

In cases where it is anticipated that the process of changes in positions at İŞ Investment, including the Chief Executives, may cause disruption in the management, succession planning is carried out to determine the new managers to be appointed.

The subject of this planning is to determine employees in advance so if critical positions do become vacant for various reasons, they may be filled by existing personnel, the employees determined for the key positions may be equipped with the qualifications required for the relevant positions, and relevant employees may be trained as managers of the future.

In this context, the Board of Directors holds the authority to determine the managers to be appointed and/or promoted to key positions, to evaluate managers who contribute to achieving the Company's strategic goals and to assign them to relevant positions.

Within the scope of succession planning, the Board of Directors considered the request of the Chief Executive and Board member, Mr. Rıza İhsan Kutlusoy, to leave his duties for retirement with effect from 31 January 2024. Upon completion of the necessary permit processes, the decision was taken to appoint the Deputy Chief Executive, Mr. Kenan Ayvaci, to the position of Chief Executive with effect from 1 February 2024. This was announced to the public on 27 October 2023.

Efficiency and savings achieved through online and hybrid methods

Physical participation in international events such as business trips, meetings, training programs, seminars and conferences is carried out to a minimum level, except where necessary, in order to reduce greenhouse gas emissions. In particular, the Company demonstrates a preference for online attendance at events which take place outside the city and country.

Taking into account current conditions, a hybrid working order continued to be implemented in 2023, allowing employees to work in the office on certain days of the month and at home on other days of the month.

Occupational Health and Safety

Occupational Health and Safety is one of the key elements of our Human Rights and Human Resources Policy. Employees are regularly provided with training in matters related to Occupational Health and Safety with necessary information provided by raising awareness in these areas. In this context, a total of 1,032 hours of training was provided to employees on Occupational Health and Safety in 2023. The internal regulation on Occupational Health and Safety was prepared in writing and announced to employees. İŞ Investment's occupational health and safety strategy is determined in line with the relevant regulation by the Occupational Health and Safety Committee, which consists of a doctor, a health and safety specialist, employer representative, employee representative and the manager of the human resources department. Within the scope of occupational health and safety at the Company, employees participate in training on Search and Rescue and First Aid.

Wishes, complaints and suggestions

Each employee at İŞ Investment may submit their wishes, complaints and suggestions through various communication channels such as the Human Resources Committee, unit managers, the Human Resources Directorate and the Inspectors Board.

The Audit Committee is responsible for reviewing any complaints regarding ethical issues. If a situation which contravenes the Company's code of ethics is identified, the Board of Inspectors and the Human Resources Committee will conduct a review and evaluation of the matter, before referring it to the Audit Committee, which is responsible for the code of ethics, if deemed necessary. The necessary measures are taken within the framework of the Personnel Regulation, the Company Policies and relevant legislation.

In 2023, İŞ Investment did not receive any complaints regarding ethical issues.

Employee satisfaction survey

In October 2023, the level of satisfaction of İŞ Investment employees was measured through a survey conducted by a specialized consultancy. The participation rate in the survey stood at 93%. The results of the survey are evaluated by İŞ Investment's relevant boards and committees.

İS INVESTMENT'S ECOSYSTEM FOCUS

İs Investment aims to provide development in the consumption of energy, use of water, gas emissions, waste generation and recycling in accordance with the Environmental and Social Impacts Policy announced on its website.

The İş Towers complex, located in Levent, Istanbul, and from which the Company carries out its activities, was designed to minimize its environmental impact.

Tower 1 in the complex holds a BREEAM In-use Excellence certificate.

The application for the LEED-EBOM certificate submitted for Tower 2, which is home to the Company's Head Office, was awaiting approval as of the reporting period.

Meanwhile, work on the "Zero Waste Management" process has got underway. Within this scope, necessary applications have been submitted by the operating company to gain a zero-waste certificate by separating the waste collection areas and classifying wastes in accordance with the Zero Waste Regulation.

The process of moving our data center, located in the same building as our Head Office, to Atlas Data Center, was completed in 2021. The Atlas Data Center was specially designed to incorporate green IT applications which will minimize environmental impacts and provide energy efficiency.

In addition to being environmentally friendly, the Atlas Data Center, which operates with state-of-the-art technology and the highest security standards, holds the LEED v4 Gold certification for Data Centers and was the first data center in Türkiye to meet these standards.

The Atlas Data Center, which is the new home of our Company's data center, offers the following features;

All waste is sorted and recycled within the scope of the ISO14001 Environmental Management System Standard.

- Energy consumption is reduced by using energy generated during cooling in the heating of office spaces.
- The data rooms housing IT cabinets are air-cooled with package type cooling devices on an uninterrupted basis in line with the principle of redundancy.
- After cabinets are cooled, heated air is mixed with outdoor air and used for the heating of air conditioning systems, thus saving energy.
- Rain water is collected and reused after being treated

Thanks to these features, the transfer of our data center, which has a significant impact on energy consumption, to the Atlas Data Center has minimized the environmental impact of our operations. The move paved the way for an 80% reduction in electricity consumption in 2023 when compared to the period before the move.

Greenhouse gas inventory report disclosed since 2021

As a responsible corporate citizen, İş Investment is aware of the effects of climate change on our daily lives and the business world and the risks which it may present. The Company has been reporting its greenhouse gas inventory by assuming responsibility in this regard since 2021.

Figures pertaining to the energy consumption of our entire organization, including its branches, for 2023 and the Scope 1, 2 and 3 data on greenhouse gas emissions are presented in the tables below. In addition, the methodology and other detailed information regarding emission measurements may be accessed in our Greenhouse Gas Report on the İş Investment website.

İş Investment's Total Energy Consumption, MWh

Electricity Consumption	2019 MWh	2020 MWh	2021 MWh	2022 MWh	2023 MWh
Fuel and electricity in the Buildings	1,525.2	1,361.3	1,228.5	1,208.6	1,545.0
Electricity purchased from the grid	1,101.5	978.5	300.1	353.9	510.9
Renewable electricity supply*	0	0	372.5	312.5	678.8
Natural gas	413.6	371.1	551.0	542.2	355.3
Generator (diesel)	10.1	11.7	4.9	0.0	0.0
Vehicle fuel	719.6	502.7	506.4	404.8	471.1
Diesel	234.4	267.2	333.5	137.1	140.7
Gasoline	485.2	235.5	172.9	267.7	330.4
TOTAL	2,244.8	1,864.0	1,734.9	1,613.4	2,016.1

* I-REC certified electricity purchased from renewable energy sources.

İş Investment's Total Energy Consumption, GJ

Electricity Consumption	2019 GJ	2020 GJ	2021 GJ	2022 GJ	2023 GJ
Fuel and electricity in the Buildings	5,490.8	4,900.7	4,422.6	4,351.0	5,562.0
Electricity purchased from the grid	3,965.6	3,522.7	1,080.3	1,274.2	1,839.2
Renewable electricity supply*	0	0	1,341.2	1,125.0	2,443.8
Natural gas	1,489.0	1,336.0	1,983.5	1,951.8	1,279.0
Generators (diesel)	36.2	42.0	17.6	0.0	0.0
Vehicle fuel	2,590.6	1,809.6	1,823.0	1,457.4	1,696.1
Diesel	843.7	962.0	1,200.7	493.5	506.7
Gasoline	1,746.9	847.6	622.3	963.9	1,189.4
TOTAL	8,081.4	6,710.3	6,245.6	5,808.4	7,258.1

* I-REC certified electricity purchased from renewable energy sources.

İş Investment's Emissions by Scope, tonnes CO₂e

Greenhouse Gas Emissions	2019 tCO ₂ e	2020 tCO ₂ e	2021 tCO ₂ e	2022 tCO ₂ e	2023 tCO ₂ e
Scope 1	275	211	247	216	197
Scope 2	566	467	137	124	47
Scope 3	103*	20*	21*	70**	125***
TOTAL	944	698	405	410	369

* Only business trips (flights) are calculated as Scope 3 (GHG Protocol-Category 6).

** Only mains water use and business travel (flights) are calculated as scope 3 (GHG Protocol- Category 5 and 6).

*** Purchased goods are calculated as emissions under GHG Protocol - Category 1a, capital goods are calculated as emissions under GHG Protocol - Category 2, fuel and energy related activities are calculated as emissions under GHG Protocol - Category 3, waste and mains water are calculated as emissions under GHG Protocol - Category 5 and business trips (Flights) are calculated as emissions under GHG Protocol - Category 6. The breakdown of Scope 3 emissions for 2023 is set out in our Greenhouse Gas Report.

Scope 1: Scope 1 emissions refer to emissions based on all fixed and mobile emission sources owned or directly controlled. Basically, fuel consumption of buildings and company vehicles and generator consumption are calculated within this scope.

İş Investment's Scope 1 emissions for 2023 stood at 197 tonnes of CO₂e, a decrease of 28% compared to the base year of 2019.

Scope 2: Scope 2 emissions refer to the emissions arising from energy purchased for the Company's activities and include indirect energy emissions. The greenhouse gas emissions of the Company's electricity consumption were calculated under this scope.

İş Investment's Scope 2 emissions for 2023 amounted to 47 tonnes of CO₂e, marking a drop of 92% when compared to the base year of 2019.

Scope 3: Scope 3 emissions are emissions which include the Company's other indirect emissions. Emissions from mains water and business trips, as well as purchased goods, capital goods, waste, fuel and energy-related activities were calculated under this scope.

İş Investment's Scope 3 emissions for 2023 amounted to 125 tonnes of CO₂e, a decrease of 21% compared to the base year of 2019.

According to the greenhouse gas emission measurements in 2023, Scope 1, 2 and 3 values for 2023 were calculated to total 369 tonnes of CO₂e, marking a fall of 61% compared to the reference year of 2019.

İş Investment consumed a total of 7,258,1 GJ of energy in 2023, 10% lower than in the reference year of 2019.

İş Investment's waste generation stood at 1.03 tonnes in 2023. The Company's operating cycle does not involve the production of any hazardous waste.

The goal of increasing the I-REC certified electricity consumption

İş Investment consumed a total of 678.8 MWh of the I-REC certified green electricity with three branches switching to I-REC certified electricity consumption in 2023, in line with the goal of increasing the consumption of the I-REC certified electricity generated from renewable energy sources. At the same time, necessary measures will be taken for two new branches, opened in 2023, to switch to the I-REC certified green electricity consumption.

İş Investment carries out its activities with environmental awareness. The Company ensures that the organizations which supply the inputs the Company procures in order to provide its services also demonstrate sensitivity to the environment. In this context, I-REC certified electricity supply, which is an important input, is procured from an organization which holds ISO 14001, ISO 45001, ISO 9001, ISO 50001 and ISO / IEC 27001 certifications.

The Company consumed a total of 2,365 m³ of water in 2023, a decrease of 32% when compared to 2019, the reference year. Mains water provided by local governments is used in water consumption. The volume of waste water discharged was as much as the amount of water consumed in 2023. Waste water is discharged into facilities such as treatment plants as directed by local governments.

İş Investment's Water Consumption (m³)

	2019	2020	2021	2022	2023
Total Water Consumption	3,476.5	2,039.6	1,920.8	1,820.0	2,365.0

The company responsible for the operation of Tower 2 in the complex, which is home to Head Office of İş Investment, holds ISO14001 certification. Environmentally friendly chemicals are used throughout the complex.

Sustainability and environment aspects in products and services

In addition to the "Infrastructure Venture Capital Investment Fund", the "Renewable Energy Venture Capital Investment Fund", the "Renewable Energy Technologies Venture Capital Investment Fund", the "Electric Vehicles Mixed Fund", the "Renewable Energy Mixed Fund" and the "Women's Equity Fund", which were established in previous years by its subsidiary, İş Portföy Yönetimi A.Ş., in which İş Investment holds 70% of the capital, İş Investment mediated in the offering of the "BIST Sustainability Stock Fund", which was established in 2023, and the "Agro Venture Capital Investment Fund", which was established to invest in the livestock and food sectors, to its customers.

As a consortium leader, İŞ Investment also mediated in the public offering of TAB Gıda Sanayi ve Ticaret A.Ş., with an offering size of TL 6,825 million, which was announced to the public in the public offering prospectus in 2023, with 25% of the proceeds from the public offering to be used in renewable energy investments.

Other work creating a positive environmental impact

İŞ Investment offers transportation for employees working in the Head Office through shuttle buses in order to reduce the environmental impacts arising from the transportation of personnel. The Company meets 100% of the cost of this service as an incentive.

In line with the principle of “Environmental Restoration and Cleaning”, an environmental restoration and cleaning project was carried out in the 15 July Martyrs Memorial Forest in October 2023 in cooperation with the Istanbul Technical University Zero Waste Club. Volunteering İŞ Investment employees came together at the waste collection event within the scope of the project with efforts made to alleviate the negative impacts of waste in forest areas. Before the event, Zero Waste Training was given by a faculty member. The impact analysis carried out by environmental engineers determined that the collection of the waste prevented greenhouse gas emissions equivalent to 51.92 kg of CO₂e, with the event therefore contributing to the efforts to preserve the natural environment.

99% of customer account statements were sent electronically, thus saving approximately 2 million pieces of paper and preventing a total of 301 kg of CO₂e in carbon emissions, of which 294 kg of CO₂e came from use with 7 kg of CO₂e from post-use waste generation.

In order to raise awareness on sustainability issues, “Sustainability and Decarbonization Awareness Training”, which includes topics such as sustainable development, historical development, corporate sustainability, the UN Sustainable Development Goals (SDGs), the status of SDGs in Türkiye, global risk assessment, climate change and biodiversity, greenhouse gases and their scope, the Paris Climate Agreement, decarbonization, the circular economy, the sustainable ecosystem, social factors and corporate governance principles were presented to employees. Another project contributing to the “Climate Action” target, which is one of the Sustainable Development Goals, was carried out with training on “Sustainability and Decarbonization Awareness” also provided to the Corporate Governance Committee and the Board of Directors.

In line with the principle of using environmentally friendly products at the Company, the use of digital business cards for employees continued in 2023 in a bid to reduce use of paper. With this practice, employees were able to transfer information on their printed business cards to their smartphones using NFC technology without the need for any app. In addition, with an awareness that disposable cups in the work environment are unhealthy and cannot be recycled because they contain plastic materials, employees continued to be offered glass jugs and porcelain cups in 2023.

Brokerage transactions in the trading of capital market instruments are carried out through 19 self-service digital transaction channels and by Investment Advisors. The number of customers performing transactions through all digital channels in 2023 increased by 96% compared to 2019, the reference year before the COVID-19 pandemic. Contracts may be signed electronically within the scope of our digital applications that enable lower consumption of paper and reduce the generation of waste. Moreover, we continued to acquire new real-person customers through digital remote video calls.

One important initiative taken within the scope of decarbonization was the choice of hybrid cars in the vehicle fleet for sales and marketing processes in 2023. Useful tools and items provided to new employees at the Company continued to be presented in cloth bags instead of cardboard boxes, within the framework of sustainability.

Where deemed necessary, İŞ Investment informs the companies it provides financial consultancy services to of the assessment of environmental and social impacts and sustainability issues and the measures to be taken, thus ensuring that customers and other stakeholders involved in the process are integrated into our Environmental and Social Impacts Policy.

İŞ Investment does not yet use carbon credits from the carbon offset market in return for its greenhouse gas emissions.

In its publicly disclosed Environmental and Social Impacts Policy, İŞ Investment has declared that it will go to all lengths to regularly measure greenhouse gas emissions, which are the main cause of climate change, in the future and to carry out activities to reduce greenhouse gas emissions in line with its commitments.

İS INVESTMENT'S SOCIAL FOCUS

A focus on producing and sharing a broad impact with its social investments

İşbank is the founder and main shareholder of İş Investment, which has been a pioneer in the development of social life as well as economic development since its establishment. İşbank maintains its support for activities in the fields of the environment, education, culture, art and other fields with its deeply rooted understanding of social responsibility.

İş Investment, along with all of its employees, is aware and conscious of its social responsibility to society. It aims to realize sustainable projects in accordance with legal regulations and ethical values on issues within the field of social responsibility.

İş Investment achieves this goal through the projects it develops directly and/or by supporting İşbank's work.

TradeMaster Campus

In support of the UN's Sustainable Development Goal (SDG) No. 8, entitled Decent Work and Economic Growth, İş Investment implemented the "TradeMaster Campus" application, attracting the involvement of a number of reputable universities since 2013 with the aim of raising financial literacy among university students and facilitating widespread learning of the dynamics of the capital markets.

Within the scope of the project, computer laboratories were established at universities for students to use free of charge. Information is provided on the capital markets and transactions and training is provided.

This year, five more universities were included in the TradeMaster Campus project, which enables the establishment of finance laboratories to provide applied training to university students. Thus, the number of supported universities increased to 50. Speaker support continued to be provided to universities in various subject areas. The fifteenth edition of our virtual portfolio competition, "Trademaster Investment League", which is held twice a year within the scope of this project, was completed in June 2023.

Our sixteenth competition, which attracted the participation of 375 groups from 32 universities, started on 18 December 2023 and was completed in January 2024.

Investing in the Future through Contemporary Art

Within the scope of the sustainability-focused collaboration launched in 2021 with the Eskişehir Odunpazarı Modern Museum in support of the UN's SDG No. 11, "Sustainable Cities and Communities", "Investing in the Future through Contemporary Art" seminars, which examines the relationship between contemporary art and different disciplines, continued to be held in 2023.

Speakers addressed the topics of "Cultural diversity, inclusion and sustainability in institutions", "Roles of institutions in management of culture and the arts", "The Cultural, artistic and economic role of museums" and "Institutionalization of collections, the relationship of exhibiting in museums and its development in this context" in four different seminars, organized within the framework of our sustainability focused collaboration.

During this period, a new collaboration with the Ayvalık Culture and Art Foundation also got underway, with the aim of supporting young musicians. In this vein, İş Investment became the "Education Supporter" for the Flute, Violin, Clarinet, Piano and Cello Masterclasses organized by the Ayvalık International Music Academy (AIMA) between June and September.

Opinions and evaluations continued to be shared in line with common goals.

In addition, in support of the UN's Sustainable Development Goal No. 17, "Partnerships for the Goals" in the context of contributing to the development of the capital markets, İş Investment submitted 8 opinions and evaluations to the Capital Markets Board, the Borsa Istanbul and the Turkish Capital Markets Association on legislative amendments and revisions regarding its activities.

OTHER INFORMATION

AGENDA OF THE ANNUAL GENERAL MEETING DATED 15 APRIL 2024

AGENDA OF THE ANNUAL GENERAL MEETING OF İŞ YATIRIM MENKUL DEĞERLER A.Ş. , DATED 15 APRIL 2024.

1. Opening and chairing the council
2. Reading and deliberation of the Board of Directors' Annual Report for the year 2023
3. Reading, deliberation of the financial statements and Independent Auditor's report of 2023 and approval of the financial statements
4. Approval of members assigned to the Board of Directors in the period
5. The individual acquittal of members of the Board of Directors for their fiduciary responsibilities for 2023
6. Determining the way of using the 2023 profit, dividends and rates to be distributed
7. Submittal of the offset of the past years' loss with extraordinary contingency reserve, which was revealed as a result of inflation adjustment, for approval.
8. Election of members of the Board of Directors and determination of the membership period
9. Determination of the remuneration to be paid to the members of the Board of Directors
10. Selection of the auditor
11. Amendment of article 9 of the Articles of Association
12. Presentation of information on the share buy-back program, which ended on 31 December 2023.
13. Presentation of information on the donations made in 2023
14. Determination of upper limit for donations that will be made in 2024.

DIVIDEND DISTRIBUTION PROPOSAL OF THE BOARD OF DIRECTORS

The decision was taken to submit the following issues to the approval of the Annual General Meeting:

- The distribution of a gross dividend of TL 1,600,000,000 in cash, to be paid as of 29 May 2023,
- The allocation of TL 899,750,000 in accordance with the provisions of Article 325/A of the Tax Procedure Law and Article 10 of the Corporate Tax Law and TL 250,000 in accordance with Article 3 of the Law on Supporting Research, Development and Design Activities, a total of TL 900,000,000, in special funds for use in venture capital fund investments

to be met by our Company's distributable profit for the period 1 January 2023 – 31 December 2024, as reported in the financial statements and legal records prepared in accordance with the provisions of Communique II-14.1 of the Capital Market Board and in accordance with the Company's Dividend Distribution Policy.

DIVIDEND DISTRIBUTION TABLE FOR 2023 (TL)

PROFIT DISTRIBUTION TABLE (TL) FOR 2023 SUBMITTED BY THE BOARD OF DIRECTORS OF İŞ YATIRIM MENKUL DEĞERLER A.Ş. FOR APPROVAL AT THE ANNUAL GENERAL MEETING

1.	Paid-in / Issued Capital		1,500,000,000.00
2.	Total Legal Reserves (According to Legal Records)		985,818,411.54
	If there is a privilege in profit distribution in accordance with the Articles of Association, Information on the Privilege in question:		None
		According to the CMB	According to Legal Records
3.	Profit for the Period	9,260,151,424.43	8,057,367,558.86
4.	Taxes Payable (-)	(3,478,864,981.25)	(3,051,173,337.35)
5.	Net Profit for the Period	5,539,762,494.17	5,006,194,221.51
6.	Loss from Previous Years (-)	0.00	0.00
7.	Primary Legal Reserves (-)	(229,000,000.00)	(229,000,000.00)
8.	NET DISTRIBUTABLE PROFIT FOR THE PERIOD	5,310,762,494.17	4,777,194,221.51
9.	Donations provided during the year	55,045,468.00	
10.	Net Distributable Profit for the Period	5,365,807,962.17	
11.	Primary Dividend to Shareholders		
	- Cash	1,600,000,000.00	
	- Free		
	- Total	1,600,000,000.00	
12.	Dividend Distributed to Holders of Privileged Shares	0.00	
13.	Dividend Distributed to Board Members, Employees and Similar Persons	0.00	
14.	Dividend Distributed to Usufruct Share Holders	0.00	
15.	Interim Dividend to Shareholders	0.00	
16.	Secondary Legal Reserves (-)	152,500,000.00	
17.	Statutory Reserves	0.00	
18.	Special Reserves	900,000,000.00	
19.	EXTRAORDINARY RESERVES	2,658,262,494.17	2,124,694,221.51
20.	Other Distributable Resources		
	- Previous Year's Profit		
	- Extraordinary Reserves		
	- Other Reserves Distributable Pursuant to the Law and Articles of Association		

DIVIDEND RATIO TABLE

	GROUP	TOTAL DISTRIBUTED DIVIDEND		TOTAL DISTRIBUTED DIVIDEND/ NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDEND PER SHARE FOR 1 TL NOMINALLY VALUED SHARE	
		CASH (TL)	SHARES (TL)	RATIO (%)	AMOUNT (TL)	SHARE (%)
NET*	A	144,000.00	0.00	0.00271	0.9600	96.0000
	B	1,439,856,000.00	0.00	27.11204	0.9600	96.0000
	TOTAL	1,440,000,000.00	0.00	27.11475	0.9600	96.0000

⁽¹⁾ Gross cash dividend of TL 1,600,000,000.

AMENDMENT TEXT OF THE ARTICLES OF ASSOCIATION

AMENDMENT TEXT OF THE ARTICLES OF ASSOCIATION OF İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ

Previous Version	Amended Version
BOARD OF DIRECTORS AND ITS MANDATE	BOARD OF DIRECTORS AND ITS MANDATE
<p>Article 9 - The Company is represented and managed by the Board of Directors consisting of 9 (nine) members who are elected by the General Assembly in accordance with the provisions of the Turkish Commercial Code and have the characteristics specified in the relevant regulations of the Capital Markets Legislation.</p> <p>Legal entities may be elected as members of the Board of Directors. In this case, a real person - determined by the legal entity and whose personality embodies the legal entity - is also registered and announced together with the legal entity who is a member of the Board of Directors. The suggestions and votes submitted by the mentioned real person in the Board of Directors are deemed to have been submitted by the legal entity. Only the member legal entity is responsible. This real person may be changed at any time at the unilateral will of legal entity. In this case, there is no requirement for impeachment. A representative may not be elected as a member of the Board of Directors instead of a legal entity.</p> <p>Executive members may not serve as the Chairperson of the Board of Directors.</p> <p>6 (six) members of the Board of Directors are elected from among the candidates nominated by the holders of the majority of Group A shares, and 3 (three) members are elected from among the candidates nominated by the holders of Group B shares. The candidate recommended for membership of the Board of Directors by certain share groups must be elected by the General Assembly, unless there is a justified reason.</p> <p>If the majority of holders of Group A shares cannot nominate a candidate to the Board of Directors, the election is carried out by the General Assembly in accordance with the general provisions. At least half of the Board Members are required to have graduated from higher education institutions. The provisions of the Turkish Commercial Code and Capital Markets Legislation regarding the qualifications of the Board of Directors and the responsibilities of the Members of the Board of Directors are reserved.</p> <p>The tenure of Board Members is limited to a maximum of one year. Members of the Board of Directors whose tenure has expired may be re-elected as Members of the Board of Directors.</p> <p>The General Assembly may change the Members of the Board of Directors at any time if there is a relevant item on the agenda or if there is a justified reason, even if there is no item on the agenda. Persons who meet the legal conditions are elected by the Board of Directors to serve as members of the Board of Directors in place of those who have died, resigned or whose membership status has ceased in accordance with Article 363 of the Turkish Commercial Code. They serve until the first meeting of the General Assembly. If accepted by the General Assembly, they complete the term of office of the members before them.</p>	<p>Article 9 - The Company is represented and managed by the Board of Directors consisting of 9 (nine) members who are elected by the General Assembly in accordance with the provisions of the Turkish Commercial Code and have the characteristics specified in the relevant regulations of the Capital Markets Legislation.</p> <p>Legal entities may be elected as members of the Board of Directors. In this case, a real person - determined by the legal entity and whose personality embodies the legal entity - is also registered and announced together with the legal entity who is a member of the Board of Directors. The suggestions and votes submitted by the mentioned real person in the Board of Directors are deemed to have been submitted by the legal entity. Only the member legal entity is responsible. This real person may be changed at any time at the unilateral will of the legal entity. In this case, there is no need for impeachment. A representative may not be elected as a member of the Board of Directors instead of a legal entity.</p> <p>Executive members may not serve as the Chairperson of the Board of Directors.</p> <p>6 (six) members of the Board of Directors are elected from among the candidates nominated by the holders of the majority of Group A shares, and 3 (three) members are elected from among the candidates nominated by the holders of Group B shares. The candidate recommended for membership of the Board of Directors by certain share groups must be elected by the General Assembly, unless there is a justified reason.</p> <p>If the majority of holders of Group A shares cannot nominate a candidate to the Board of Directors, the election is carried out by the General Assembly in accordance with the general provisions. At least half of the Board Members are required to have graduated from higher education institutions. The provisions of the Turkish Commercial Code and Capital Markets Legislation regarding the qualifications of the Board of Directors and the responsibilities of the Members of the Board of Directors are reserved.</p> <p>The tenure of Board Members is limited to a maximum of three years. Members of the Board of Directors whose tenure has expired may be re-elected as Members of the Board of Directors.</p> <p>The General Assembly may change the Members of the Board of Directors at any time if there is a relevant item on the agenda or if there is a justified reason, even if there is no item on the agenda. Persons who meet the legal conditions are elected by the Board of Directors to serve as members of the Board of Directors in place of those who have died, resigned or whose membership status has ceased in accordance with Article 363 of the Turkish Commercial Code. They serve until the first meeting of the General Assembly. If accepted by the General Assembly, they complete the term of office of the members before them.</p>

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE

Increasing the quality and quantity of international capital directed to Türkiye is of tremendous importance in our developing economy. Global and regional developments in recent years have highlighted the importance of good corporate governance practices for companies, investors and all related parties. Good governance practices will remain one of the most important driving forces of the growth in companies and the sustainability of their activities.

İş Investment upholds the corporate approach in its sector, as associated with the “İş” emblem in our society. The Company recognizes that good governance practices can be achieved through various initiatives, including the formulation of the management strategy, establishment of an effective risk management and internal control mechanism, description of ethical rules, the highest quality in investor relations activities and the due fulfilment of the public disclosure obligation and transparent execution of the activities of the Board of Directors. To this end, İş Investment observes the standards of accountability, equality, transparency and responsibility which constitute the universal components of corporate governance in the discharge of its rights and responsibilities to its shareholders in particular, and its employees, clients and all stakeholders in general, while maintaining effective management and supervision. With this approach, İş Investment complies with all of the Capital Markets Board’s regulations regarding compulsory corporate governance, as well as a number of principles which are not mandatory.

Conducting its business in accordance with the Turkish Commercial Code, the Capital Market Law and applicable legislation, as well as its corporate code of ethics, İş Investment believes that compliance with corporate governance is just as important as financial performance in providing its investors with long-term added value.

In accordance with the decision number 2/49 taken by the Capital Markets Board on 10 January 2019, “The Corporate Governance Compliance Report (CRF)” which sets out the status of the Company’s compliance with the principles, whose applications are voluntary in the Corporate Governance Principles, the “Corporate Governance Information Form (CGIF)” which provides information concerning our existing corporate governance practices, and the “Sustainability Report”, which demonstrates the compliance with the sustainability principles and which are voluntary in accordance with decision number 34/977 dated 23 June 2022, was disclosed on the Public Disclosure Platform on the <https://www.kap.org.tr/tr/sirket-bilgileri/ozet/1533-is-yatirim-menkul-degerler-a-s> link on 18 March 2024. These notifications will be updated if necessary.

SUBSIDIARY REPORT AND RELATED PARTY TRANSACTIONS

The related party transactions of our Company are set out in detail in the footnotes of our financial statements.

Result of the Subsidiary Report

The commercial transactions which the Company realized with its controlling shareholder, Türkiye İş Bankası A.Ş. and Group companies affiliated to Türkiye İş Bankası A.Ş., in the fiscal year covering the 1 January – 31 December 2023 period were required in line with the Company's activity and that were realized based on the comparable prices valid in the market. No decisions were taken and no damaging transactions carried out against our Company by the controlling shareholder or any company affiliated with it, under the guidance of the controlling shareholder.

Board of Directors

İş Yatırım Menkul Değerler A.Ş.

OPINION OF THE AUDIT COMMITTEE ON INTERNAL CONTROL

Re : Financial statements dated 31 December 2023

Date : 18 March 2024

1. No negative findings were identified with regard to the operation or effectiveness of the accounting and internal control systems at İş Yatırım Menkul Değerler A.Ş., and we reached the conclusion that the conduct was proper with due engagement.

2. We reviewed the financial statements for the period of 1 January 2023 - 31 December 2023. In view of the fact that no negative findings were raised by the responsible managers of the Company or by the independent auditor with regard to the Company's accounting principles or the factuality and accuracy of these reports to be publicly disclosed, the decision was taken to present the Company's financial statements for perusal by the Board of Directors.

Hasan Emre Aydın
Member

İzzet Selim Yenel
Member

Ali Hakan Kara
Chair

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the Board of Directors of İş Yatırım Menkul Değerler A.Ş.

1) Opinion

We audited the annual report of İş Yatırım Menkul Değerler Anonim Şirketi and its Subsidiaries (“Group”) for the accounting period of 1 January 2023 - 31 December 2023.

With the exception of the issue mentioned in the Basis of the Limited Positive Opinion section, in our opinion, the consolidated financial information included in the annual report of the Board of Directors and the evaluations carried out by the Board of Directors on the status of the Group are consistent with the full audited set of consolidated financial statements in all material respects, and the information which we obtained during the independent audit, and reflect the truth.

2) Basis of the Limited Positive Opinion

As stated in Note 23 of the Explanations and Footnotes Related to the Consolidated Financial Statements on Contingent Assets and Liabilities, the accompanying consolidated financial statements prepared as of 31 December 2023 cancelled the free provision amounting to TL 1,151,810,990, which had been set aside by the Group management in the previous period taking into account the global economic conditions and possible developments in the markets, within the scope of the prudence principle, and which do not meet the accounting criteria of TAS 37 “Provisions, Contingent Liabilities and Contingent Assets”. The Company allocated TL 150,000,000 of free provisions for the current period.

Our audit was conducted in accordance with the standards on independent auditing as set out by the Capital Markets Board and Independent Auditing Standards (InAS), which form part of the Turkish Auditing Standards as issued by the Public Oversight, Accounting and Auditing Standards Authority of Türkiye (POA). Our responsibilities under those standards are further described in detail in the Independent Auditor's Responsibilities Regarding the Independent Audit section of our Annual Report. We declare that we are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Ethical Rules) as issued by the POA and the ethical provisions as set out in the legislation on independent auditing. We have also fulfilled our other responsibilities related to ethics within the scope of the Code of Ethics and legislation. We believe the findings of the audit, which we obtained during the independent audit, are sufficient and appropriate in providing a basis for our opinion.

3) Our Auditor's Opinion on the Full Set of Consolidated Financial Statements

We expressed a positive opinion regarding the full set of the Group's consolidated financial statements for the 1 January 2023 - 31 December 2023 fiscal period in our auditor's report dated 18 March 2024.

4) Responsibility of the Board of Directors in regard to the Annual Report

In accordance with articles 514 and 516 of the Turkish Commercial Code (TCC) numbered 6102 and the Communiqué No II-14.1 of the Capital Markets Board (“CMB”) “Communiqué on the Principles Regarding Financial Reporting in the Capital Markets” (“Communiqué”), the Group management is responsible for the following in regard to the annual report:

a) To prepare the annual report within a period of three months following the balance sheet date and to submit the report to the general assembly.

b) To prepare the annual report in a manner which reflects the flow of activities of the Group for that year and its financial status in all aspects accurately, completely, straightforwardly, truthfully and honestly. The Company's financial position is evaluated according to the consolidated financial statements in this report. The report also sets out the risks which may develop and be encountered by the Company and the Group. The views of the Board of Directors regarding these issues are also included in the report.

c) The annual report also includes the following:

- Events which occurred within the Group following the end of the operating year and which are of special importance,
- Research and development activities conducted by the Group,
- Financial benefits such as the salaries, premiums and bonuses paid to the members of the Board of Directors and senior executives, as well as allowances, travel, accommodation and representation expenses, in-kind and in-cash benefits, insurance and similar guarantees.

In the preparation of the annual report, the Board of Directors also takes into account the secondary legislation regulations drawn up by the Ministry of Customs and Trade and related institutions.


5) Responsibility of the Independent Auditor in Regard to the Independent Audit of the Annual Report

Our objective is to provide an opinion on whether the consolidated financial statements included in the annual report and the examinations undertaken by the Board of Directors within the framework of the provisions of the TCC and the Communiqué are consistent with the audited consolidated financial statements of the Group and the information which we obtained during the independent audit, and whether they reflect the truth, and to prepare a report setting out this opinion.

Our independent audit was conducted in accordance with the IAS and the independent audit standards published by The Capital Markets Board. These standards require the independent audit to be planned and carried out in order to obtain reasonable assurance that the consolidated financial information included in the annual report and the examinations carried out by the Board of Directors are consistent with the consolidated financial statements and the information obtained during the audit process, whether they reflect the truth, in compliance with ethical provisions.

Birkan Bilal Avcil was the auditor responsible for conducting and finalizing this independent audit.

Güven, Başgözetilmez Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited



Birkan Bilal Avcil, SMMM
Partner

March 18, 2024
Istanbul, Turkey

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2023 WITH INDEPENDENT AUDITORS' REPORT THEREON

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Independent Auditors' Report
Consolidated statement of financial position
Consolidated statement of profit or loss
Consolidated statement of other comprehensive income
Consolidated statement of changes in equity
Consolidated statement of cash flows
Notes to the consolidated financial statements

INDEPENDENT AUDITOR'S REPORT



**Güney Bağımsız Denetim ve
SMMM A.Ş.**
Maslak Mah. Eski Büyükdere Cad.
Orjin Maslak İş Merkezi No: 27 Daire:
57, 34485 Sarıyer
İstanbul - Türkiye

Tel: +90 212 315 3000
Fax: +90 212 230 8291
ey.com
Ticaret Sicil No: 479920
Mersis No: 0-4350-3032-6000017

To the Board of Directors of İş Yatırım Menkul Değerler A.Ş.

A. Report on the Financial Statements

1) Qualified Opinion

We have audited the consolidated financial statements of İş Yatırım Menkul Değerler A.Ş. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit and loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the same period, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards (TFRS).

2) Basis for Qualified Opinion

As stated in Note 23 Provisions, Contingent Assets and Liabilities to the Consolidated Financial Statements, the accompanying consolidated financial statements as of December 31, 2023 cancelled a free provision amounting to TL 1.151.810.990, which does not meet the recognition criteria of TAS 37 "Provisions, Contingent Liabilities and Contingent Assets", set aside by the Group management in the prior period by taking into account the global economic conditions and possible developments in the markets within the prudence principle and it has allocated 150,000,000 TL of free provisions in the current period.

We conducted our audit in accordance with standards on auditing issued by the Capital Markets Board of Turkey and Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (POA) that are part of the Turkish Auditing Standards. Our responsibilities under those Standards are further described in the Independent Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We declare that we are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) issued by POA and the ethical requirements in the regulations issued by POA that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

INDEPENDENT AUDITOR'S REPORT

3) Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. By us; In addition to the matter described in the Basis for Qualified Opinion section, the matters described below have been identified as key audit matters and communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Application of the hyperinflationary accounting</p> <p>As stated in Note 2.1 to the consolidated financial statements, the Group has started to apply "IAS 29 Financial Reporting in Hyperinflation Economies" since the functional currency of the Group (Turkish Lira) is the currency of a hyperinflationary economy as per IAS 29 as of December 31, 2023.</p> <p>In accordance with IAS 29, consolidated financial statements and corresponding figures for previous periods have been restated for the changes in the general purchasing power of Turkish Lira and, as a result, are expressed in terms of purchasing power of Turkish Lira as of the reporting date.</p> <p>In accordance with the guidance in IAS 29, the Group utilised the Turkey consumer price indices to prepare inflation adjusted financial statements. The principles applied for inflation adjustment is explained in Note 2.1</p> <p>Given the significance of the impact of IAS 29 on the reported result and financial position of the Group, we have assessed the hyperinflation accounting as a key audit matter.</p>	<p>Our audit procedures included the following;</p> <ul style="list-style-type: none"> - We inquired management responsible for financial reporting on the principles, which they have considered during the application of IAS 29, identification of non-monetary accounts and tested IAS 29 models designed, - We have tested the inputs and indices used, to ensure completeness and accuracy of the calculations, - We have audited the restatements of corresponding figures as required by IAS 29, - We assessed the adequacy of the disclosures in inflation adjusted financial statements for compliance with IAS 29.

4) Responsibilities of Management and Directors for the Financial Statements

The Group management is responsible for the preparation and fair presentation of the financial statements in accordance with the Turkish Accounting Standards ("TAS") and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

5) Auditor's Responsibilities for the Audit of the Financial Statements

In an independent audit, the responsibilities of us as independent auditors are:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with BRSA Independent Audit Regulation and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with BRSA Independent Audit Regulation and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company and its subsidiaries' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company and its subsidiaries' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its subsidiaries' to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITOR'S REPORT

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with government with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.


From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B. Report on Other Legal and Regulatory Requirements

- 1) The Auditor's Report on the Early Risk Detection System and Committee organized in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code No. 6102 ("TCC") was presented to the Company's Board of Directors on March 18, 2024.
- 2) In accordance with Article 402 paragraph 4 of the Turkish Commercial Code ("TCC") no 6102; no significant matter has come to our attention that causes us to believe that the Group's bookkeeping activities for the period January 1 – December 31, 2023 are not in compliance with the code and provisions of the Group's articles of association in relation to financial reporting.
- 3) In accordance with Article 402 paragraph 4 of the TCC; the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The engagement partner on the audit resulting in this independent auditor's report is Birkan Bilal Avcil.

Güney Yatırım Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited


Birkan Bilal Avcil, SMMM
Partner

March 18, 2024
Istanbul, Turkey

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İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

(Convenience translation of a report and consolidated financial statements originally issued in Turkish)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited Current Period	Audited Prior Period
	Notes	31 December 2023	31 December 2022
ASSETS			
Current Assets			
Cash and Cash Equivalents	7	2.474.467	1.228.704
Financial Investments	8	12.800.882	24.170.498
Trade Receivables	11	23.794.728	30.366.740
<i>Due from Related Parties</i>	6	183.832	137.258
<i>Other Trade Receivables</i>		23.610.896	30.229.482
Other Receivables		762.641	2.054.057
<i>Due from Related Parties</i>	6	566	946
<i>Other Receivables</i>	12	762.075	2.053.111
Derivative Instruments	38	23.295	85.765
Inventories	14	501.026	306.728
Prepaid Expenses		104.102	78.929
Current Tax Assets	35	7.431	8.686
Other Current Assets	26	47.429	52.196
SUBTOTAL		40.516.001	58.352.303
Assets Held For Sale	33	9.377	16.833
TOTAL CURRENT ASSETS		40.525.378	58.369.136
Non-current Assets			
Financial Investments	8	357.759	389.371
Other Receivables	12	632	8.505
<i>Other Receivables</i>		632	8.505
Investments in Equity Accounted Investees	17	197.700	125.426
Right of use Assets	19	285.762	252.970
Tangible Assets	20	264.880	163.719
Intangible Assets		258.532	315.577
<i>Goodwill</i>	18	222.289	256.631
<i>Other Intangible Assets</i>	21	36.243	58.946
Prepaid Expenses		1.379	3.014
Deferred Tax Assets	35	101.723	1.536
TOTAL NON-CURRENT ASSETS		1.468.367	1.260.118
TOTAL ASSETS		41.993.745	59.629.254

The accompanying notes form an integral part of these consolidated financial statements.

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

(Convenience translation of a report and consolidated financial statements originally issued in Turkish)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2023**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited Current Period	Audited Prior Period
		31 December	31 December
	Notes	2023	2022
LIABILITIES			
Short-Term Liabilities			
Short Term Borrowings	9	5.840.002	16.990.545
<i>Due to Related Parties</i>		54.679	48.939
<i>Due to Third Parties</i>		5.736.148	16.892.478
<i>Lease Payables to Related Parties</i>	6	14.460	6.184
<i>Lease Payables to Third Parties</i>		34.715	42.944
Short-Term Portion of Long-Term Borrowings	9	43.845	43.294
<i>Due to Related Parties</i>		13.120	18.219
<i>Due to Third Parties</i>		28.515	19.982
<i>Payables from Lease Transactions to Non-Related Parties</i>		2.210	541
<i>Payables to Related Parties from Lease Transactions</i>		-	4.552
Trade Payables	11	16.531.566	25.324.797
<i>Due to Related Parties</i>	6	39.173	39.249
<i>Due to Third Parties</i>		16.492.393	25.285.548
Payables Related to Employee Benefits		31.850	17.355
Other Payables	12	132.013	128.086
<i>Due to Related Parties</i>	6	22.375	11.999
<i>Due to Third Parties</i>		109.638	116.087
Derivative Instruments	38	187.174	1.606.126
Current Tax Liabilities	35	1.071.363	271.744
Short-Term Provisions		452.764	1.900.709
<i>Provisions for Employee Benefits</i>	25	239.919	174.024
<i>Other Short-Term Provisions</i>	23	212.845	1.726.685
Other Current Liabilities	26	150.033	95.991
TOTAL CURRENT LIABILITIES		24.440.610	46.378.647
Long-Term Liabilities			
Long-Term Borrowings	9	151.287	129.961
<i>Due to Related Parties</i>		10.674	16.434
<i>Due to Third Parties</i>		8.280	16.458
<i>Lease Payables to Related Parties</i>	6	7.205	33.258
<i>Lease Payables to Third Parties</i>		125.128	63.811
Trade Payables	11	27	864
<i>Trade Payables to Non-Related Parties</i>		27	864
Other Payables	12	144	2.947
<i>Other Payables to Non-Related Parties</i>		144	2.947
Long-Term Provisions		24.809	54.779
<i>Employee Benefits</i>	25	24.809	54.779
Deferred Tax Liabilities	35	32.692	387.909
Other Long Term Liabilities	26	93.357	120.922
TOTAL NON-CURRENT LIABILITIES		302.316	697.382
EQUITY			
Total Equity Attributable to Equity Holders of the Company		15.972.884	11.485.623
Paid in Capital	27	1.500.000	355.000
Capital Adjustment Differences		4.036.147	3.742.487
Share Issuance Premiums		28.085	28.644
Other Comprehensive Income and Expenses to will not be Reclassified to Profit or Loss		153.290	137.562
<i>Defined Benefit Plans Remeasurement Gains and Losses</i>		(15.792)	(20.519)
<i>Fair Value Difference</i>	27	169.082	158.081
Other Comprehensive Income and Expenses to be Reclassified to Profit or Loss		(12.293)	(77.450)
<i>Currency Translation Differences</i>		(12.293)	(77.450)
Other Reserves	27	1.146.449	998.414
Restricted Reserves	27	1.416.088	1.295.096
Prior Year's Profit/Loss	27	2.165.356	443.228
Profit for the Year		5.539.762	4.562.642
Non-Controlling Interests	27	1.277.935	1.067.602
TOTAL EQUITY		17.250.819	12.553.225
TOTAL LIABILITIES		41.993.745	59.629.254

The accompanying notes form an integral part of these consolidated financial statements.

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

(Convenience translation of a report and consolidated financial statements originally issued in Turkish)

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
 AS AT DECEMBER 31, 2023 and 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited Current Period	Audited Prior Period
		1 January - 31 December 2023	1 January - 31 December 2022
	Notes		
STATEMENT OF PROFIT OR LOSS			
Revenue	28	458.246.086	426.400.148
Sales Revenue	28	446.675.614	415.935.753
Interest and Derivative Income from Operating Activities, Net	28	6.608.763	1.848.742
Service Income, Net	28	4.435.262	3.126.106
Other Operating Income, Net	28	526.447	5.489.547
Cost of Sales (-)	28	(441.829.255)	(412.978.284)
GROSS PROFIT/LOSS		16.416.831	13.421.864
Administrative Expenses (-)	29	(2.684.967)	(1.902.546)
Marketing Expenses (-)	29	(901.459)	(653.082)
Research and Development Expenses (-)	29	(6.435)	(9.498)
Other Operating Income	30	1.376.482	177.988
Other Operating Expenses (-)	30	(419.845)	(1.790.928)
OPERATING PROFIT/LOSS		13.780.607	9.243.798
Share of Profit/Loss of Equity Accounted Investees, Net of Income Tax	17	72.272	83.087
OPERATING PROFIT/LOSS BEFORE FINANCE COST		13.852.879	9.326.885
Finance Income	31	811.059	458.612
Finance Costs (-)	32	(266.402)	(227.516)
Monetary gain (loss), Net		(5.137.384)	(3.196.482)
PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS		9.260.152	6.361.499
Income Tax from Continuing Operations	35	(3.478.865)	(1.674.272)
<i>Current Tax Expense</i>		<i>(3.893.649)</i>	<i>(1.421.561)</i>
<i>Deferred Tax Income/(Expense)</i>		<i>414.784</i>	<i>(252.711)</i>
PROFIT FROM CONTINUING OPERATIONS		5.781.287	4.687.227
PROFIT FROM DISCONTINUED OPERATIONS		-	-
PROFIT FOR THE YEAR		5.781.287	4.687.227
Profit Attributable to:			
Non-controlling interests		241.525	124.585
Equity holders of the company		5.539.762	4.562.642
		5.781.287	4.687.227
Earnings per share			
Earnings Per Share from Continuing Operations	36	3,6932	3,0418
Earnings Per Share from Discontinued Operations		-	-
Diluted Earnings Per Share			
Diluted Earnings Per Share from Continuing Operations	36	3,6932	3,0418
Diluted Earnings Per Share from Discontinued Operations		-	-

The accompanying notes form an integral part of these consolidated financial statements.

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

(Convenience translation of a report and consolidated financial statements originally issued in Turkish)

**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
AS AT DECEMBER 31, 2023 and 2022**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited	Audited
		Current Period	Prior Period
		1 January -	1 January -
		31 December	31 December
	Notes	2022	2021
PROFIT FOR THE YEAR		5.781.287	4.687.227
OTHER COMPREHENSIVE INCOME:			
Items that not to be reclassified to profit or loss	34	36.263	152.308
Defined benefit plans re-measurement gains		2.563	(16.571)
Taxes related to comprehensive income that will not be reclassified to profit or loss		37.264	175.718
<i>Deferred Tax Expense/Income</i>	35	(3.564)	(6.839)
Items that are or may be reclassified to profit or loss	34	152.338	(58.620)
Change in currency translation reserve		152.338	(58.620)
OTHER COMPREHENSIVE INCOME		188.601	93.688
TOTAL COMPREHENSIVE INCOME		5.969.888	4.780.915
Total Comprehensive Income Attributable to:			
Non-Controlling Interests		326.224	117.738
Equity Holders of the Company		5.643.664	4.663.177
		5.969.888	4.780.915

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

(Convenience translation of a report and consolidated financial statements originally issued in Turkish)

**CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
AS AT DECEMBER 31, 2023**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Paid in Capital	Capital adjustment differences	Share Premium	Other Comprehensive Income not to be reclassified to be profit or loss		Other Comprehensive Income to be reclassified to be profit or loss
				Defined Benefit Plans Re-Measurement Gains and Losses	Gains and losses on revaluation of assets at fair value through other comprehensive income	Currency Translation Difference
Balance on January 1, 2022	355.000	3.742.487	29.717	-	-	(33.672)
Transfers to Reserves	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	(12.343)	156.656	(43.778)
Change in Non-Controlling Interests	-	-	(1.073)	(8.176)	1.425	-
Dividends	-	-	-	-	-	-
Balance on January 31, 2022	355.000	3.742.487	28.644	(20.519)	158.081	(77.450)

	Paid in Capital	Capital adjustment differences	Share Premium	Other Comprehensive Income not to be reclassified to be profit or loss		Other Comprehensive Income to be reclassified to be profit or loss
				Defined Benefit Plans Re-Measurement Gains and Losses	Gains and losses on revaluation of assets at fair value through other comprehensive income	Currency Translation Difference
Balance on January 1, 2023	355.000	3.742.487	28.644	(20.519)	158.081	(77.450)
Transfers to Reserves	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	3.667	35.078	65.157
Capital increase	1.145.000	293.660	-	-	-	-
Change in Non-Controlling Interests	-	-	(559)	1.060	(24.077)	-
Dividends	-	-	-	-	-	-
Balance on January 31, 2022	1.500.000	4.036.147	28.085	(15.792)	169.082	(12.293)

Other Reserves	Restricted Reserves	Retained Earnings		Shareholders' Equity	Non-Controlling Interest	Equity
		Prior Year's Profit/Loss	Net Profit/Loss For The Year			
753.368	1.204.489	1.437.058	-	7.488.448	1.040.642	8.529.090
243.360	94.486	(337.846)	-	-	-	-
-	-	-	4.562.642	4.663.177	117.738	4.780.915
1.686	(3.879)	142.240	-	132.222	(2.098)	130.124
-	-	(798.224)	-	(798.224)	(88.680)	(886.904)
998.414	1.295.096	443.228	4.562.642	11.485.623	1.067.602	12.553.225

Other Reserves	Restricted Reserves	Retained Earnings		Shareholders' Equity	Non-Controlling Interest	Equity
		Prior Year's Profit/Loss	Net Profit/Loss For The Year			
998.414	1.295.096	443.228	4.562.642	11.485.623	1.067.602	12.553.225
148.035	127.237	4.287.370	(4.562.642)	-	-	-
-	-	-	5.539.762	5.643.664	326.224	5.969.888
-	-	(1.438.660)	-	-	-	-
-	(6.245)	(47.209)	-	(77.030)	(49.330)	(126.360)
-	-	(1.079.373)	-	(1.079.373)	(66.561)	(1.145.934)
1.146.449	1.416.088	2.165.356	5.539.762	15.972.884	1.277.935	17.250.819

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

(Convenience translation of a report and consolidated financial statements originally issued in Turkish)

**CONSOLIDATED STATEMENT OF CASH FLOWS
AS AT DECEMBER 31, 2023**

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited Prior Year	Audited Prior Year
	Notes	1 January – 31 December 2023	1 January – 31 December 2022
A. CASH FLOWS FROM OPERATING ACTIVITIES		19.385.570	(2.627.803)
Net Profit for the year		5.781.287	4.687.227
Adjustments to reconcile net profit/(loss)			
Adjustments for depreciation and amortization	19-21	331.000	285.182
Changes in provisions	23-25	(1.468.546)	1.566.627
Adjustments for interest income	28	(5.310.471)	(1.582.899)
Adjustments for interest expense		2.539.043	2.109.764
Adjustments related to share-based payments		(12.304)	(12.900)
Adjustments related to fair value losses/gains		5.705.157	10.287.907
Changes in tax loss/income	35	3.478.865	1.674.272
Gain/losses from sales of tangible assets	20-21	(4)	(3.253)
Adjustments related to investments accounted for using the equity method	17	(72.272)	(83.087)
Other adjustments related to profit/loss reconciliation		(134.229)	(109.328)
Net monetary gain (loss)		2.904.353	2.812.392
Changes in net working capital			
Increases/decreases in inventories		(194.298)	(75.875)
Increases/decreases in trade receivables		6.572.012	(7.516.240)
Increases/decreases in financial investments		5.880.192	(26.454.860)
Increases/decreases in other receivables		1.025.391	972.05
Interest received		4.265.397	1.457.782
Changes in restricted deposits	7	-	(541)
Increases/decreases in trade payables		(8.794.068)	9.468.856
Increases/decreases in other payables		38.788	(46.399)
Cash flows from operating activities			
Current tax paid		(3.121.208)	(1.185.733)
Employment termination benefits paid/return		(28.515)	(3.902)
B. YATIRIM FAALİYETLERİNDEN KAYNAKLANAN NAKİT AKIŞLARI		908.542	(152.930)
Cash inflow from sales of tangible assets		185	3.486
Cash outflow from purchases of property, plant and equipment	20	(218.034)	(176.406)
Dividend income	31	12.304	12.900
Cash inflow from sales of intangible assets		-	36
Cash outflow from purchases of intangible assets	21	(54.339)	(29.055)
Adjustments related to losses (gains) arising from the disposal of investments in associates, joint ventures, and financial assets, or changes in their shares		34.344	-
Other cash inflows (outflows)		(186)	186
Interest received		1.134.268	35.923
C. CASH FLOWS FROM FINANCING ACTIVITIES		(16.232.597)	2.529.118
Cash inflows from borrowings		(4.980.773)	230.355.800
Cash outflows related to debt payments		(978.285)	(228.987.203)
Dividends paid	27	(1.145.935)	(886.904)
Change in other financial liabilities		(1.283.949)	898.317
Financing cash inflows from commercial paper		12.729.292	24.938.873
Financial cash outflows from commercial paper		(17.898.900)	(21.815.005)
Interest paid		(2.674.047)	(1.974.760)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES (A+B+C)		4.061.515	(251.615)
D. EFFECTS OF UNREALIZED EXCHANGE LOSS/(GAIN) ON CASH AND CASH EQUIVALENTS		65.157	(43.778)
E. INFLATION EFFECT ON CASH AND CASH EQUIVALENTS		(3.006.846)	(2.682.915)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		1.119.826	(2.978.308)
F. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7	1.229.482	4.207.791
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)	7	2.349.308	1.229.483

The accompanying notes form an integral part of these consolidated financial statements.

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

The purpose of İş Yatırım Menkul Değerler Anonim Şirketi ("the Company") is to perform capital market activities in accordance with its Articles of Association of the Capital Markets Law. In this respect, the Company obtained the establishment permission through the Capital Markets Board's (the "CMB") meeting No: 51/1515 on December 5, 1996.

The Company is registered in Turkey and the head quarter of the Company operates at the address below. The contact information of the Company's head quarter and web site is stated below:

Levent Mahallesi, Meltem Sokak, İş Kuleleri, Kule - 2 Kat 13, 34330, Beşiktaş/İstanbul/Turkey
Telephone: + 90 (212) 350 20 00 Fax: + 90 (212) 350 20 01
<http://www.isyatirim.com.tr>

Türkiye İş Bankası AŞ is the main shareholder of the Company. The equity shares of the Company are traded on the stock Exchange.

As of December 31, 2023, the Company has 582 employees (31 December 2022: 468).

As of December 31, 2023, the details of the Company's subsidiaries included in consolidation are as follows:

Subsidiaries:

Company	Place of incorporation	Business Activity
Efes Varlık Yönetim AŞ	İstanbul	Asset management
İş Girişim Sermayesi Yatırım Ortaklığı AŞ ^(*)	İstanbul	Private equity
İş Portföy Yönetimi AŞ	İstanbul	Portfolio management
İş Yatırım Ortaklığı AŞ	İstanbul	Investment trust
Maxis Girişim Sermayesi Portföy Yönetimi AŞ.	İstanbul	Portfolio management
Levent Varlık Kiralama AŞ.	İstanbul	Asset lease
Maxis Investments Ltd	London	Securities brokerage

^(*) Subsidiaries of İş Girişim Sermayesi Yatırım Ortaklığı AŞ are presented in Note 2.1

The Company and its consolidated subsidiaries, jointly controlled entities and associates are referred to as "the Group" in this report. The operations of the subsidiaries included in the consolidation are stated below:

Efes Varlık Yönetim AŞ

The subsidiary is engaged in the purchase and sale of receivables and other assets of deposit banks, participation banks and other financial institutions.

İş Girişim Sermayesi Yatırım Ortaklığı AŞ ("İş Girişim Sermayesi"):

The operations of this subsidiaries are mainly making long-term investments in entrepreneurships founded or to be found in Turkey with a development potential and in need of capital.

İş Portföy Yönetimi AŞ:

The subsidiary engages in the capital market activities specified in its articles of association in accordance with the provisions of the Capital Markets Law and related legislation and provides portfolio management and investment advisory services to institutional investors within the scope of capital market activities.

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İş Yatırım Ortaklığı AŞ:

The purpose of this subsidiary is to perform capital market activities in accordance with the Capital Markets Law and the related regulation. This subsidiary performs capital market activities and managing its own portfolio.

Maxis Girişim Sermayesi Portföy Yönetimi AŞ:

The subsidiary is engaged in the establishment and management of venture capital investment funds within the framework of the Capital Markets Law and related legislation.

Levent Varlık Kiralama AŞ:

It was established exclusively to issue lease certificates. It aims to meet the demands for lease certificate issuance and to serve participation funds and other lease certificate investors.

Maxis Investments Ltd.:

The subsidiary, registered by 'The Official Seal Of The Registrar Of Companies' and incorporated in London/ England, operates in the capital markets.

Associates and jointly controlled entities:

Associates are entities on which the Group has significant influence apart from subsidiaries. Significant influence is the participation power to govern the financial and operating policies of an entity without having individually or jointly control power. Joint ventures are controlled by the Group with a contractual agreement and the Group have the authority on strategic, financial and operational decisions of joint ventures by these agreements. The details of Group's associates as of December 31, 2023 are as follows:

Associate

Company Name	Type of Services	Main Operations
Radore Veri Hizmetleri AŞ ("Radore")	Service	Information technology sector, data centre management and other works written in the main contract.
Mika Tur Seyahat Acenteliği ve Turizm AŞ ("Mika Tur")	Service	Travel Agency
Ege Tarım Ürünleri Lisanslı Depoculuk AŞ ("Elidaş")	Service	Licensed Warehousing

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**2.1. Basis of presentation****Financial reporting standards**Approval of Financial Statements

The Group's consolidated financial statements as at and for the year then ended December 31, 2023 have been approved by the Board of Directors and authorization for issue has been given on March 18, 2024. The General Assembly has the authority to amend the consolidated financial statements after publishing.

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.1. Basis of presentation *(continued)*

Financial reporting standards *(continued)*

Preparation of Consolidated Financial Statements and Statement of Compliance to TAS

The accompanying consolidated financial statements are prepared in accordance with the Communiqué numbered II-14,1, "Basis for Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on June 13, 2013. According to the Communiqué, financial statements are prepared in accordance with Turkish Accounting Standards ("TAS") which are published by the Public Oversight Accounting and Auditing Standards Authority ("POA"). TAS consists of Turkish Accounting Standards, Turkish Financial Reporting Standards and related appendices and interpretations.

The financial statements of the Group presented herein have been prepared in accordance with the TAS and Turkish Financial Reporting Standards (TFRS) as published by POA. The Company and its subsidiaries domiciled in Turkey maintain and prepare their statutory books and financial statements in accordance with the accounting principles prescribed by the Turkish Commercial Code ("TCC") and tax legislation. Entities controlled by affiliated companies operating in foreign countries maintain their accounting records and prepare their statutory financial statements in the currencies of the countries where they operate and in accordance with the legislation of those countries.

Financial reporting in high-inflation economies

In accordance with the announcement made by the Public Oversight Accounting and Auditing Standards Authority (POA) on November 23, 2023, entities that apply TFRSs are required to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies for the annual reporting period beginning on or after December 31, 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of entities whose functional currency is the currency of a hyperinflationary economy.

In the accompanying financial statements, financial assets (Eurobonds, private sector bonds and bills, investment fund participation certificates, listed equities, etc.) are stated at fair value and items other than prepaid expenses, property, plant and equipment, right of use assets, intangible assets and equity items are stated at historical cost.

These financial statements and all comparative figures for prior periods have been adjusted for the changes in the general purchasing power of the Turkish lira in accordance with TAS 29 and expressed in terms of the purchasing power of the Turkish lira at December 31, 2023.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.1. Basis of presentation *(continued)*

Financial reporting standards *(continued)*

Financial reporting in high-inflation economies *(continued)*

In the application of TAS 29, the Company has used the adjustment factors derived from the Consumer Price Indices (CPI) published by the Turkish Statistical Institute in accordance with the guidance of POA. The CPI and the corresponding adjustment factors for the current and prior periods since January 1, 2005, when the Turkish lira ceased to be designated as the currency of a hyperinflationary economy, are as follows:

End Of The Year	Index	Index,%	Correction Coefficient
2004	113,86	9,35	16,33
2005	122,65	7,72	15,16
2006	134,49	9,65	13,83
2007	145,77	8,39	12,76
2008	160,44	10,06	11,59
2009	170,91	6,53	10,88
2010	181,85	6,40	10,22
2011	200,85	10,45	9,26
2012	213,23	6,16	8,72
2013	229,01	7,40	8,12
2014	247,72	8,17	7,51
2015	269,54	8,81	6,90
2016	292,54	8,53	6,36
2017	327,41	11,92	5,68
2018	393,88	20,30	4,72
2019	440,50	11,84	4,22
2020	504,81	14,60	3,68
2021	686,95	36,08	2,71
2022	1128,45	64,27	1,65
2023	1859,38	64,77	1,00

According to TAS-29 Financial Reporting in Hyperinflationary Economies, a country is considered to have hyperinflation when the cumulative inflation rate for the last three years approaches or exceeds 100%.

In order to make the necessary adjustments to the financial statements in accordance with TAS 29, assets and liabilities are first separated into monetary and non-monetary items, and non-monetary assets and liabilities are further separated into those measured at current value and those measured at cost. Monetary items (except for those linked to an index) and non-monetary items measured at their current values at the end of the reporting period are not subject to inflation adjustment as they are currently expressed in terms of the measuring unit current at December 31, 2023. As of December 31, 2023, non-monetary items that are not expressed in terms of the measuring unit current at December 31, 2023 are subject to inflation adjustment using the relevant coefficient. Where the inflation-adjusted value of a non-monetary item exceeds its recoverable amount or net realizable value, the carrying amount is reduced by applying the relevant TFRS. In addition, all components of equity and items in the statement of profit or loss and other comprehensive income have been restated for inflation.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.1. Basis of presentation *(continued)*

Financial reporting standards *(continued)*

Non-monetary items acquired or undertaken before January 1, 2005, the date on which the Turkish lira ceased to be designated as the currency of a hyperinflationary economy, and non-monetary items that were contributed or incurred before that date are restated for the changes in the CPI between January 1, 2005 and December 31, 2023.

The application of TAS 29 required adjustments arising from the decrease in the purchasing power of the Turkish lira and presented in the Net Gains (Losses) on Monetary Positions in the profit or loss section of the statement of profit or loss and other comprehensive income. Unless the value of monetary assets or liabilities depends on changes in an index, during an inflationary period, the purchasing power of entities holding monetary assets in excess of monetary liabilities weakens, while the purchasing power of entities holding monetary liabilities in excess of monetary assets increases. The net gain or loss on monetary position is derived from the restatement differences of non-monetary items, equity, items in the statement of profit or loss and other comprehensive income, and index-linked monetary assets and liabilities.

In addition, in the reporting period in which TAS 29 is first applied, the provisions of the Standard are applied assuming that there will always be hyperinflation in the relevant economy. Therefore, the statement of financial position as at January 1, 2022, which is the beginning of the earliest comparative period, has been adjusted for inflation to provide a basis for subsequent reporting periods. As of January 1, 2022, the inflation adjusted amount of retained earnings/accumulated losses in the statement of financial position is derived from the balance sheet equivalence that should exist after the other items of the statement of financial position are adjusted for inflation.

The financial statements of subsidiaries that do not report in the currencies of hyperinflationary economies are subject to the provisions of TAS 21. In this context, TAS 29 has been applied only to subsidiaries resident in Turkey and other subsidiaries and associates have been evaluated and accounted for within the scope of TAS 21.

Functional and Reporting Currency

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in TL, which is the functional and presentation currency of the Company.

Foreign currency exchange rates used by the Group are as follows:

	31 December 2023	31 December 2022
USD	29,4382	18,6983
EURO	32,5739	19,9349
GBP	37,4417	22,4892

Assumption of Going Concern

The consolidated financial statements of the Group are prepared on a going concern basis, which presumes the realization of assets and settlement of liabilities of the Company and its consolidated subsidiaries, jointly controlled entities and associates in the normal course of operations and in the foreseeable future.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2.1. Basis of presentation (continued)

Financial reporting standards (continued)

Basis of Consolidation

Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group can control a business when exposure, or rights, to variable returns due to its involvement with the investee and the ability to use its power over the investee to affect the amount of the investor's returns. The financial statements of subsidiaries have been included in the consolidated financial statements from the date control commences until the date that controls end. Non-controlling interests in the net assets of the consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interest share of changes in equity since the date of the combination. Even if the non-controlling interests result in a reverse balance, total comprehensive income is attributable to the equity holders of the Company and to the non-controlling interests.

The details of the Company's subsidiaries are as follows:

Subsidiaries	Ownership as at 31 December 2023	Ownership as at 31 December 2022
Efes Varlık Yönetim AŞ	91,14%	91,14%
İş Girişim Sermayesi Yatırım Ortaklığı AŞ	29,01%	29,01%
İş Portföy Yönetimi AŞ	70,00%	70,00%
İş Yatırım Ortaklığı AŞ	28,93%	29,45%
Maxis Girişim Sermayesi Portföy Yönetimi AŞ	100,00%	100,00%
Levent Varlık Kiralama AŞ	100,00%	-
Maxis Investments Ltd	100,00%	100,00%
Nevotek Bilişim Ses ve İletişim Sis. San. ve Tic. AŞ ("Nevotek") ^(*) ^(**)	-	95,37%
Ortopro Tıbbi Aletler Sanayi ve Ticaret AŞ ("Ortopro") ^(*)	97,22%	97,22%
Toksöz Spor Malzemeleri Ticaret AŞ ("Toksöz Spor") ^(*)	90,63%	90,63%
Mikla Yiyecek ve İçecek AŞ ("Mikla") ^(*) ^(**)	-	83,57%

^(*) The subsidiaries of İş Girişim Sermayesi are presented with İş Girişim Sermayesi's ownership percentages.

^(**) Nevotek and Mikla have ceased to be affiliated partnerships of İş Girişim Sermayesi (Venture Capital) as of November 3, 2023, and November 10, 2023, respectively, due to a sale.

The accounting policies of subsidiaries are changed as necessary to align them with the policies adopted by the Group.

Associates and joint ventures:

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Investments in associates and jointly controlled entities are accounted for using the equity method and are recognized initially at cost.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.1. Basis of presentation *(continued)*

Financial reporting standards *(continued)*

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

The details of the Group's associates are as follows:

Associates	Place of incorporation	Share on capital (%)		Main Business Area
		31 December 2023	31 December 2022	
Radore (*)	Türkiye	25,50	25,50	Data Services
Mika Tur(*)	Türkiye	40,09	40,00	Travel Agency
Elidaş	Türkiye	10,05	10,05	Licensed Warehousing

(*) The subsidiaries of İş Girişim Sermayesi

Goodwill:

Goodwill represents the excess cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate. Goodwill on acquisitions of associates is included in "Associates or Associates Accounted by Using Equity Method" and is tested for impairment as part of the overall balance. Separately recognized goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocations made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

If the fair value of identifiable assets, liabilities, the fair value of contingent liabilities or the cost of mergers can only be determined temporarily on the carrying amount, hence the accounting of the merger can only be made temporarily at the end of the period which the merger is realized, then the acquirer recognizes the merger at its temporary value. The mentioned temporary recognition should be completed within the following 12 months and all adjustments including goodwill should be made as of the merger date.

Transactions eliminated on consolidation:

Statements of financial positions and profit and loss of the companies who are included in the consolidation are consolidated based on full consolidation method and by netting off their book value within the Company's assets and their shares within the Company's equity. Portion of the net assets of the subsidiaries that are not directly or indirectly controlled by the parent company, is recognized under "Non-Controlling Interests" in the consolidated statement of financial position. In addition, the portion of the net profit or loss of the subsidiaries that are not directly or indirectly controlled by the Parent company, is also recognized under "Non-Controlling Interests" in the consolidated statement of profit or loss. Intragroup balances and transactions of the companies who are included in the consolidation are eliminated. Profit or loss realized due to the transactions between the group companies or joint ventures, are eliminated by using the Group's share ratio of the related company or joint venture.

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.2 Changes in Accounting Estimates, Errors

If the changes in accounting estimates are for only one period, they are applied in the period in which the change is made and if they are for future periods, they are applied both in the period in which the change is made and prospectively in future periods. Significant accounting errors are corrected retrospectively and prior period financial statements are restated.

2.3 Basis of Presentation of the Consolidated Financial Statements

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of December 31, 2023 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2023 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as of January 1, 2023 are as follows:

Amendments to TAS 8 - Definition of Accounting Estimates

In August 2021, POA issued amendments to TAS 8, in which it introduces a new definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the POA. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date.

The amendments did not have a significant impact on the financial position or performance of the Group.

Amendments to TAS 1 - Disclosure of Accounting Policies

In August 2021, POA issued amendments to TAS 1, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. In the absence of a definition of the term 'significant' in TFRS, the POA decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in TFRS and is widely understood by the users of financial statements, according to the POA. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added.

The amendments did not have a significant impact on the financial position or performance of the Group.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.3 Basis of Presentation of the Consolidated Financial Statements *(continued)*

The new standards, amendments and interpretations *(continued)*

Amendments to TAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In August 2021, POA issued amendments to TAS 12, which narrow the scope of the initial recognition exception under TAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized.

The amendments did not have a significant impact on the financial position or performance of the Group.

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments. However, certain disclosure requirements are not required to be applied for any interim period ending on or before 31 December 2023.

The amendments did not have a significant impact on the financial position or performance of the Group.

ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. the Group will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group will wait until the final amendment to assess the impacts of the changes.

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)***2.3 Basis of Presentation of the Consolidated Financial Statements** *(continued)***The new standards, amendments and interpretations** *(continued)***ii) Standards issued but not yet effective and not early adopted** *(continued)***IFRS 17 - The new Standard for insurance contracts**

POA issued IFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2024 with the announcement made by the POA. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In January 2021 and January 2023, POA issued amendments to TAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective for periods beginning on or after 1 January 2024. The amendments must be applied retrospectively in accordance with TAS 8. Early application is permitted. However, an entity that applies the 2020 amendments early is also required to apply the 2023 amendments, and vice versa.

The Group will wait until the final amendment to assess the impacts of the changes.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to IFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of IFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

The Group will wait until the final amendment to assess the impacts of the changes.

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.3 Basis of Presentation of the Consolidated Financial Statements *(continued)*

The new standards, amendments and interpretations *(continued)*

ii) Standards issued but not yet effective and not early adopted *(continued)*

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted but will need to be disclosed.

The effects of the change on the Group's consolidated financial position and performance are being evaluated.

2.4. Comparative Figures

The consolidated financial statements of the Group are prepared comparatively with the prior period in order to enable the determination of the financial position and performance trends. In order to ensure comparability of consolidated financial statement items, prior period financial statements are also classified accordingly.

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies

Revenue:

The Group immediately recognizes gain on sale of marketable securities in its portfolio, when proceeds on such sale transactions are deemed to be collectable while dividend and similar type of revenue are recognized when proceeds on such sale transactions are deemed to be collectable at maturity.

Interest income and expenses

Interest income and expenses are recognized in the statement of profit or loss on an accrual basis.

Service income

Revenue generated from a service contract is recognized by reference to the stage of completion of the contractual obligation. In this respect, fees and commissions generated because of the completion of the service contract or service, mutual fund management fees, portfolio management commissions and agency commissions are recognized on an accrual basis.

Dividend income

Dividend income from equity shares is recognized when the shareholders' rights to receive payment have been established.

Private equity

Revenues are comprised of sale of subsidiary and/or associate and income from consultancy services provided to associates. Revenues from sale of subsidiary or associate resulting in change in control are recognized when the sales are realized. Consultancy services given to associates are recognized at the date of the service rendered.

IT, audio and communication systems

Revenue is recognized on an accrual basis by the amount of excess of the fair value if it is probable that the future economic benefits of the revenue will flow to the Group.

The Group recognizes revenue when the Group has available contracts with clients, product or service is delivered, amount of revenue measured reliably, and it is probable that the Group will be receiving economic benefit.

The Group recognizes revenue for license and software solutions after the software is delivered and the service is started to be used by considering the conditions mentioned in the first paragraph.

Trade of orthopedics, medical equipments and sport products

Revenues are calculated by received payments or fair value of payments which will be received. Estimated refunds, discounts, and provisions are deducted from the mentioned amount.

Food and beverage services revenue

Revenue is measured at fair values of the consideration received or receivable. Estimated discount is recognized as a reduction of revenue as the sales are granted.

Food and beverage revenues are recognized as the services are rendered. Revenues that are measured at fair values of the consideration received or receivable and after sale discounts and deductions.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Restaurant sponsorship revenue

Sponsorship revenues are earned as cash and non-cash benefits from sales of food suppliers and other suppliers in respect of their marketing activities. Sponsorship revenues are recognized as the services are rendered related to sponsorship activities performed. Sponsorship revenue related with uncollected part of long-term agreements are deferred until services are rendered. There are no deferred costs related to these revenues.

Restaurant commission revenue

Commission revenues are generated from franchising agreements that were made in order to lease registered trademarks and also restaurants' operating rights to third parties. Commission revenues include both franchise entrance fees and sale commission fees which is computed over the specified rate. Franchise entrance fees are recognized as revenue as a restaurant which is mentioned on the agreement start to operate. Sale commission fees are recognized as revenue when recovery of the consideration is probable and if the entity believes that the payment amount is collectible and there is sufficient evidence that the amount of revenue can be measured.

Sport goods sold

Revenue from the sale of goods during ordinary activities is measured at the fair value of the consideration received and receivable, net of returns, trade discounts and volume rebates. Revenue is recognized when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of the ownership have been transferred to customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognized as a reduction of revenue as the sales are recognized.

Inventories:

Inventories are measured at the lower of cost and net realizable value. Costs involved in inventories are comprised of direct material, direct labour used for bringing inventories to their existing condition if applicable and production overheads. Weighted average cost method is used in calculating cost of inventories. Net realizable value is estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Tangible Assets:

Items of tangible assets of the Turkish entities purchased before 1 January 2005 are stated at cost adjusted for the effects of inflation during the hyperinflationary period lasted through December 31, 2004, and tangible assets purchased after January 1, 2005 are recorded at their historical costs less accumulated depreciation and accumulated impairment losses.

Depreciation

Depreciation is recognized over the estimated useful lives of the related assets from the date of acquisition or the date of installation, on a straight-line basis.

Leasehold improvements are depreciated over the lower of the periods of the respective leases and useful lives, on a straight-line basis.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

The estimated useful lives for the current and comparative periods are as follows:

	Useful life
Machinery and equipment	3-15 years
Vehicles	4-5 years
Furnitures and fixtures	2-15 years
Leasehold improvements	5-10 years
Other tangible assets	5-10 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, were shorter, the term of the relevant lease.

Subsequent expenditure

Expenditure incurred to replace a component of an item of tangible assets that is accounted for separately, including major inspection and overhauls costs, are capitalized. Other subsequent expenditures are capitalized only when it increases the future economic benefits embodied in the item of tangible assets. All other expenditures are recognized in profit or loss as an expense as incurred.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement of the financial lease agreement (for example, as of the date the asset is available for use). Right-of-use assets are calculated by deducting accumulated depreciation and impairment losses from their cost value. In case of revaluation of financial lease debts, this figure is also corrected.

The cost of the right-of-use asset includes:

- (a) the initial measurement amount of the lease liability,
- (b) any lease payments made on or before the actual commencement date, less any lease incentives received, and
- (c) all initial direct costs incurred by the group.

Unless the transfer of ownership of the underlying asset to the Group at the end of the lease term is reasonably certain, the Group depreciates the right-of-use asset from the actual commencement date to the end of the useful life of the underlying asset.

Right-of-use assets are subject to impairment.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Lease liabilities

The Group measures the lease liability over the present value of the unpaid lease payments when the lease commences.

The lease payments included in the measurement of the lease liability at the actual commencement date consist of the following payments to be made for the right to use the underlying asset during the lease term and not paid at the actual commencement date:

- (a) fixed payments,
- (b) variable lease payments based on an index or rate, initially measured using an index or rate at the date the lease actually commences;
- (c) Amounts expected to be paid by the Company/Group under residual value commitments
- (d) If the Company/Group is reasonably certain that it will use the purchase option, the exercise price of this option and
- (e) If the lease term indicates that the Company/Group will use an option to terminate the lease, penalty payments regarding the termination of the lease.

Variable lease payments that are not dependent on an index or rate are recorded as an expense in the period in which the event or condition triggering the payment occurs.

The Group uses the revised discount rate for the remaining part of the lease term, if the implied interest rate in the lease can be easily determined, as this rate; If it cannot be determined easily, the Group determines it as the alternative borrowing interest rate on the date of re-evaluation.

The group measures the lease liability as follows, after the date the lease commences:

- (a) Increases the carrying value to reflect the interest on the lease liability, and
- (b) It reduces the book value to reflect the lease payments made.

In addition, in the event of a change in the lease term, a change in essentially fixed lease payments, or a change in the assessment of the option to purchase the underlying asset, the value of the financial lease obligations is remeasured.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Intangible Assets:

Intangible assets are comprised of trademarks and licenses and information technologies and computer software. Intangible assets are carried at restated cost for the effects of inflation in TL units current at December, 31 2004 for the intangible assets acquired before January, 1 2005, and intangible assets acquired after January, 1 2005 are carried at acquisition cost less accumulated amortization and impairment losses. Intangible assets are amortized on a straight-line basis over their estimated useful lives for a period not exceeding 5 years from the date of acquisition.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Intangible Assets: *(continued)*

Trademarks and Licenses:

Acquired trademarks and licenses are shown at historical cost. Trademarks and licenses have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lives (not exceeding five years).

Computer Software:

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (3 - 5 years).

Costs associated with developing or maintaining computer software programs are recognized as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software development costs recognized as assets are amortized over their estimated useful lives (not exceeding three years).

Intangible Assets Acquired in a Business Combination:

Intangible assets acquired in a business combination are identified and recognized separately from goodwill where they meet the definition of an intangible asset and their fair value can be measured reliably. Cost of such intangible fixed assets is the fair value at the acquisition date. Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale,
- The intention to complete the intangible assets and use or sell it,
- The ability to use or sell the intangible asset,
- How the intangibles asset will generate probable future economic benefits,
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.
- The amount of intangible money created internally is the total of the expenses given when the intangible fixed asset meets the recognized recognition requirements. When internally created intangible assets cannot be recorded, their expenditures can be written as expense.

The amount of internally generated intangible asset is the total expenditure incurred from the moment when the intangible asset meets the recognition criteria mentioned above.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Intangible Assets: *(continued)*

After initial recognition, internally generated intangible assets are presented separately at the amount remaining after deducting accumulated amortization and accumulated impairment losses from their cost values, similar to purchased intangible assets.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the differences between the net disposal proceeds and the carrying amount of the asset. The difference is recognized in the statement of profit or loss when the asset is derecognized.

Impairment of Assets:

Assets that have an indefinite useful life, like goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Assets Held for Sale:

Assets that are expected to be recovered primarily through sale or distribution rather than through continuing use are classified as held for sale or distribution. These assets can be an operating unit, sales groups or a separate tangible asset. Assets held for sale are expected to be sold in twelve months following the reporting period. The assets held for sale are measured at the lower of their carrying amount and fair value. In the condition that the carrying amount exceeds the fair value, the impairment is recognized as a loss in the related

Borrowing Costs:

In the case of assets that require considerable time to be ready for use and sale, the borrowing costs directly attributable to the acquisition, construction or production are included in the cost of the asset until the asset is ready for use or sale. The financial investment income, which is obtained by evaluating the unspent portion of the investment-related loan temporarily in financial investments, is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are recognized under the statement of profit or loss in the period that they occur.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Financial Instruments:

A financial asset or a financial liability is recognized in the statement of financial position only when it is a party to the contract of the financial instrument. Normal purchases or sales of financial instruments are recognized in the financial statements or excluded from the financial statements by using one of the accounting methods on the transaction date or delivery date. The initial recognition and classification of financial instruments depends on the contractual terms and the relevant business model. A financial asset or financial liability other than TFRS 15 Customer Contracts are measured at fair value when first recognized in financial statements. Transaction costs directly attributable to the acquisition or the issuance of financial assets and liabilities, except for the fair value changes recognized in profit or loss, are also added to the fair value or deducted from the fair value.

The classification of financial instruments during the initial recognition depends on the characteristics of the contractual cash flows.

The financial assets and liabilities of the Group under TFRS 9 are as follows:

Financial Assets:

Financial investments, except financial assets classified at fair value through profit or loss and financial assets initially recognized at fair value, are recognized at fair value net of directly attributable transaction costs. Investments are recognized and derecognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned.

Financial assets are classified into the following specified categories: "financial assets at fair value through profit or loss ("FVTPL")", "financial assets measured at amortized cost", and "financial assets at fair value through other comprehensive income ("FVTOCI)".

Financial assets at FVTPL

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Derivatives are also categorized as financial assets at fair value through profit or loss unless they are designated for hedging purposes.

Financial assets measured at amortized cost

Financial assets are aimed at collecting contractual conditions of the financial asset cause cash flows that include payments due to the principal and principal balance at certain dates are classified as financial assets measured at amortized cost. It is valued at amortized cost using the effective interest method, and provision is set for impairment. Interest income from held to maturity investments is recognized as "interest income" in profit or loss.

Financial assets at FVTOCI

Financial assets that are held for collecting contractual cash flows and for selling the financial asset, and additionally, when the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding at specified dates, the financial asset is classified as measured at fair value through other comprehensive income, with the fair value changes recognized in other comprehensive income.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Financial Instruments: *(continued)*

Financial assets classified as measured at fair value through other comprehensive income are subsequently measured at their fair values. However, if their fair values cannot be reliably determined, they are valued at the discounted amount for those with fixed maturities using the effective interest method, or using fair value pricing models or discounted cash flow techniques for those without fixed maturities. Unrealized gains or losses arising from changes in the fair values of financial assets classified as measured at fair value through other comprehensive income, and the amortized cost calculated using the effective interest method for securities, are shown in the equity section under the item "Revaluation Gains and Losses of Financial Assets Measured at Fair Value through Other Comprehensive Income." When financial assets classified as measured at fair value through other comprehensive income are derecognized, any value changes resulting from the fair value application are reflected in equity accounts and not in the profit or loss for the period.

Under TFRS 9, when equity instruments classified as "Financial Assets Measured at Fair Value Through Other Comprehensive Income" irreversibly at initial recognition are derecognized, any fair value changes related to these assets are not reclassified to profit or loss but continue to be recognized in other comprehensive income.

Repurchase and reverse repurchase agreements

Marketable securities sold as part of repurchase agreement commitments ("repo") are accounted for in the consolidated financial statements and liabilities to counterparties are presented as payables to customers. Marketable securities held as part of commitments to resale ("reverse repo") are accounted for as funds loaned under marketable securities reverse repurchase agreements and accounted for under cash and cash equivalents in the balance sheet. The difference between purchase and resale prices is accounted for as interest and amortized during the period of the agreement.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of financial assets/expected credit loss

At each reporting period, each financial asset's credit risk within the scope of impairment is assessed from the date which it is first recognized in the financial statements. Within this assessment, the change of the default risk of the financial asset is taken into consideration. The expected loss provision estimate is unbiased, weighted according to probabilities, and includes information that can be supported about past events, current conditions, and forecasts for future economic conditions.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)***2.5. Summary of Significant Accounting Policies** *(continued)***Financial Instruments:** *(continued)*

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in the statement of profit or loss.

With the exception of equity instruments at fair value through other comprehensive income, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

In respect of equity securities, any increase in equity instruments at fair value through other comprehensive income, subsequent to an impairment loss is recognized directly in equity.

Trade receivables and provision for doubtful receivables

Trade receivables are written off from the assets if the Group had no future cash flow expectations.

For the calculation of impairment of trade receivables that are measured at amortized cost and has no important financial component (a maturity with less than one year), "Simplified approach" is used. In cases where the trade receivables are not impaired due to certain reasons (except for the realized impairment losses), the provisions for losses related to trade receivables are measured by an amount equal to the "lifetime expected credit loss"

After recognizing allowance for doubtful receivables, if the entire amount or a portion of the entire amount is collected, the amount deducted from the provision for doubtful receivables and the amount is recognized in other operating income.

Financial liabilities:

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Financial Instruments: *(continued)*

Forward, Option Contracts and Derivative financial instruments:

As at statement of financial position date, the Group has derivative financial instrument transactions which predominantly consist of positions related to foreign currency forward contracts and Borsa İstanbul indexed futures contracts. The Group uses foreign currency forward contracts and futures to hedge its risks associated with market fluctuations in connection with trading portfolio transactions. The Group participates in derivative transactions indexed to foreign currencies and securities, also performs brokerage activities relating to derivative transactions on behalf of its customers. As at statement of financial position date, transactions related to derivative financial instruments are entered into for trading purposes and measured at fair value. Interest and foreign currency gains and losses on these instruments are accounted for on an accrual basis in the statement of profit or loss.

Recognition and removal of financial assets and liabilities:

A financial asset or a financial liability is recognized in the statement of financial position only when it is a party to the contract of the related financial instrument. The Company derecognizes a financial asset or a portion of its financial asset only when it loses its control over the rights arising from the contract. The Company derecognizes a financial liability only if the obligation defined in the contract is eliminated, cancelled or expired.

Business Combinations:

The acquisition of subsidiaries and businesses are accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria under TFRS 3, "Business Combinations" are recognized at fair value at the date of acquisition, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with TFRS 5 "Non-Current Assets Held for Sale and Discontinued Operations", which are recognized and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in profit or loss.

The interest of non-controlling interest's shareholders in the acquiree is initially measured at the non-controlling interest's proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

In business combinations under common control, assets and liabilities subject to business combination are accounted for at carrying value in consolidated financial statements. Statements of profit or loss are consolidated starting from the beginning of the fiscal year in which the business combination is realized. Consolidated financial statements of previous fiscal years are restated in the same manner in order to maintain consistency and comparability. Any positive or negative goodwill arising from such business combination is not recognized in the consolidated financial statements. The residual balance calculated by netting off investment in subsidiary and the share acquired in subsidiary's equity is directly accounted for under equity as "effect of the business combinations in entities under common control" and presented in retained earnings.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Impact of Foreign Currency Fluctuations:

Transactions in foreign currencies have been translated into TL at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies have been translated into TL at the exchange rates prevailing at the balance sheet date. Exchange gains or losses arising from such transactions are included in the statement of profit or loss. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into TL at foreign exchange rates ruling at the dates the values were determined.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in TL using exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity under "Foreign Currency Translation

Differences". Such exchange differences are recognized in the statement of profit or loss in the period in which the foreign operation is disposed of.

Earnings per Share:

Earnings per share disclosed in the accompanying consolidated statement of profit or loss is determined by dividing net income by the weighted average number of shares circulating during the year concerned.

In Turkey, companies can raise their share capital by distributing "Bonus Shares" to shareholders from retained earnings. In computing earnings per share, such "bonus share" distributions are assessed as issued shares. Accordingly, the retrospective effect for those share distributions is taken into consideration in determining the weighted-average number of shares outstanding used in this computation.

Events after the Reporting Period:

Events after the reporting period comprise any event between the statement of financial position date and the date of authorization of the consolidated financial statements for publication, even if any event after the balance sheet date occurred subsequent to an announcement on the Group's profit or following any financial information disclosed to public.

If there is evidence of such events as at the statement of financial position or if such events occur after the statement of financial position date and if adjustments are necessary, Group's consolidated financial statements are adjusted according to the new situation. The Group discloses the post-balance sheet events that are not adjusting events but material.

Provisions, Contingent Assets and Liabilities:

Provisions are recognized when the Group has a legal and constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are not recognized in the consolidated financial statements but disclosed in the notes if the possibility of any outflow is low. Contingent assets are not included in consolidated financial statements but explained in the notes if an inflow of economic benefits is probable. If it becomes almost certain that the economic benefit will enter the business, the asset and the related income change are included in the consolidated financial statements on the date of the change.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Related Parties:

For the purpose of the accompanying consolidated financial statements, shareholders, key management and board members, in each case together with companies controlled by or affiliated with them, and associated companies are considered and referred to as related parties. There may be business transactions with related parties due to ordinary operations.

Segment Reporting:

The Group has five business segments determined by the management based on information available for the evaluation of performances and the allocation of resources. These segments are managed separately because they are affected by the economic conditions and geographical positions in terms of risks and returns.

Since the Group predominantly operates in Turkey and only in marketable securities sector, segment information in the accompanying consolidated financial statements are configured according to structure of the Group's operating entities as securities brokerage, investment trust, portfolio management, private equity and asset management (Note 5).

Tax Assets and Liabilities:

Since the Turkish Tax Legislation does not allow the parent company and its subsidiaries to prepare consolidated tax returns, tax provisions have been calculated separately for each company, as reflected in the attached consolidated financial statements. Income tax expense consists of the sum of current tax and deferred tax expense.

Current Tax

Current tax expense is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted on reporting date.

Deferred Tax

The deferred tax liability or asset is determined by calculating the legal differences based on the tax differences between the amounts of the assets and liabilities shown in the financial statements and the amounts considered in the legal tax base account.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are calculated for the Group's subsidiaries, investments in associates, shares in joint ventures of all taxable temporary differences except for controlling removal of temporary differences and disappearance of these differences in the near future is unlikely. Deferred tax assets arising from investments and interest associated with taxable deductible temporary differences are calculated by obtaining sufficient taxable profits in the near future when it is likely to benefit from these differences and it is probable that the disappearance of the differences in the near future.

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Tax Assets and Liabilities: *(continued)*

The carrying amount of deferred tax assets is reviewed at each reporting period. Deferred tax asset or liability is recognized to the extent that it is probable that future taxable profits will be available against which the deferred tax asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Calculated deferred tax receivables and deferred tax liabilities are netted off in the financial statements of different consolidated companies. However, net deferred tax assets and liabilities arising from different companies subject to consolidation are presented separately in assets and liabilities without being offset in the consolidated financial statements.

Employee Benefits/Severance Pay

Retirement pay liability

In accordance with the relevant legislation, the Group is obliged to pay severance pay to its employees, who retire, pass away, leave the job due to military service, and whose employment relationship was terminated as specified in the relevant legislation, and to their female employees who leave voluntarily within one year following their marriage. In accordance with the provisions of "TAS 19-Employee Benefits", the Group realizes a provision by estimating the present value of the future probable obligation regarding severance pay. The resulting actuarial losses and gains are accounted for under equity in accordance with TAS 19.

Defined contribution plans

The Company has started to pay private pension contribution for its employees since 2006. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of profit or loss when they are due. The only obligation of the Group with respect to the retirement plan is to make the specified contributions.

Bonus payments

The Group recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Other short-term benefits

Other short-term benefits include provision for unused vacation. In accordance with existing social legislation in Turkey, employers are obligated to make payment to the employees for unused vacations when the employee leave. Provision for unused vacation is undiscounted amount of obligation of unused vacation days which is deserved and unused by the employee.

Retirement plans

The Group does not provide any postretirement benefit and pension for the employees.

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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(Amounts are expressed in Turkish Lira ("TL") unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

2.5. Summary of Significant Accounting Policies *(continued)*

Statement of Cash Flows:

In the statement of cash flows, cash flows are classified according to operating, investment and finance activities.

Cash flows from operating activities reflect cash flows mainly generated from brokerage and portfolio management operations of the Group.

Cash flows from investment activities express cash used in investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Group. Cash flows relating to finance activities express sources of financial activities and payment schedules of the Group.

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments whose maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Share Capital and Dividends:

Common shares are classified as equity. Dividends on common shares are reclassified as dividend payables by netting off from the retained earnings in the period in which they are approved and disclosed.

2.6. Significant Accounting Judgements, Estimates and Assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The estimates are used particularly in the following notes:

3. BUSINESS COMBINATIONS

Disclosed in Note 17.

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4. GROUP ENTITIES

As of December 31, 2023 and 2022, summary financial information of the Group's subsidiaries is as follows:

31 December 2023		
	İş Yatırım Ortaklığı AŞ	İş Portföy Yönetimi AŞ
Non-Current Assets	823	94.146
Current Assets	372.175	898.684
Long Term Liabilities	1.222	3.369
Short Term Liabilities	4.475	126.834
Net Assets	367.301	862.627
Carrying Value of Non-Controlling Interests	-	-
Revenue	578.206	1.186.794
Profit/(Loss)	(67.619)	220.635
Non-Controlling Interests	-	-
Total Comprehensive Income	(67.756)	227.300
Comprehensive Income	-	-
Cash Flows Related to Operating Activities	116.294	(364.162)
Cash Flows Related to Investing Activities	(43)	(119.786)
Cash Flows Related to Financing Activities	(83.179)	(116.780)
Net Increase/(Decrease) on Cash and Cash Equivalents	21.209	(157.567)
31 December 2022		
	İş Yatırım Ortaklığı AŞ	İş Portföy Yönetimi AŞ
Non-Current Assets	2.119	115.302
Current Assets	526.538	730.031
Long Term Liabilities	1.567	8.919
Short Term Liabilities	9.366	83.409
Net Assets	517.724	753.005
Carrying Value of Non-Controlling Interests	-	-
Revenue	481.210	780.978
Profit/(Loss)	(135.538)	155.685
Non-Controlling Interests	-	-
Total Comprehensive Income	(136.113)	180.512
Comprehensive Income	-	-
Cash Flows Related to Operating Activities	(182.900)	285.282
Cash Flows Related to Investing Activities	(309)	(1.394)
Cash Flows Related to Financing Activities	(89.252)	(88.160)
Net Increase/(Decrease) on Cash and Cash Equivalents	(69.449)	4.256

İş Girişim Sermayesi Yatırım Ortaklığı AŞ (Consolidated)	Efes Varlık Yönetim AŞ	Maxis Girişim Sermayesi Portföy Yönetimi AŞ	Maxis Investments Ltd.	Levent Varlık Kiralama A.Ş.
723.731	11.222	13.374	9.040	-
1.224.425	296.578	299.636	3.505.234	103
163.466	1.644	4.865	-	-
757.612	26.160	19.693	3.161.111	11
1.027.078	279.996	288.452	353.163	92
17.909	-	-	-	-
2.548.017	303.846	579.671	187.524	-
312.075	(13.783)	254.712	101.793	(11)
222	-	-	-	-
577.028	(13.783)	254.327	101.793	(11)
335.043	-	-	-	-
(180.207)	5.061	278.059	(10.836)	-
5.438	2.550	(838)	896	-
(2.564)	32.727	(2.806)	8.153	-
165.035	74.723	217.250	(553)	100

İş Girişim Sermayesi Yatırım Ortaklığı AŞ (Consolidated)	Efes Varlık Yönetim AŞ	Maxis Girişim Sermayesi Portföy Yönetimi AŞ	Maxis Investments Ltd.
617.294	14.450	16.455	8.144
936.847	346.668	35.673	1.745.377
112.023	18.656	8.244	-
822.639	51.765	9.700	1.531.681
619.479	290.697	34.184	221.840
30.415	-	-	-
1.597.132	288.958	101.158	106.131
246.162	(65.895)	5.991	51.696
174.751	-	-	-
131.916	(65.895)	6.098	51.696
15.044	-	-	-
384.280	160.297	32.459	54.378
(35.263)	2.743	(3.859)	(4.782)
96.618	12.668	(2.443)	56
(34.131)	34.323	20.338	146.406

İŞ YATIRIM MENKUL DEĞERLER ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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5. SEGMENT REPORTING

Segments	Securities Brokerage	Investment Trust	Portfolio Management
	1 January- 31 December 2023	1 January- 31 December 2023	1 January- 31 December 2023
Revenue			
Sales revenue	443.936.570	553.667	224.752
Interest and derivative income from operating activities (net)	6.291.189	24.539	40
Services income (net)	3.056.055	-	1.395.291
Other operating income (net)	(272.072)	51.450	146.382
Cost of sales (-)	(439.612.347)	(478.852)	(149.529)
GROSS PROFIT/LOSS	13.399.395	150.804	1.616.936
Administrative expenses (-)	(1.949.156)	(20.648)	(468.107)
Marketing expenses (-)	(475.195)	(7.906)	(27.341)
Research and development expenses (-)	-	-	-
Other operating income	1.247.639	254	1.415
Other operating expenses (-)	(227.625)	(362)	(3.102)
OPERATING PROFIT/LOSS	11.995.058	122.142	1.119.801
Share of profit/(loss) of equity accounted investees	20	-	-
OPERATING PROFIT/LOSS BEFORE FINANCE COSTS	11.995.078	122.142	1.119.801
Finance income	670.201	14.314	64.056
Finance costs (-)	(7.208)	(198)	(10.957)
Net monetary gain (loss)	(4.470.278)	(203.878)	(416.271)
PROFIT OR LOSS BEFORE TAXATION FROM CONTINUING OPERATIONS	8.187.793	(67.620)	756.629
Tax income/(expense) from continuing Operations	(3.079.789)	-	(281.282)
- Current tax expenses	(3.501.316)	-	(292.535)
- Deferred tax income/(expense)	421.527	-	11.253
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	5.108.004	(67.620)	475.347
PROFIT FOR DISCONTINUED OPERATIONS	-	-	-
PROFIT/(LOSS) FOR THE YEAR	5.108.004	(67.620)	475.347
Profit/(Loss) attributable to:			
Non-Controlling interests	-	(47.705)	66.191
Equity holders of the Company	5.108.004	(19.915)	409.156
	5.108.004	(67.620)	475.347

Private Equity	Asset Management	Elimination Adjustments	Total
1 January- 31 December 2023	1 January- 31 December 2023	1 January- 31 December 2023	1 January- 31 December 2023
1.960.625	-	-	446.675.614
-	292.995	-	6.608.763
-	-	(16.084)	4.435.262
587.392	10.851	2.444	526.447
(1.588.527)	-	-	(441.829.255)
959.490	303.846	(13.640)	16.416.831
(123.353)	(129.491)	5.788	(2.684.967)
(399.023)	-	8.006	(901.459)
(6.435)	-	-	(6.435)
127.328	-	(154)	1.376.482
(163.004)	(25.752)	-	(419.845)
395.003	148.603	-	13.780.607
72.252	-	-	72.272
467.255	148.603	-	13.852.879
141.664	27.253	(106.429)	811.059
(240.845)	(7.194)	-	(266.402)
20.240	(140.898)	73.701	(5.137.384)
388.314	27.764	(32.728)	9.260.152
(76.239)	(41.555)	-	(3.478.865)
(53.888)	(45.910)	-	(3.893.649)
(22.351)	4.355	-	414.784
312.075	(13.791)	(32.728)	5.781.287
-	-	-	-
312.075	(13.791)	(32.728)	5.781.287
221.541	(1.221)	2.719	241.525
90.534	(12.570)	(35.447)	5.539.762
312.075	(13.791)	(32.728)	5.781.287

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5. SEGMENT REPORTING (continued)

Segments	Securities Brokerage	Investment Trust	Portfolio Management
	31 December 2023	31 December 2023	31 December 2023
Balance sheet information			
Assets	40.070.808	372.998	1.305.839
Cash and cash equivalents	1.486.295	85.241	431.250
Financial investments (short term)	11.933.576	272.984	572.164
Financial investments (long term)	2.292.699	-	63.504
Trade receivables	23.228.361	13.882	187.101
Other receivables	732.796	-	692
Derivative instruments	23.295	-	-
Investment in equity accounted investees	11.965	-	-
Other assets	361.821	891	51.128
Liabilities	23.652.071	5.697	154.760
Financial liabilities	5.587.153	322	7.240
Trade payables	16.161.773	3.550	-
Other payables	95.797	350	23.063
Derivative instruments	187.174	-	-
Other liabilities	1.620.174	1.475	124.457
Net assets	16.418.737	367.301	1.151.079

Private Equity	Asset Management	Elimination adjustments	Total
31 December	31 December	31 December	31 December
2023	2023	2023	2023
1.948.156	307.905	(2.011.961)	41.993.745
393.861	77.820	-	2.474.467
18.603	3.555	-	12.800.882
-	-	(1.998.444)	357.759
178.890	204.946	(18.452)	23.794.728
24.755	1	5.029	763.273
-	-	-	23.295
185.735	-	-	197.700
1.146.312	21.583	(94)	1.581.641
921.078	27.817	(18.497)	24.742.926
436.115	4.304	-	6.035.134
383.158	1.288	(18.176)	16.531.593
13.113	155	(321)	132.157
-	-	-	187.174
88.692	22.070	-	1.856.868
1.027.078	280.088	(1.993.464)	17.250.819

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5. SEGMENT REPORTING (continued)

Segments	Securities Brokerage	Investment Trust	Portfolio Management
	1 January- 31 December 2022	1 January- 31 December 2022	1 January- 31 December 2022
Revenue			
Sales revenue	413.820.548	451.920	66.153
Interest and derivative income from operating activities (net)	1.544.625	29.290	-
Services income (net)	2.425.319	-	725.587
Other operating income (net)	5.353.017	31.178	90.396
Cost of sales (-)	(411.521.324)	(390.451)	(31.464)
GROSS PROFIT/LOSS	11.622.185	121.937	850.672
Administrative expenses (-)	(1.379.749)	(14.879)	(308.480)
Marketing expenses (-)	(400.915)	(12.878)	(8.333)
Research and development expenses (-)	-	-	-
Other operating income	145.415	1.256	3.446
Other operating expenses (-)	(1.683.945)	-	(22)
OPERATING PROFIT/LOSS	8.302.991	95.436	537.283
Share of profit/(loss) of equity accounted investees	(3.409)	-	-
OPERATING PROFIT/LOSS BEFORE FINANCE COSTS	8.299.582	95.436	537.283
Finance income	360.263	56.638	37.564
Finance costs (-)	(5.473)	(261)	(19.555)
Net monetary gain (loss)	(2.681.020)	(287.351)	(259.692)
PROFIT OR LOSS BEFORE TAXATION FROM CONTINUING OPERATIONS	5.973.352	(135.538)	295.600
Tax income/(expense) from continuing Operations	(1.478.708)	-	(133.925)
- Current tax expenses	(1.253.305)	-	(133.375)
- Deferred tax income/(expense)	(225.403)	-	(550)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	4.494.644	(135.538)	161.675
PROFIT FOR DISCONTINUED OPERATIONS	-	-	-
PROFIT/(LOSS) FOR THE YEAR	4.494.644	(135.538)	161.675
Profit/(Loss) attributable to:			
Non-Controlling interests	-	(95.622)	46.705
Equity holders of the Company	4.494.644	(39.916)	114.970
	4.494.644	(135.538)	161.675

Private Equity	Asset Management	Elimination Adjustments	Total
1 January- 31 December 2022	1 January- 31 December 2022	1 January- 31 December 2022	1 January - 31 December 2022
1,597,132	-	-	415,935,753
-	274,001	826	1,848,742
-	-	(24,800)	3,126,106
-	14,956	-	5,489,547
(1,035,045)	-	-	(412,978,284)
562,087	288,957	(23,974)	13,421,864
(97,139)	(114,191)	11,892	(1,902,546)
(244,159)	-	13,203	(653,082)
(9,498)	-	-	(9,498)
27,371	-	500	177,988
(60,855)	(46,106)	-	(1,790,928)
177,807	128,660	1,621	9,243,798
86,496	-	-	83,087
264,303	128,660	1,621	9,326,885
90,944	1,998	(88,795)	458,612
(187,561)	(14,666)	-	(227,516)
111,098	(152,871)	73,353	(3,196,483)
278,784	(36,879)	(13,820)	6,361,499
(32,620)	(29,019)	-	(1,674,272)
(11,359)	(23,522)	-	(1,421,561)
(21,261)	(5,497)	-	(252,711)
246,164	(65,898)	(13,820)	4,687,227
-	-	-	-
246,164	(65,898)	(13,820)	4,687,227
174,752	(5,838)	4,588	124,585
71,412	(60,060)	(18,408)	4,562,642
246,164	(65,898)	(13,820)	4,687,227

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5. SEGMENT REPORTING (continued)

Segments	Securities Brokerage	Investment Trust	Portfolio Management
	31 December 2022	31 December 2022	31 December 2022
Balance sheet information			
Assets	58.354.926	528.657	897.460
Cash and cash equivalents	573.321	63.668	359.894
Financial investments (short term)	23.463.122	421.497	251.630
Financial investments (long term)	2.314.681	-	90.450
Trade receivables	29.646.566	41.317	134.579
Other receivables	2.043.329	-	10.726
Derivative instruments	85.765	-	-
Investment in equity accounted investees	11.558	-	-
Other assets	216.584	2.175	50.181
Liabilities	46.006.013	10.934	110.274
Financial liabilities	16.704.179	1.321	16.977
Trade payables	24.956.135	7.931	-
Other payables	102.646	284	17.605
Derivative instruments	1.606.126	-	-
Other liabilities	2.636.927	1.398	75.692
Net assets	12.348.913	517.723	787.186

Private Equity	Asset Management	Elimination adjustments	Total
31 December	31 December	31 December	31 December
2022	2022	2022	2022
1.554.142	361.119	(2.067.050)	59.629.254
228.826	2.995	-	1.228.704
20.756	13.493	-	24.170.498
-	-	(2.015.760)	389.371
294.497	296.281	(46.500)	30.366.740
13.203	-	(4.696)	2.062.562
-	-	-	85.765
113.868	-	-	125.426
882.992	48.350	(94)	1.200.188
934.662	70.420	(56.274)	47.076.029
415.797	25.526	-	17.163.800
415.877	1.762	(56.044)	25.325.661
4.951	5.777	(230)	131.033
-	-	-	1.606.126
98.037	37.355	-	2.849.409
619.480	290.699	(2.010.776)	12.553.225

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6. RELATED PARTY TRANSACTIONS

The immediate parent and ultimate controlling party of the Group is Türkiye İş Bankası AŞ incorporated in Turkey. Transactions between the Company and its subsidiaries, related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. The details of transactions between the Group and other related parties are disclosed below.

Deposits in Türkiye İş Bankası AŞ	31 December 2023	31 December 2022
Demand Deposits	239.902	152.872
Times Deposits	1.941.289	8.407
	2.181.191	161.279
Borrowings from Türkiye İş Bankası AŞ	31 December 2023	31 December 2022
Loans	60.205	63.273
	60.205	63.273
İş Faktoring AŞ	31 December 2023	31 December 2022
Factoring debt	18.268	20.320
	18.268	20.320
Payables from leases	31 December 2023	31 December 2022
Türkiye İş Bankası AŞ	3.184	9.645
İş Gayrimenkul Yatırım Ortaklığı A.Ş.	18.331	29.404
Milli Reasürans TAŞ	150	934
	21.665	39.983

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6. RELATED PARTY TRANSACTIONS (continued)

	31 December 2023			
	Receivables		Payables	
	Trading	Non- Trading	Trading	Non- Trading
Balances with related parties				
Türkiye İş Bankası AŞ	8.090	-	35.945	5.658
Anadolu Anonim Türk Sigorta Şirketi	27.584	-	525	2.682
Anadolu Hayat Emeklilik AŞ	65.477	-	-	-
Funds Founded and Managed	75.375	561	-	275
SoftTech Yazılım Tekn. Araş. Gel. ve Paz. Tic. A.Ş.	-	-	-	-
İş Net Elektronik Bilgi Üretim Dağ. Tic. ve İlet. Hiz. AŞ	-	-	293	9.603
İş Merkezleri Yönetim ve İşletim AŞ	-	-	8	1.358
Milli Reasürans TAŞ	7.306	-	-	-
Other	-	5	2.402	2.799
	183.832	566	39.173	22.375
	31 December 2022			
	Receivables		Payables	
	Trading	Non- Trading	Trading	Non- Trading
Balances with related parties				
Türkiye İş Bankası AŞ	11.051	-	28.645	3.801
Anadolu Anonim Türk Sigorta Şirketi	17.404	25	755	2.622
Anadolu Hayat Emeklilik AŞ	43.921	-	-	-
Funds Founded and Managed	55.718	921	-	-
SoftTech Yazılım Tekn. Araş. Gel. ve Paz. Tic. AŞ	4.518	-	9.469	657
İş Net Elektronik Bilgi Üretim Dağ. Tic. ve İlet. Hiz. AŞ	-	-	90	2.032
İş Merkezleri Yönetim ve İşletim AŞ	-	-	87	2.806
Milli Reasürans TAŞ	4.625	-	-	-
Other	21	-	203	81
	137.258	946	39.249	11.999

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6. RELATED PARTY TRANSACTIONS (continued)

In addition, the Group has 1,13% share in İş Gayrimenkul Yatırım Ortaklığı A.Ş., which is classified as financial asset at fair value through other comprehensive income, with a balance sheet value of TL 220.836 as of the report date.

1 Ocak - 31 Aralık 2023			
Related party transactions (income)	Fee and brokerage commission income	Interest income on time deposits	Dividend received
Türkiye İş Bankası AŞ	969.685	227.677	17.911
Anadolu Hayat Emeklilik AŞ	157.012	-	-
İş Finansal Kiralama AŞ	9.344	-	-
Anadolu Anonim Türk Sigorta Şirketi	50.983	-	-
İş Faktoring AŞ	4.607	-	-
T.Şişe ve Cam Fabrikaları AŞ	45.356	-	6.506
İş Gayrimenkul Yatırım Ortaklığı AŞ	8.502	-	-
Funds Founded and Managed	906.493	-	-
Other	12.384	-	-
	2.164.365	227.677	24.417

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6. RELATED PARTY TRANSACTIONS (continued)

1 Ocak-31 Aralık 2022			
Related party transactions (income)	Fee and brokerage commission income	Interest income on time deposits	Dividend received
Türkiye İş Bankası AŞ	635.875	17.833	4.950
Anadolu Hayat Emeklilik AŞ	119.770	68	-
İş Finansal Kiralama AŞ	19.493	-	-
Anadolu Anonim Türk Sigorta Şirketi	30.893	-	-
İş Faktoring AŞ	12.191	-	-
T.Şişe ve Cam Fabrikaları AŞ	22.736	-	17.022
İş Gayrimenkul Yatırım Ortaklığı AŞ	2.029	86	-
Milli Reasürans TAŞ	5.851	-	-
Funds Founded and Managed	608.811	-	-
Other	1.634	-	8
	1.459.283	17.987	21.980
		1 January- 31 December	1 January- 31 December
Compensation of key management personnel		2023	2022
Salaries and other short-term benefits		150.717	95.404
		150.717	95.404

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6. RELATED PARTY TRANSACTIONS (continued)

1 January- 31 December 2023				
Related party transactions (expenses)	Letters of guarantee commission expenses	Custody commission expenses	Interest on borrowings	Other interest expenses
Türkiye İş Bankası AŞ	1.864	4.873	10.756	12
İş Gayrimenkul Yatırım Ortaklığı AŞ	-	-	-	-
Anadolu Anonim Türk Sigorta Şirketi	-	-	-	161
Anadolu Hayat Emeklilik AŞ	-	-	-	30
İş Merkezleri Yönetim ve İşletim AŞ	-	-	-	-
İş Net Elektronik Bilgi Ür. Dağ. Tic. ve İlet. Hiz. AŞ	-	-	-	-
İş Faktoring AŞ	-	-	3.119	-
Türkiye İş Bankası AŞ Mensupları Munzam Sosyal Güvenlik ve Yardımlaşma Sandığı Vakfı	-	-	-	-
SoftTech Yazılım Tekn. Araş. Gel. ve Paz. Tic. AŞ	-	-	-	-
Other	-	-	-	-
	1.864	4.873	13.875	203

1 January- 31 December 2022				
Related party transactions (expenses)	Letters of guarantee commission expenses	Custody commission expenses	Interest on borrowings	Other interest expenses
Türkiye İş Bankası AŞ	2.590	3.150	16.399	2.596
İş Gayrimenkul Yatırım Ortaklığı AŞ	-	-	-	-
Anadolu Anonim Türk Sigorta Şirketi	-	-	-	154
Anadolu Hayat Emeklilik AŞ	-	-	-	3
İş Merkezleri Yönetim ve İşletim AŞ	-	-	-	-
İş Net Elektronik Bilgi Ür. Dağ. Tic. ve İlet. Hiz. AŞ	-	-	-	-
İş Faktoring AŞ	-	-	5.292	566
Türkiye İş Bankası Kültür Yayınları İş - Türk Ltd. Şti.	-	-	-	-
SoftTech Yazılım Tekn. Araş. Gel. ve Paz. Tic. AŞ.	-	-	-	-
Other	-	-	-	257
	2.590	3.150	21.691	3.576

Transaction commission expenses	Personnel insurance contribution	Office insurance	Rent expenses (*)	Administrative expenses	Technical service and consultancy expenses
164.283	-	-	9.064	-	188
-	-	-	19.883	-	-
-	15.764	2.718	-	51	-
-	431	-	-	-	-
-	-	-	-	20.672	-
-	-	-	-	-	32.370
-	-	-	-	-	-
-	-	-	2.905	-	-
-	-	-	-	-	62.633
9	-	-	1.066	347	721
164.292	16.195	2.718	32.918	21.070	95.912

Transaction commission expenses	Personnel insurance contribution	Office insurance	Rent expenses (*)	Administrative expenses	Technical service and consultancy expenses
135.415	-	-	8.405	-	248
-	-	-	19.061	-	-
-	9.062	4.100	-	61	-
-	2.663	-	-	-	-
-	-	-	-	20.645	-
-	-	-	-	-	35.125
-	-	-	-	-	-
-	-	-	2.518	-	-
-	-	-	-	-	52.386
6	-	-	835	2.118	625
135.421	11.725	4.100	30.819	22.824	88.384

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7. CASH AND CASH EQUIVALENTS

	31 December 2023	31 December 2022
Cash	103	95
Cash at banks	2.157.896	493.643
<i>Demand deposits</i>	409.382	317.090
<i>Time deposits (with maturities less than three months)</i>	1.748.514	176.553
Receivable from reverse repurchase agreements	149.388	314.606
Other cash equivalents	138.444	66.130
Receivables from money market placements	69.054	355.112
Expected loss provision	(40.418)	(882)
	2.474.467	1.228.704

Cash and cash equivalents in the Group's consolidated statement of cash flows as of December 31, 2023 and December 31, 2022 are presented by netting off interest accruals and time deposits:

	31 December 2023	31 December 2022
Cash and cash equivalents	2.474.467	1.228.704
Interest accrual	(165.577)	(103)
Restricted deposits	-	-
Expected loss provision	40.418	882
	2.349.308	1.229.483

Maturities and interest rates of time deposits as of December 31, 2023 and December 31, 2022 are as follows:

31 December 2023				
	Interest Rate (%)	Maturity	Currency Type	Amount (TL)
Time deposit in TL	34,00-49,00	02.01.2024- 29.03.2024	TL	9.495.963
Money market placements	41,95-43,00	02.01.2024	TL	137.958
Interest accrual				255.530
				9.889.451
31 December 2022				
	Interest Rate (%)	Maturity	Currency Type	Amount (TL)
Time deposit in TL	5,10-27,00	02.01.2023- 31.01.2023	TL	176.537
Money market placements	10,85-11,90	02.01.2023	TL	66.090
Interest accrual				221
				242.848

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7. CASH AND CASH EQUIVALENTS (continued)

Maturities and interest rates of reverse repurchase agreements as of 31 December 2023 and 31 December 2022 are as follows:

31 December 2023				
	Interest Rate (%)	Maturity	Cost	Carrying Value
Reverse repurchase agreement	12,65-43,98	02.01.2024	148.982	149.388
			148.982	149.388
31 December 2022				
	Interest Rate (%)	Maturity	Cost	Carrying Value
Reverse repurchase agreement	4,71-10,34	02.01.2023	314.460	314.606
			314.460	314.606

8. FINANCIAL INVESTMENTS

Current financial assets	31 December 2023	31 December 2022
Time deposits with maturities more than three months and settlement and custody bank money market receivables	8.002.493	165
Financial assets at fair value through profit or loss	4.798.389	24.170.333
	12.800.882	24.170.498
Non-current financial assets	31 December 2023	31 December 2022
Financial assets at fair value through other comprehensive income	357.759	389.371
	357.759	389.371
Financial assets at fair value through profit or loss	31 December 2023	31 December 2022
Government bonds and treasury bills	46.562	284.793
Private sector bonds	272.500	189.805
Equity shares	1.039.697	17.801.208
Foreign currency securities	890.373	483.125
Investment funds	2.549.257	5.411.402
	4.798.389	24.170.333

Annual interest rate ranges of government bonds and treasury bills held for trading purposes as of December 31, 2023 are 55,69%. (31 December 2022: 12,72%).

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8. FINANCIAL INVESTMENTS (continued)

The details of financial assets at fair value through other comprehensive income are as follows:

31 December 2023		
Financial Assets at Fair Value Through Other Comprehensive Income	Ownership Rate (%)	Carrying value
Listed Entities		
İş Gayrimenkul Yatırım Ortaklığı AŞ	1,13	220.836
Unlisted Entities		
İstanbul Takas ve Saklama Bankası AŞ	0,87	53.285
Borsa İstanbul AŞ	0,38	83.424
Yatırım Finansman Menkul Değ. AŞ	0,06	214
		357.759
31 December 2022		
Financial assets available for sale	Ownership Rate (%)	Carrying value
Listed Entities		
İş Gayrimenkul Yatırım Ortaklığı AŞ	1,13	252.448
Unlisted Entities		
İstanbul Takas ve Saklama Bankası AŞ	0,87	53.285
Borsa İstanbul AŞ	0,38	83.424
Yatırım Finansman Menkul Değ. AŞ	0,06	214
		389.371

9. FINANCIAL PAYABLES

Financial Payables	31 December 2023	31 December 2022
Payables to Stock Exchange Money Market	3.890.505	8.858.721
Payables from bills	1.617.910	6.787.518
Short-term bank loans	210.155	1.236.525
Long-term bank loans	18.954	32.892
Short-term portion of long-term bank loans	41.635	38.201
Interest accruals on payables to Stock Exchange Money Markets	48.545	15.939
Interest accruals on bank loans	2.255	22.395
Short-term debts from lease transactions	49.175	49.128
Long-term debts from lease transactions	132.333	97.068
The short-term portion of long-term leases	2.210	5.093
Financial leasing and factoring debts	21.457	20.320
	6.035.134	17.163.800

Of the factoring and leasing debts amounting to TL 21.457 in financial debts, TL 18.268 is in US Dollars.

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9. FINANCIAL PAYABLES (continued)

As of December 31, 2023 and December 31, 2022, interest rates and maturities of bank borrowings are as follows:

31 December 2023				
Description	Currency Type	Interest Rate (%)	Maturity	Amount TL
Principal	TL	13,20-57,60	02.01.2024-12.01.2026	231.050
Interest accrual				1.155
Principal	USD	9,97-13,50	24.01.2024-17.07.2024	39.694
Interest accrual				1.100
				272.999
31 December 2022				
Description	Currency Type	Interest Rate (%)	Maturity	Amount TL
Principal	TL	13,20-35,00	02.01.2023-30.03.2023	1.169.509
Interest accrual				18.695
Principal	USD	2,26-16,40	05.01.2023-20.08.2050	138.109
Interest accrual				3.700
				1.330.013

As of December 31, 2023 the maturity and interest rates of the debt securities issued by the Group are as follows:

31 December 2023				
Description	Currency Type	Interest Rate (%)	Maturity	Amount TL
Principal	TL	46,68-53,01	01.03.2024-25.03.2024	1.566.586
Interest accrual	TL			51.324
				1.617.910
31 December 2022				
Description	Currency Type	Interest Rate (%)	Maturity	Amount TL
Principal	TL	20,00-23,25	03.01.2023-02.02.2023	6.637.867
Interest accrual	TL			149.651
				6.787.518

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9. FINANCIAL PAYABLES (continued)

As of December 31, 2023 and December 31, 2022, interest rates and maturities of payables to stock exchange money market are as follows:

31 December 2023					
Description	Amount	Currency		Maturity	Amount TL
		Type	Interest Rate (%)		
Principal	5.376.321.000	TL	39,15-44,50	02.01.2024-23.01.2024	3.890.505
Interest accrual	9.673.160	TL			48.545
	5.385.994.160				3.939.050
31 December 2022					
Description	Amount	Currency		Maturity	Amount TL
		Type	Interest Rate (%)		
Principal	2.054.153.000	TL	8,05-14,50	02.01.2023-16.01.2023	8.858.721
Interest accrual	19.426.022	TL			15.939
	2.073.579.022				8.874.660

10. OTHER FINANCIAL LIABILITIES

As of December 31, 2023 and 2022, there is no recorded other financial liabilities at financial statements.

11. TRADE RECEIVABLES AND PAYABLES

Current trade receivables	31 December 2023	31 December 2022
Receivables from customers	5.724.642	14.461.397
Receivables from clearing houses	11.395.208	9.145.054
Receivables from credit customers	6.270.113	6.311.883
Purchase of nonperforming loans	204.946	296.281
Due from related parties	183.832	137.258
Commission and fund management fee receivables	9.940	9.869
Other trade receivables	6.047	4.998
Doubtful trade receivables	40.615	89.061
Provisions for doubtful trade receivables (-)	(40.615)	(89.061)
	23.794.728	30.366.740

As of December 31, 2023, the Group holds the equity shares of the listed entities as collaterals received in relation to receivables from customers on margin trading with an amount of TL 12.723.503 (December 31, 2022: TL 8.333.771).

As of December 31, 2023, the Group holds letters of guarantee with an amount of TL 340.041 in relation to the derivative transactions of its customers (December 31, 2022: TL 427.250).

Doubtful Trade Payables Transactions	31 December 2023	31 December 2022
Opening balance	89.061	170.420
Increase (decrease) in the provision	(12.840)	(14.020)
Net monetary gain (loss)	(35.606)	(67.339)
Closing balance	40.615	89.061

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11. TRADE RECEIVABLES AND PAYABLES *(continued)*

Short term trade payables	31 December 2023	31 December 2022
Payables to customers	5.510.157	15.122.521
Payables to clearing houses on derivative transactions	10.307.469	9.679.693
Trade payables	344.721	397.198
Payables to clearing house	294.571	36.261
Other trade payables	35.475	49.875
Due to related parties	39.173	39.249
	16.531.566	25.324.797
Long term trade payables	31 December 2023	31 December 2022
Trade payables	27	864
	27	864

12. OTHER RECEIVABLES AND PAYABLES

Other current receivables	31 December 2023	31 December 2022
Deposits and guarantees given	229.270	323.792
Collaterals given for futures	484.435	1.699.666
Due from related parties	566	946
Other receivables	48.370	29.653
	762.641	2.054.057
Other non-current receivables	31 December 2023	31 December 2022
Deposits and guarantees given	507	606
Other receivables	125	7.899
	632	8.505
Other short-term payables	31 December 2023	31 December 2022
Taxes and fund payables	96.264	114.244
Due to related parties	22.375	11.980
Other payables	13.374	1.862
	132.013	128.086
Other long-term payables	31 December 2023	31 December 2022
Other payables	144	2.947
	144	2.947

13. RECEIVABLES AND PAYABLES FROM FINANCIAL SECTOR OPERATIONS

Since the Group operates in finance sector, this account item has not been used.

14. INVENTORIES

Inventories	31 December 2023	31 December 2022
Trading goods and other inventories, net	501.026	306.728
	501.026	306.728

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15. BIOLOGICAL ASSETS

None (December 31, 2022: None).

16. ASSETS RELATED TO ONGOING CONSTRUCTION CONTRACTS

None (December 31, 2022: None).

17. INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES

As of 31 December 2023 and 31 December 2022, the details of the Group's associates and joint ventures are as follows:

	Shareholding interest (%)		Main business area
	31 December 2023	31 December 2022	
Radore	25,50	25,50	Data Services
Mika Tur	40,09	40,09	Tourism
Elidaş	10,05	10,05	Licensed Warehousing

Summary financial information of the Group's associate is as follows:

	31 December 2023	31 December 2022
The Group's share in associate's net assets	154.627	95.318
Goodwill in equity accounted investees	10.526	10.526
Intangible assets	32.547	19.582
Investments in equity accounted investees	197.700	125.426
	1 January - 31 December 2023	1 January - 31 December 2022
Revenue	308.395	3.784.826
Profit/(Loss) for the period	224.769	181.957
The Group's share in the profit/(loss) of associates	72.272	83.087

18. GOODWILL

Each cash-generating unit ("CGU") to be distributed to the carrying value of goodwill is as follows:

	31 December 2023	31 December 2022
Ortopro	82.611	82.611
Toksöz	139.678	139.678
Mikla	-	34.342
	222.289	256.631

As three separate CGUs, valuations of Ortopro, Toksöz and Mikla were conducted by an independent valuation firm. Income and market approaches have been used for determining the fair values of Ortopro, Toksöz and Mikla. Analysis is made mostly using income approach (discounted cash flow method) method while lower weight is applied for values determined using similar transactions.

5-year business plans prepared by the management have been used. Growth in business of Ortopro, Toksöz and Mikla stems from the opportunities in the industry and new customer acquisitions.

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18. GOODWILL (continued)

As of November 10, 2023, Mikla has ceased to be a part of the İş Girişim Sermayesi (Venture Capital) affiliated partnership due to a sale.

The significant assumptions used in the calculation of the recoverable amount are discount rate and terminal growth rate. These assumptions are as follows:

	Discount Rate	Growth Rate
Ortopro	% 14,8	% 1,9
Toksöz	% 30,3	% 6,8
Mikla	% 32,4	% 6,8

The Group did not book any additional impairment provision in the current year as a result of the impairment test performed by using the assumptions explained above.

19. RIGHT TO USE ASSETS AND LIABILITIES

Cost Value	Offices and Branches	Vehicles	Other	Total
Opening balance	493.905	53.535	-	547.440
Additions	190.348	-	-	190.348
Disposals	(25.907)	(6.281)	-	(32.188)
Currency Translation Differences	-	-	-	-
Closing balance on 31 December 2023	658.346	47.254	-	705.600
Accumulated depreciation				
Opening Balance (-)	(275.625)	(18.845)	-	(294.470)
Charge for the period (-)	(120.807)	(16.587)	-	(137.394)
Disposals (+)	9.342	2.684	-	12.026
Currency Translation Differences	-	-	-	-
Closing balance on 31 December 2023	(387.090)	(32.748)	-	(419.838)
Net book value at 1 January 2023	218.280	34.690	-	252.970
Net book value at 31 December 2023	271.256	14.506	-	285.762
Leasing Payables				
Opening balance on 1 January 2023				151.290
Recorded on 1 January				135.738
Interest expense				48.319
Paid rent				(78.209)
Disposals				(23.785)
Net monetary gain (loss)				(49.635)
Closing balance on 31 December 2023				183.718
Short-term lease payables				51.385
Long-term lease payables				132.333
Total				183.718

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19. RIGHT TO USE ASSETS AND LIABILITIES (continued)

Cost Value	Offices and Branches	Vehicles	Other	Total
Opening balance	392.825	31.967	-	424.792
Additions	116.621	21.568	-	138.189
Disposals	(15.258)	-	-	(15.258)
Currency Translation Differences	(283)	-	-	(283)
Closing balance on 31 December 2022	493.905	53.535	-	547.440
Accumulated depreciation				
Opening Balance (-)	(212.769)	(13.875)	-	(226.644)
Charge for the period (-)	(83.304)	(4.970)	-	(88.274)
Disposals (+)	20.723	-	-	20.723
Currency Translation Differences	(275)	-	-	(275)
Closing balance on 31 December 2022	(275.625)	(18.845)	-	(294.470)
Net book value at 1 January 2022	180.056	18.092	-	198.148
Net book value at 31 December 2022	218.280	34.690	-	252.970
Leasing Payables				
Opening balance on 1 January 2022				112.798
Recorded on 1 January				81.884
Interest expense				32.535
Paid rent				(73.831)
Disposals				2.271
Net monetary gain (loss)				(4.367)
Closing balance on 31 December 2022				151.290
Short-term lease payables				54.221
Long-term lease payables				97.069
Total				151.290

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20. TANGIBLE ASSETS

Cost	Machinery and Equipment	Vehicles	Furniture and Fixtures	Other Tangible Assets	Leasehold Improvements	Total
Opening balances on 1 January 2023	164.885	10.976	199.371	1.057	255.641	631.930
Foreign currency translation differences	-	-	(90)	-	222	132
Additions	38.183	14.084	78.211	1.944	85.611	218.033
Disposals	(119)	-	(622)	-	(3.294)	(4.035)
Closing balances on 31 December 2023	202.949	25.060	276.870	3.001	338.180	846.060
Accumulated depreciation						
Opening balances on 1 January 2023	(114.782)	(5.420)	(166.199)	(69)	(181.741)	(468.211)
Foreign currency translation differences	-	-	(1)	-	(148)	(149)
Charge for the period	(18.977)	(3.998)	(16.644)	-	(77.055)	(116.674)
Disposals	113	-	448	-	3.293	3.854
Closing balance on 31 December 2023	(133.646)	(9.418)	(182.396)	(69)	(255.651)	(581.180)
Carrying value at 1 January 2023	50.103	5.556	33.172	988	73.900	163.719
Carrying value at 31 December 2023	69.303	15.642	94.473	2.932	82.530	264.880
Cost						
Cost	Machinery and Equipment	Vehicles	Furniture and Fixtures	Other Tangible Assets	Leasehold Improvements	Total
Opening balances on 1 January 2022	146.037	11.743	142.658	69	174.110	474.617
Foreign currency translation differences	1.028	-	(1.184)	-	(3.054)	(3.210)
Additions	17.847	1.868	63.677	988	92.026	176.406
Disposals	(27)	(2.635)	(5.780)	-	(7.441)	(15.883)
Closing balances on 31 December 2022	164.885	10.976	199.371	1.057	255.641	631.930
Accumulated depreciation						
Opening balances on 1 January 2022	(100.577)	(5.904)	(109.357)	(69)	(119.008)	(334.915)
Foreign currency translation differences	(964)	-	1.250	-	2.936	3.222
Charge for the period	(13.265)	(2.151)	(63.685)	-	(73.068)	(152.169)
Disposals	24	2.635	5.593	-	7.399	15.651
Closing balance on 31 December 2022	(114.782)	(5.420)	(166.199)	(69)	(181.741)	(468.211)
Carrying value at 1 January 2022	45.460	5.839	33.301	-	55.102	139.702
Carrying value at 31 December 2022	50.103	5.556	33.172	988	73.900	163.719

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21. INTANGIBLE ASSETS

Cost	Distribution Network, Patent, License and Leasing Agreements	Computer software and Licenses	Total
Opening balance on 1 January 2023	58.707	197.561	256.268
Exchange differences	-	15.458	15.458
Disposals	-	-	-
Additions	-	54.336	54.336
Closing balance on 31 December 2023	58.707	267.355	326.062
Accumulated amortization			
Opening balance on 1 January 2023	(38.050)	(159.272)	(197.322)
Exchange differences	-	(15.565)	(15.565)
Disposals	-	-	-
Charge for the period	-	(76.932)	(76.932)
Closing balance on 31 December 2023	(38.050)	(251.769)	(289.819)
Carrying value at 1 January 2023	20.657	38.289	58.946
Carrying value at 31 December 2023	20.657	15.586	36.243
Cost			
	Distribution Network, Patent, License and Leasing Agreements	Computer software and Licenses	Total
Opening balance on 1 January 2022	57.707	180.092	237.799
Exchange differences	-	(10.517)	(10.517)
Disposals	(54)	(15)	(69)
Additions	1.054	28.001	29.055
Closing balance on 31 December 2022	58.707	197.561	256.268
Accumulated amortization			
Opening balance on 1 January 2022	(37.665)	(122.925)	(160.590)
Exchange differences	-	7.974	7.974
Disposals	18	15	33
Charge for the period	(403)	(44.336)	(44.739)
Closing balance on 31 December 2022	(38.050)	(159.272)	(197.322)
Carrying value at 1 January 2022	20.042	57.167	77.209
Carrying value at 31 December 2022	20.657	38.289	58.946

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22. GOVERNMENT INCENTIVES AND GRANTS

None (December 31, 2022: None).

23. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Current provisions	31 December 2023	31 December 2022
Legal claims	43.684	46.470
Other liabilities and expense accruals	169.161	1.680.215
	212.845	1.726.685

The provision for contingent liabilities amounting to 1,151,810,000 TL, which was allocated in the previous period and classified within other provisions, was reversed in August 2023.

1 January-31 December 2023			
	Legal claims	Other	Total
Opening balance	46.470	1.680.215	1.726.685
Additional provisions	16.830	161.903	178.733
Cancelled provisions	(142)	(1.164.460)	(1.164.602)
Payments	(258)	-	(258)
Net monetary gain (loss)	(19.216)	(508.497)	(527.713)
Closing balance	43.684	169.161	212.845

1 January-31 December 2022			
	Legal claims	Other	Total
Opening balance	53.151	187.947	241.098
Additional provisions	14.268	1.674.440	1.688.708
Cancelled provisions	(20)	(180.356)	(180.376)
Payments	(133)	-	(133)
Net monetary gain (loss)	(20.796)	(1.816)	(22.612)
Closing balance	46.470	1.680.215	1.726.685

Details of the nominal amounts of government bonds and treasury bills, equity shares, Eurobonds and mutual funds belonging to customers and held for custody purposes are as follows:

	31 December 2023	31 December 2022
Customer portfolio-Debt Instruments	3.593.657	2.566.892
Eurobond	2.628.714	2.740.466
Equity shares	25.592.049	19.540.190
Mutual funds – units	24.344.144	21.580.253

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23. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (continued)

As of December 31, 2023, and 2022, letters of guarantee and promissory notes given by the Group are as follows:

	31 December 2023	31 December 2022
İstanbul Takas ve Saklama Bankası AŞ	5.844.460	4.300.575
Borsa İstanbul AŞ	135	222
Capital Market Board	2	3
Other	579.956	1.180.109
	6.424.553	5.480.909

As of December 31, 2023, the Group has provided guarantees and bonds amounting to TL 6,424,553 of which TL 382,697 equals to USD 13,000 and TL 187,208 equals to GBP 5,000 (as of December 31, 2022: guarantees and bonds amounting to TL 5,480,909, of which TL 400,527 equals to USD 13,000 and TL 185,281 equals to GBP 5,000).SS

Guarantee/pledge/mortgage ("GPM") position of the Group as at 31 December 2023 and 2022 are as follows:

	31 December 2023	31 December 2022
Guarantees/Pledges/Mortgages given by the Company		
A. GPM given on behalf of its own legal entity	5.740.188	4.895.102
GPM	5.740.188	4.895.102
Financial investments	-	-
B.GPM given on behalf of consolidated subsidiaries	684.365	585.807
GPM	684.365	585.807
Financial investments	-	-
C. Total amount of GPM given on behalf of other third parties' debt	-	-
D. Other GPM	-	-
i. Total amount of GPM given on behalf of the Parent	-	-
ii. Total amount of GPM given on behalf of other	-	-
iii. Total amount of GPM given on behalf of third parties not covered	-	-
TOTAL	6.424.553	5.480.909

As of December 31, 2023, the Company has provided guarantees in favour of equity-accounted investees amounting to TL 684,365, of which TL 382,697 equals to USD 13,000 and TL 187,208 equals to GBP 5,000 (as of December 31, 2022: guarantees amounting to TL 684,365, of which TL 400,527 equals to USD 13,000 and TL 185,281 equals to GBP 5,000). The ratio of these guarantees to the Group's equity is 37.21% as of December 31, 2023 (compared to 43.61% as of December 31, 2022).

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24. COMMITMENTS

Derivative commitments and option agreements of the Group as of December 31, 2023 and 2022 are as follows:

Derivatives instrument description	31 December 2023			
	SHORT POSITION		LONG POSITION	
	Notional Amount	Notional Amount (TL)	Notional Amount	Notional Amount (TL)
Foreign currency based				
Option agreements	-	-	40	2.473
Forward and swap agreements	17.621.633	2.986.272	12.653.907	3.529.007
Futures agreements	63.171.221	799.285	81.057.489	743.362
Index based				
Option agreements	1.161	108.839	13.467.582	525.469
Futures agreements	61.379	198.909	1.205	104.196
Other	25	13.724	19.570	61.521
Derivatives instrument description	31 December 2022			
	SHORT POSITION		LONG POSITION	
	Notional Amount	Notional Amount (TL)	Notional Amount	Notional Amount (TL)
Foreign currency based				
Option agreements	-	-	1.150	10.389
Forward and swap agreements	24.018.855	4.424.652	26.923.470	6.358.384
Futures agreements	245.273.204	3.066.303	304.709.104	2.946.587
Index based				
Option agreements	3.471.400	131.915	21.028.030	710.652
Futures agreements	1.485.758	11.177.941	3.866	21.925
Other	-	-	31.025	156.092

25. PROVISIONS RELATED TO EMPLOYEE BENEFITS

Short-term employee benefits:

	31 December 2023	31 December 2022
Unused vacation pays liability and miscellaneous bonus provision	239.919	174.024

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25. PROVISIONS RELATED TO EMPLOYEE BENEFITS (continued)

In accordance with the existing social legislation in Turkey, the Group is required to make payments for unused vacation days when the personnel leave from the company. Vacation pay liability is the undiscounted amount calculated over the unused vacation days of the employees.

	1 January- 31 December 2023	1 January- 31 December 2022
	Provision Amount	Provision Amount
Opening balance	174.024	126.480
Payments	(127.281)	(104.364)
Additional provisions	221.299	165.365
Net monetary gain (loss)	(28.123)	(13.457)
Closing balance	239.919	174.024

Long-term employee benefits:

	31 December 2023	31 December 2022
Employee severances pay liability	24.809	54.779
Total	24.809	54.779

Under the Turkish Labour Law, the Group is required to pay employment termination benefits to each entitled employee to receive such benefits.

The applicable retirement pays provision ceiling as at December 31, 2023 is TL 23.490 for the calculation of employment termination benefits (December 31, 2022: TL 15.371).

The liability is not funded, as there is no funding requirement. Provision is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 "Employee Benefits" requires actuarial valuation methods to be developed to estimate the Group's obligation under the defined benefit plans. Accordingly, the following actuarial assumptions are used in the calculation of the total liability:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying statement of financial position as of December 31, 2023, the provision has been calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. The provision at the respective balance sheet date has been calculated assuming an annual inflation rate of 19,65% (December 31, 2022: 19,80%) calculated by the average of inflation rate 23,58% (December 31, 2022: 22,45%) and discount rate assumptions 3,28% (December 31, 2022: 2,21%). The estimated rate of severance indemnity amounts to be retained in the Group is also taken into account.

	31 December 2023	31 December 2022
Opening balance, 1 January	54.779	43.764
Service cost	8.286	3.879
Interest cost	7.709	5.787
Payments made during the year	(43.010)	(9.009)
Actuarial difference	2.563	(16.571)
Net monetary gain (loss)	(5.518)	26.929
Provision for employee benefits	24.809	54.779

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25. PROVISIONS RELATED TO EMPLOYEE BENEFITS *(continued)*

Retirement Benefits

Beginning from 2006, the Group has started to contribute certain amount of private pension payments for its employees. In the current year, total contributions paid amount to TL 3.886. (Contributions paid as of December 31, 2022 is TL 2.784).

26. OTHER ASSETS and LIABILITIES

Other current assets	31 December 2023	31 December 2022
Income accruals	15.838	17.400
Deferred VAT	23.220	11.421
Advances given for purchases	-	3.085
Business advances	348	149
Personnel advances	314	1.728
Other	7.709	18.413
	47.429	52.196
Other short-term liabilities	31 December 2023	31 December 2022
Expense accruals	120.544	54.022
Advances received	5.560	30.269
Deferred Income	3.688	1.905
Other	20.241	9.795
	150.033	95.991
Other long-term liabilities	31 December 2023	31 December 2022
Income tax payables	93.357	112.184
Income for the coming years	-	8.738
	93.357	120.922

27. EQUITY

a. Capital

The capital structure of the Company as of December 31, 2023 and December 31, 2022 are as follows:

Shareholders	31 December 2023		31 December 2022	
	Share (%)	Amount	Share (%)	Amount
Türkiye İş Bankası AŞ (Group A)	0,01	150	0,04	150
Türkiye İş Bankası AŞ (Group B)	65,73	986.019	65,70	233.243
Other (Group B)	34,26	513.831	34,26	121.607
Total	100,00	1.500.000	100,00	355.000

The Company's registered capital ceiling, which was TL 750,000, was increased to TL 3,000,000 by the decision taken at the General Assembly dated March 23, 2023, within the scope of the approval obtained from the Capital Markets Board. At the same General Assembly, it was decided to increase the Company's paid-in capital from TL 355,000 to TL 1,500,000, to be covered from the profit of the year 2022. In this regard, the transfer of TL 1,145,000 to the paid-in capital account was provided, and an application was made to the Capital Markets Board on May 24, 2023. Upon the approval of the Board dated July 13, 2023, the capital increase was registered on July 25, 2023, and the process was completed.

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27. EQUITY (continued)

The capital is divided into 1,500,000,000 (One billion five hundred million) shares, each with a nominal value of 1 TL (as of December 31, 2022: 355,000,000). TL 150,000 of the shares belong to Group (A) (as of December 31, 2022: TL 150,000), and TL 1,499,850,000 belong to Group (B) (as of December 31, 2022: TL 354,850,000). According to the articles of association, new shares of Group (A) cannot be issued in capital increases. The Board of Directors, consisting of 9 members, includes 6 members from Group (A) and 3 members selected from among the candidates proposed by Group (B) shareholders.

b. Fair Value Reserve

	1 January- 31 December 2023	1 January- 31 December 2022
Opening balance	158.081	-
Change in non-controlling interests	(24.077)	1.425
Increase/(decrease) of financial assets at fair value through other comprehensive income, net	35.078	156.656
Closing balance	169.082	158.081

Fair Value Reserve:

Fair value reserve arises from the measurement of available-for-sale financial assets at their fair value. In case of disposal of assets carried at fair value, the cumulative gain or loss related to those assets previously recognized in equity is included in the statement of profit or loss for the period. Gains and losses arising from changes in fair value are recognized directly in equity, until the asset is determined to be impaired, at which time the cumulative gain or loss previously recognized in equity is included in the statement of profit or loss for the period.

c. Defined Benefit Plans Remeasurement Gains and Losses

	1 January- 31 December 2023	1 January- 31 December 2022
Opening balance	(20.519)	-
Total Comprehensive Income	3.667	(12.691)
Transactions with non-controlling shareholders	1.060	(7.828)
Closing balance	(15.792)	(20.519)

d. Foreign Currency Translation Differences

Foreign currency translation differences consist of foreign currency exchange rate differences arising from remeasurement of foreign currency financial statements into Turkish Lira.

e. Restricted Reserves

	31 December 2023	31 December 2022
Legal reserves	1.415.697	1.294.705
Statutory reserves	391	391
Total	1.416.088	1.295.096

The legal reserves consist of first and second legal reserves.

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27. EQUITY (continued)

f. Prior Year's Profit

The prior year's profit and extraordinary reserves disclosed in prior year's profit in the statement of financial position of the Group as of December 31, 2023 and 2022 are as follows:

	31 December 2023	31 December 2022
Extraordinary reserves	7.343.556	4.408.723
Prior year's profit	(5.178.200)	(3.965.495)
Total	2.165.356	443.228

g. Other Reserves

Other reserves comprised of profit or loss related with the sale of shares while retaining control and increase in share capital (non-reciprocal capital contributions made by a parent or NCI to non-wholly owned subsidiary) after obtained control of a subsidiary which changes its ownership interest in that subsidiary without losing control by buying shares from the non-controlling interest at the beginning of the period. The effects of these transactions on the non-controlling interests in the accompanying consolidated financial statements are allocated to proportionally to non-controlling interest and classified as "non-controlling interests".

	1 January- 31 December 2023	1 January- 31 December 2022
Opening balance	998.414	753.368
Changes in non-controlling interest	-	1.686
Reserve for venture capital fund	148.035	243.360
Closing Balance	1.146.449	998.414

In the decision dated March 7, 2024 with the reference number 14/382, the Capital Markets Board (CMB) has decided that the difference between the inflation-adjusted amounts recorded in the legal records and the adjusted amounts in the financial statements prepared in accordance with TAS/TFRS shall be reflected in the "Retained Earnings" account. In this regard, it has been decided to provide explanations in the footnotes regarding the details of the amounts of "Capital Adjustment Differences" and reserves monitored under equity in the TAS/TFRS financial statements, as well as the difference tracked in "Retained Earnings," and to disclose in the footnotes the "Retained Earnings" resulting from inflation adjustment in the balance sheet prepared in accordance with TAS/TFRS during the initial transition to inflation.

As of December 31, 2023, the paid-in capital of the Company, which is maintained in accordance with TAS/TFRS, is TL 1,500,000, and the adjustment difference arising from inflation is TL 4,036,146 (as of December 31, 2022: Paid-in capital TL 355,000, adjustment difference due to inflation TL 3,742,487). These adjustment differences are shown in the financial statements under the "Capital Adjustment Differences" item. The share issuance premiums, reserves, and retained earnings under equity are presented in the financial statements with their inflation-adjusted values, and within the framework of maintaining legal records in accordance with TAS/TFRS, the table below provides the balances of these items before and after inflation adjustment according to TAS/TFRS, as well as the adjustment differences.

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27. EQUITY (continued)

31 December 2023				
	Share premiums and restricted Reserves	Other reserves	Extraordinary reserves	Retained earnings
Unadjusted for Inflation	325.593	404.262	3.264.754	364.289
Inflation Adjustment Gains (Losses)	1.118.580	742.187	4.078.802	(5.542.489)
Post-Inflation Adjustment	1.444.173	1.146.449	7.343.556	(5.178.200)
31 December 2022				
	Share premiums and restricted Reserves	Other reserves	Extraordinary reserves	Retained earnings
Unadjusted for Inflation	224.644	303.171	1.260.594	136.275
Inflation Adjustment Gains (Losses)	4.812.939	695.243	3.148.129	(4.101.770)
Post-Inflation Adjustment	5.037.583	998.415	4.408.723	(3.965.495)

Profit Distribution:

In accordance with the Capital Markets Board's Regulation II-19.1 on Dividend Distribution, companies distribute their profits in line with the dividend distribution policies determined by their general assemblies and in compliance with relevant legislation.

At the Ordinary General Assembly meeting of the Company held on March 23, 2023, it was decided to distribute TL 755,000 (Indexed amount: TL 1,079,371), all of which derived from the profits of the year 2022, to shareholders in cash starting from May 26, 2023 and to distribute TL 1,145,000 as bonus shares to be added to the capital. Accordingly, the distribution of the TL 755,000 cash dividend began on May 26, 2023 and was completed on May 30, 2023 while the distribution of the TL 1,145,000 bonus shares commenced on July 19, 2023 following the approval of the Capital Markets Board on July 13, 2023 and it was completed on July 21, 2023.

h. Change in Non-Controlling Interests

Shares of net assets of the subsidiaries that are directly or indirectly not under control of the equity holders of the Company are classified as "non-controlling interests" in the statement of financial position.

	1 January- 31 December 2023	1 January- 31 December 2022
Opening balance	1.067.602	1.040.642
Profit for the year attributable to non-controlling interest portion	241.525	124.585
Re-measurement gains of defined benefit plans (including tax effect)	1.872	(16.571)
Revaluation and classification gains/losses	(609)	25.041
Foreign currency translation differences	83.436	(15.318)
Changes in non-controlling interest	(49.330)	(2.097)
Dividends paid	(66.561)	(88.680)
Closing balance	1.277.935	1.067.602

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28. SALES AND COST OF SALES

	1 January- 31 December 2023	1 January- 31 December 2022
Sales revenue		
Sales of equity shares and certificates	71.835.368	83.040.188
Sales of private sector bonds	68.050.238	88.783.336
Sales of government bonds	232.580.829	201.196.923
Sales of warrants	45.296.713	36.540.838
Sales of mutual funds	26.952.001	5.761.096
Other ^(*)	1.960.465	613.372
Total	446.675.614	415.935.753
Cost of Sales		
Purchase of equity shares and certificate	(72.166.621)	(81.063.395)
Purchase of private sector bonds	(67.814.193)	(88.519.859)
Purchase of government bonds	(232.300.643)	(200.935.416)
Purchase of warrants	(41.645.018)	(36.691.512)
Purchase of mutual funds	(26.314.253)	(4.758.870)
Other ^(*)	(1.588.527)	(1.009.232)
Total	(441.829.255)	(412.978.284)
^(*) Food and beverage, software, health and sports merchandising products		
Interest income from operating and derivative activities, (net)		
Interest income ^(*)	3.829.283	1.625.013
Interest income received in return for collateral	347.106	220.732
Forward transaction revenues/(expenses) (net)	3.800.057	2.137.667
Leveraged foreign exchange transaction income/(expense) (net)	37.278	74.862
Interest expenses on bank loans	(78.309)	(141.115)
Interest expenses on financing bonds	(622.315)	(1.198.846)
Interest expenses on Stock Exchange Money Market transactions	(1.838.419)	(886.377)
Other interest income/expenses (net)	1.134.082	16.806
Total	6.608.763	1.848.742
^(*) 3.556.288 TL is the interest income of credit securities transactions (31 December 2022: 1.351.012 TL).		
Service income		
Commission income on trading of derivative transactions	526.186	619.550
Commission income on trading of equity shares	2.159.038	1.619.114
Portfolio management fees	1.382.074	714.179
Corporate finance income	207.909	79.726
Commission income on trading of mutual funds	112.632	88.966
Commission income on trading of repurchase agreements	17.396	12.669
Purchase/sale brokerage commissions of debt securities	106.674	66.304
Commission income on trading of debt securities	4.284	22.394
Other commissions and income	65.720	28.323
Deductions from service income		
Commission returns	(146.651)	(125.119)
Service income (net)	4.435.262	3.126.106
Valuation gains/losses of financial instruments (net)	143.074	5.059.052
Dividends received	384.553	412.193
Other operating income	(1.180)	18.302
Other operating income (net)	526.447	5.489.547

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29. RESEARCH AND DEVELOPMENTS EXPENSES, MARKETING EXPENSES AND ADMINISTRATIVE EXPENSES

	1 January- 31 December 2023	1 January- 31 December 2022
Research and development expenses	(6.435)	(9.498)
Marketing expenses	(901.459)	(653.082)
Administrative expenses	(2.684.967)	(1.902.546)
	(3.592.861)	(2.565.126)
Research and development expenses		
Personnel expenses	(1.662)	(3.748)
Amortization expenses	(1.340)	(4.604)
Transportation expenses	-	(81)
Other expenses	(3.433)	(1.065)
	(6.435)	(9.498)
Marketing expenses		
Foreign marketable securities transaction fees	(115.858)	(115.828)
Personnel expenses	(106.696)	(79.419)
Rent warehouse and store expenses	-	(88)
Custody expenses	(104.338)	(86.801)
Publication and advertisement expenses	(32.736)	(25.835)
Future derivative exchange transaction fees	(104.069)	(97.943)
Depreciation and amortization expenses	(188.814)	(155.506)
Equity shares transaction and registration fees	(78.042)	(55.260)
Fixed income securities transaction and registration fees	(7.384)	(4.803)
Transportation expenses	(3.577)	(2.863)
Securities lending commission expenses	(19)	(24)
Other marketing expenses	(159.926)	(28.712)
	(901.459)	(653.082)
Administrative expenses		
Personnel expenses	(1.261.948)	(861.466)
Communication expenses	(293.220)	(257.770)
Taxes and dues	(550.076)	(411.627)
Rent expenses	(104.217)	(74.199)
Outsourcing expenses	(7.555)	(12.634)
Depreciation and amortization expenses	(140.847)	(108.170)
Operating expenses	(145.567)	(47.774)
Board of Directors attendance fees	(23.654)	(14.659)
Transportation expenses	(13.050)	(13.328)
Other administrative expenses	(144.833)	(100.919)
	(2.684.967)	(1.902.546)
Total operating expenses	(3.592.861)	(2.565.126)

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30. OTHER OPERATING INCOME/(EXPENSE)

	1 January- 31 December 2023	1 January- 31 December 2022
Other operating income		
Provisions no longer required (*)	1.240.118	143.743
Gain on sale of tangible assets	4	3.253
Other	136.360	30.992
Total	1.376.482	177.988
Other operating expenses		
Paid commission and charges	(7.190)	(22)
Write-off expenses	-	(8.534)
Provisions (*)	(256.359)	(1.730.838)
Other	(156.296)	(51.534)
Total	(419.845)	(1.790.928)

(*)Within the scope of the precautionary principle, TL 1,151,810 provision has been made in the current period, taking into account the global economic conditions and possible developments in the markets.

31. NON-OPERATING FINANCE INCOME

	1 January- 31 December 2023	1 January- 31 December 2022
Foreign currency gains	583.320	368.741
Interest income on	132.932	60.075
<i>Times deposits</i>	122.461	56.380
<i>Debt securities</i>	1.708	3.695
<i>Foreign securities</i>	8.763	-
Dividend income from associates	12.304	12.900
Reverse repo interest income	2.708	1.863
Other financial income	79.795	15.033
Total	811.059	458.612

32. NON-OPERATING FINANCE COST

	1 January- 31 December 2023	1 January- 31 December 2022
Interest expenses	(60.246)	(74.064)
<i>Bank borrowings</i>	(60.246)	(74.064)
Factoring and Leasing Expenses	-	(116)
Leasing transactions TFRS 16	(77.809)	(8.767)
Foreign currency losses	(33.419)	(65.638)
Commission expenses on letters of guarantee	(851)	(886)
Commission and interest expenses paid for sales	(17.369)	-
Other financial expenses	(76.708)	(78.045)
Total	(266.402)	(227.516)

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33. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets Held for Sale

	31 December 2023	31 December 2022
Buildings	1.079	4.154
Securities	8.298	499
Other tangible assets	-	12.180
	9.377	16.833

34. ANALYSIS OF OTHER COMPREHENSIVE INCOME ITEMS

As of 31 December 2023 and 2022, other comprehensive income accounted in financial income/(expenses) are as follows:

	1 January- 31 December 2023	1 January- 31 December 2022
Changes in fair value of available for sale	2.563	(16.571)
Changes in foreign currency translation differences	37.264	175.718
Tax income/expenses relating to other comprehensive income	(3.564)	(6.839)
	36.263	152.308

For the years ended December 31, 2023 and December 31, 2022, defined benefit plans accounted in other comprehensive income are as follows:

	1 January- 31 December 2023	1 January- 31 December 2022
Change in foreign currency translation differences	152.338	(58.620)
	152.338	(58.620)

35. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

As of December 31, 2023, excluding the subsidiaries of the Company, İş Girişim Sermayesi and İş Yatırım Ortaklığı AŞ incorporated in Turkey, are subject to corporate tax at a rate of 30%, and the subsidiary Maxis Investments Ltd, established abroad, is subject to a corporate tax rate of 25%. The corporate tax rate is applied to the net corporate income, which is determined by adding non-deductible expenses according to tax laws, deducting exemptions and deductions specified in tax laws from the commercial income of corporations. As of December 31, 2023, and 2022, provisions for taxes have been made in accordance with the effective tax legislation. Tax expense includes current period tax expense and deferred tax income/expense. Taxes are recognized in the income statement unless they are directly related to a transaction accounted for directly under equity. Otherwise, taxes are recognized under equity along with the related transaction.

The Law Amending the Income Tax Law and the Corporate Tax Law was enacted on January 20, 2022, with Law No. 7532, and it was decided that inflation adjustments would not be made to financial statements in the 2021 and 2022 accounting periods, including interim reporting periods for the 2023 fiscal period, regardless of whether the conditions for inflation adjustment under Duplicate Article 298 have been met. Inflation adjustment will be applied to financial statements prepared in accordance with the Tax Procedure Law (TPL) as of December 31, 2023, and the difference in profit/loss resulting from the inflation adjustment will be shown in the retained earnings account of previous years and will not be subject to taxation.

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35. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) *(continued)*

Nevotek, a subsidiary of the Group, is subject to income and corporate taxes applicable in Turkey. However, according to Article 2 of Law No. 5035 and Law No. 4691 on Technology Development Zones, income and corporate taxes are exempt for taxpayers operating in Technology Development Zones, exclusively for income derived from software and R&D activities in these zones, until December 31, 2023. Additionally, salaries of researchers, software developers, and R&D personnel working in these zones are exempt from all kinds of taxes until December 31, 2023. As there are no estimated tax liabilities related to other activity results apart from the current period's software and R&D activities, no tax provision has been allocated in the accompanying financial statements.

Taxation for Investment Trusts:

In accordance with the Clause (1) (d) in Article 5 of the Corporate Tax Law No: 5520 and dated June 21, 2006 in effect from January 1, 2006, portfolio management income of the securities investment funds and trusts in Turkey is exempt from tax. This exemption is also applied to the advance corporate tax.

Based on the Clause (3) in Article 15 of the same law, 15% withholding tax is applied on the portfolio management income of the securities investment funds and trusts in Turkey, which is exempt from tax, whether it is distributed or not. In accordance with the Clause (4) of the same article, the Council of Ministers is authorized to reduce this withholding rate to 0% or to increase it up to the corporate tax rate.

In accordance with the Law No: 5527 and the Provisional Article 67 the Clause (1) which were introduced in the Income Tax Law No: 193 with the Law No: 5281 to be applied from January 1, 2006 to December 31, 2015 effective from January 1, 2006, 15%, 10% and 0% withholding tax is applied for securities mutual funds' and trusts' purchase and sale income from securities and other capital market instruments and periodical returns through banks and brokerage companies for the periods of January 1, 2006 - July 22, 2006, July 23, 2006 - September 30, 2006 and subsequent to October 1, 2006, respectively. The effective date of Temporary Article 67 of the Income Tax Law has been extended until December 31, 2025.

As per the Clause (8) of the Provisional Article 67, 15% withholding tax is applied on the securities investment funds established in accordance with the Capital Markets Law (including funds traded on stock exchange, mortgage finance funds and asset finance funds) and securities investment trusts' portfolio income that is exempt from corporate tax, whether distributed or not. There is no further withholding tax for the related income under the Article 94. Upon the decision made by the Council of Ministers numbered 2006/10731 and dated 23 July 2006, the related withholding tax rate was applied as 10% for the period July 23, 2006 - September 30, 2006 and 0% subsequent to October 1, 2006.

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35. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (continued)

Income Withholding Tax:

In addition to corporate taxes, companies should also calculate income withholding taxes on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. Income tax withholding was applied as 10% in all companies between April 24, 2003 and July 22, 2006, and as 15% between July 22, 2006 and December 20, 2021. As of December 21, 2021, this rate is applied as 10% with the Presidential Decree No. 4936. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

Current tax payable	31 December 2023	31 December 2022
Current tax liability	3.893.649	1.421.561
Prepaid taxes and funds	(2.457.755)	(659.323)
Net monetary gain (loss)	(364.531)	(490.494)
	1.071.363	271.744
Tax expense	1 January- 31 December 2023	1 January- 31 December 2022
Current tax expense	(3.893.649)	(1.421.561)
Deferred tax income/(expense)	414.784	(252.711)
Total	(3.478.865)	(1.674.272)
Income tax recognized directly in equity	1 January- 31 December 2023	1 January- 31 December 2022
Valuation of available-for-sale financial assets	(2.795)	(10.982)
Re-measurement gains of defined benefit plans	(769)	4.143
	(3.564)	(6.839)

Current Tax Assets:

As of December 31, 2023 and 2022, the current tax assets of the Group consist of taxes paid in advance through withholding tax amounting to TL 7.431 and TL 8.686, respectively.

Deferred Tax:

Deferred tax is calculated by using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Currently enacted tax rates are used to determine deferred income tax at the balance sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized.

Deferred tax assets and liabilities are offset in case where there is a legally enforceable right to set off current tax assets against current tax liabilities, provided that they are subject to the tax legislation of the same country.

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35. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) *(continued)*

30% of taxes are applied in the calculation of deferred tax assets and liabilities (2022: 25%).

	31 December 2023	31 December 2022
Deferred tax assets	101.723	1.536
Deferred tax liabilities	(32.692)	(387.909)
Deferred tax assets/(liabilities) (net)	69.031	(386.373)
Temporary differences subject to deferred tax	31 December 2023	31 December 2022
Useful life differences on tangible and intangible assets	10.256	110.049
Fair value reserve on financial assets	(27.168)	(122.932)
Provisions	(4.706)	(39.046)
IFRS 16 Effect	26.851	117.140
IFRS 9 Effect	(39.783)	529
Subsidiary valuation differences	269.567	268.863
Retirement pay provision	(24.809)	(54.779)
Employee benefits	(228.104)	(147.319)
Valuation of marketable securities	(55.430)	1.511.048
Provision for doubtful receivables	(20.045)	129.524
Provision for impairment of inventories	72.407	2.289
Accrued expenses	(11.890)	(4.328)
Total	(32.854)	1.771.038
Statutory losses carried forward	-	(20.209)
General Total	(32.854)	1.750.829

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35. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) *(continued)*

Deferred tax assets/(liabilities)	31 December 2023	31 December 2022
Useful life differences on tangible and intangible assets	(3.077)	(27.512)
Fair value reserve on financial assets	8.151	30.734
Provisions	1.412	9.762
IFRS 16 Effect	(8.055)	(29.285)
IFRS 9 Effect	11.935	(132)
Subsidiary valuation differences	(20.218)	(16.804)
Retirement pay provision	5.965	14.617
Employee benefits	68.431	36.830
Valuation of marketable securities	16.629	(377.763)
Provision for doubtful receivables	6.014	(32.381)
Provision for impairment of inventories	(21.721)	(573)
Accrued expenses	3.565	1.082
Statuary losses carried forward	-	5.052
Deferred tax assets/(liabilities), net	69.031	(386.373)
Movement of deferred tax assets/(liabilities)	31 December 2023	31 December 2022
Opening balance, 1 January	(386.373)	(131.925)
Deferred tax income/(expense)	414.784	(252.711)
Other Corrections	36.155	(5.297)
Deferred tax income/(expense) recorded in equity	4.465	3.560
Closing balance	69.031	(386.373)

Tax legislation in Turkey does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, are calculated on a separate-entity basis. Deferred tax assets are recognized when it is probable that the tax benefit will be utilized in the future.

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35. TAX ASSETS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) *(continued)*

Total tax charge for the period can be reconciled to the accounting profit as follows:

Reconciliation of tax provision	1 January – 31 December 2023	1 January – 31 December 2022
Profit from operating activities	9.260.152	6.361.499
Tax-exempt subsidiary profit	67.619	135.538
Taxable profit	9.327.771	6.497.037
Income tax using the Company's domestic tax rate	(2.787.859)	(1.332.825)
Tax exempt income	570.238	675.284
Disallowable expenses	(547.669)	(251.742)
Dividends and other tax-exempt income	92.218	57.378
Non-taxable timing differences	45.135	79
Others	(121.409)	2.809
Non-taxable inflation adjustments	(740.027)	(839.090)
Corrections for previous years	10.508	13.835
Tax expense	(3.478.865)	(1.674.272)

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. In this context, The Group, according to the best estimates, with the profit that is predicted for the next years, deferred tax assets calculated on tax losses that can be deducted. Accordingly, as of December 31, 2023, the Company does not have any deferred tax liability for recognized financial losses (December 31, 2022: TL 20,209). Since there are no taxable profits available for offsetting the financial losses in the current year, no deferred tax asset has been calculated (December 31, 2022: TL 5,052 thousand). Due to the unlikely realization of taxable profits in the future to utilize temporary differences, no deferred tax asset has been recognized for these items.

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36. EARNINGS PER SHARE

As of December 31, 2023 and 2022, the Company's weighted average number of shares and computation of earnings per share are as follows:

Earnings per share	1 January- 31 December 2023	1 January- 31 December 2022
Average number of shares in circulation throughout the period (total)	1.500.000	1.500.000
Profit for the year attributable to equity holders of the Company	5.539.762	4.562.642
Basic and diluted earnings per share from continuing operations	3,6932	3,0418
Total discontinued operations attributable to equity holders of the Company	-	-
Basic and diluted earnings per share obtained from discontinued operations	-	-

In the calculation of earnings per share, the weighted average number of shares outstanding is considered. If the number of shares increases due to bonus issues resulting from capitalization of internal sources, the earnings per share calculations are adjusted by retrospectively restating the previously calculated weighted average number of shares outstanding for comparative periods. This adjustment reflects the consideration of the bonus issue transaction as if it had been carried out at the beginning of the comparative period. If such changes in the number of shares occur after the balance sheet date but before the financial statements are approved for issue, earnings per share calculations are based on the new number of shares.

37. EFFECTS OF EXCHANGE RATE CHANGES

Analysis of the effects of changes in foreign exchange on December 31, 2023 and December 31, 2022 is disclosed in Note 40.

38. DERIVATIVE INSTRUMENTS

The details of the derivative instruments as of December 31, 2023 and 2022 are as follows:

		31 December 2023	
Derivative instruments	Maturity Date	Assets	Liabilities
Swap agreements	02.01.2024-03.01.2024	1.984	11.580
Forward contracts	02.01.2024-03.01.2024	4.649	6.565
Options	29.01.2024-29.02.2024	16.602	4.211
Warrants	26.01.2024-22.04.2024	60	164.818
		23.295	187.174
		31 December 2022	
Derivative instruments	Maturity Date	Assets	Liabilities
Swap agreements	03.01.2023-04.01.2023	4.299	1.946
Forward contracts	03.01.2023-26.06.2023	44.586	19.116
Options	10.01.2023-28.02.2023	36.560	4.394
Warrants	26.01.2023-18.04.2023	320	1.580.670
		85.765	1.606.126

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS

Capital Risk Management:

In its capital management, while the Group maintains to continue its operations on a going concern basis, it also maximizes its return through the optimization of the debt and equity balance.

The funding structure of the Group consists of debt, which includes the borrowings disclosed in Note 9, cash and cash equivalents and equity comprising issued capital, reserves and retained earnings.

The Group's Board of Directors reviews the capital structure monthly. As part of this review, the Board considers the cost of capital and the risks associated with each class of equity. Based on the recommendations of the Board of Directors, the Group balances its overall capital structure through the payment of dividends, new share issues and investment in shares of associates and subsidiaries as well as issuance of a new debt or the redemption of an existing debt.

Financial Risk Factors:

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and equity price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the uncertainty of financial markets and seeks to minimize the potential negative effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by the Risk Management Department, which is independent from steering, under policies approved by the Board of Directors. The Group's Risk Management Department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board sets out written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

Credit Risk:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit risk is mitigated by receiving equity shares of listed entities as collateral in accordance with the legal requirements of the CMB against credit lines utilized by customers. The Group's credit risk is predominantly in Turkey, where it operates.

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Exposed credit risks through types of financial instruments:

31 December 2023				
	Receivables			
	Trade Receivables		Other Receivables	
	Related Parties	Third Parties	Related parties	Third parties⁽¹⁾
Maximum credit risk exposure as at report date	183.832	23.610.896	566	48.370
The part of maximum risk under guarantee with collateral etc.	-	22.804.703	-	-
A. Net book value of financial assets that are neither past due nor impaired	183.832	23.610.896	566	48.370
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	-	-	-
-the part under guarantee with collateral etc.	-	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Past due (gross carrying amount)	-	40.615	-	-
- Impairment (-)	-	(40.615)	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-
E. Elements including credit risk on off balance sheet	-	-	-	-

⁽¹⁾ Deposits and guarantees and collaterals are excluded since they are not financial assets.

⁽²⁾ Equity securities are excluded since they do not expose any credit risk.

⁽³⁾ Contains USD 13.000 that equals to TL 382.697 and GBP 5.000 that equals to TL 187.208

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Credit risks exposed by types of financial instruments:

31 December 2022				
	Receivables			
	Trade Receivables		Other Receivables	
	Related Parties	Third Parties	Related parties	Third parties⁽¹⁾
Maximum credit risk exposure as at report date	137,258	30,229,482	946	29,653
The part of maximum risk under guarantee with collateral etc.	-	22,970,400	-	-
A. Net book value of financial assets that are neither past due nor impaired	137,258	30,229,482	946	29,653
B. Net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired	-	-	-	-
C. Carrying value of financial assets that are past due but not impaired	-	-	-	-
-the part under guarantee with collateral etc.	-	-	-	-
D. Net book value of impaired assets	-	-	-	-
- Past due (gross carrying amount)	-	89,061	-	-
- Impairment (-)	-	(89,061)	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-
- Not past due (gross carrying amount)	-	-	-	-
- Impairment (-)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-
E. Elements including credit risk on off balance sheet	-	-	-	-

⁽¹⁾ Deposits and guarantees and collaterals are excluded since they are not financial assets.

⁽²⁾ Equity securities are excluded since they do not expose any credit risk.

⁽³⁾ Contains USD 13,000 that equals to TL 400,527 and GBP 5,000 that equals to TL 185,280.

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Interest rate risk:

The Group is exposed to interest rate risk due to volatile market prices of its financial assets at both fixed and floating interest rates. The Group's exposure to interest rate risk sensitivity depends on the mismatch among maturities of interest rate sensitive assets and liabilities. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate assets and liabilities.

The Group's interest rate sensitive financial instruments' allocations on respective statement of financial position dates are presented below:

Interest Risk Position Table		31 December 2023	31 December 2022
Fixed interest rate instruments			
Cash and Cash Equivalents	Cash at banks – time deposits	9.751.007	176.717
	Receivables from Stock Exchange Money Market	138.444	66.130
	Receivables from reverse repurchase agreements	149.388	314.606
Financial assets	Financial assets at fair value through profit or loss	1.111.892	774.496
Financial liabilities	Payables to Stock Exchange Money Market	(3.939.050)	(8.874.660)
	Bank borrowings	(272.999)	(1.328.598)
	Finance lease liabilities	(183.718)	(150.748)
	Payables from finance bonds	(1.617.910)	(6.787.518)
	Short-term factoring liabilities	(21.457)	(20.320)
Floating interest rate instruments			
Cash and Cash Equivalents	Type B mutual funds	69.053	354.406
Financial assets	Financial assets at fair value through profit or loss	97.543	183.227
Trade receivables	Receivables from customers on margin trading	6.270.113	6.311.883
Financial liabilities	Bank borrowings	-	(2.131)

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

The Group's exposure to interest rate risk and market price risk are related to fixed income financial assets classified as financial assets at fair value through profit or loss. Based on the analysis calculated by the Group, if the interest rate for TL were increased/decreased by 1% with the assumption of keeping all other variables constant, the effect on the fair value of fixed income financial assets and net profit/loss for the period ended as of December 31, 2023 and 2022 would have been as follows:

31 December 2023				
Type of risk	Risk rate	Direction of risk	Effect on net profit	Effect on equity
Interest rate risk	1%	Increase	(17.094)	(18.471)
		Decrease	17.237	18.614
31 December 2022				
Type of risk	Risk rate	Direction of risk	Effect on net profit	Effect on equity
Interest rate risk	1%	Increase	(22.988)	(23.954)
		Decrease	23.603	24.569

Stock price risk:

If Borsa İstanbul Index were increased/decreased by 10% with the assumption of keeping all other variables constant, the effect on the fair value of equity shares and net profit/loss of the Group for the period ended as of December 31, 2023 would have been as follows:

31 December 2023				
Type of risk	Risk rate	Direction of risk	Effect on net profit	Effect on equity
Stock price risk	10%	Increase	18.703	18.703
		Decrease	(50.457)	(50.457)
31 December 2022				
Type of risk	Risk rate	Direction of risk	Effect on net profit	Effect on equity
Stock price risk	10%	Increase	(141.306)	(141.306)
		Decrease	(62.880)	(62.880)

Liquidity risk:

Liquidity risk is the Group's default in meeting its net funding liabilities. Events causing a decrease in funding resources such as market deteriorations or decrease in credit ratings are major reasons of liquidity risk. The Group manages its liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities through a constant monitoring forecast and actual cash flows and matching the maturity profile of financial assets and liabilities.

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Liquidity risk: (continued)

The following table details the Group's expected maturity for its non-derivative financial liabilities. The table below has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will accrue for those liabilities except where the Group is entitled and intense to repay the liability before its maturity.

	31 December 2023						Undistributed	Total
	Current	Less than 1 month	1 - 3 months	3 - 12 months	1 year and thereafter			
ASSETS								
Cash and cash equivalents	717.056	1.757.411	-	-	-	-	-	2.474.467
Financial investments	1.649.162	83.764	8.082.309	404.424	641.431	1.939.792		12.800.882
Trade receivables	-	23.512.184	27136	16.469	-	238.939		23.794.728
Other receivables	52	738.407	-	22.067	-	2.115		762.641
Other long-term receivables	397	-	-	-	110	125		632
Other current/non-current assets	470.704	42.668	599	68	-	147.328		661.367
Long-term financial investments	-	-	-	-	52.361	305.398		357.759
Derivative instruments	-	14.769	8.526	-	-	-		23.295
Total assets	2.837.371	26.149.203	8.118.570	443.028	693.902	2.633.697		40.875.771
LIABILITIES								
Financial liabilities	314.837	3.941.700	1.625.588	49.900	98.805	4.304		6.035.134
Other financial liabilities	-	-	-	-	-	-		-
Trade payables	35.351	16.308.913	125.296	22.040	694	39.299		16.531.593
Other payables	4.631	119.512	-	8.014	-	-		132.157
Derivative instruments	-	187.174	-	-	-	-		187.174
Liabilities related to employee benefits	5.977	1.717	21.051	3.105	-	-		31.850
Provisions (short-term)	3.992	-	233.087	1.435	-	214.250		452.764
	364.788	20.559.016	2.005.022	84.494	99.499	257.853		23.370.672
Liquidity surplus/(gap)	2.472.583	5.590.187	6.113.548	358.534	594.403	2.375.844		

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Liquidity risk: (continued)

	31 December 2022						Total
	Current	Less than 1 month	1 - 3 months	3 - 12 months	1 year and thereafter	Undistributed	
ASSETS							
Cash and cash equivalents	672.254	556.450	-	-	-	-	1.228.704
Financial investments	17.893.647	302.060	421.640	187	377.544	5.175.420	24.170.498
Trade receivables	6.911	29.789.256	109.370	153.261	-	307.942	30.366.740
Other receivables	10.985	2.044.139	-	-	-	(1.067)	2.054.057
Other long-term receivables	8.176	-	-	-	198	131	8.505
Other current/non-current assets	245.880	115	4.747	12.255	5.104	181.452	449.553
Long-term financial investments	72.089	-	-	-	-	317.282	389.371
Derivative instruments	-	46.437	34.441	4.887	-	-	85.765
Total assets	18.909.942	32.738.457	570.198	170.590	382.846	5.981.160	58.753.193
LIABILITIES							
Financial liabilities	57.325	15.741.816	1.121.978	140.335	101.025	1.321	17.163.800
Other financial liabilities	-	-	-	-	-	-	-
Trade payables	39.826	24.962.867	196.227	92.659	-	34.082	25.325.661
Other payables	7.065	120.075	488	3.405	-	-	131.033
Derivative instruments	-	871.747	732.035	2.344	-	-	1.606.126
Liabilities related to employee benefits	6.977	1.389	7.207	1.782	-	-	17.355
Provisions (short-term)	7.033	850	164.273	1.448	-	1.727.105	1.900.709
	118.226	41.698.744	2.222.208	241.973	101.025	1.762.508	46.144.684
Liquidity surplus/(gap)	18.791.716	(8.960.287)	(1.652.010)	(71.383)	281.821	4.218.652	

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Liquidity risk: (continued)

31 December 2023		
Contractual maturities	Carrying value	Total contractual cash outflows (I+II+III+IV)
Non-derivative financial liabilities		
Bank loans	272.999	354.635
Trade payables	16.531.593	16.531.593
Other payables	132.157	132.157
Payables to Stock Exchange Money Markets	3.939.050	3.960.507
Funds from commercial paper	1.617.910	1.750.170
Payables from leases	183.718	195.613
Financial lease and factoring payables	21.457	21.457
Total Liability	22.698.884	22.946.132
Contractual maturities	Notion amount	Total contractual cash outflows (I+II+III+IV)
Derivative financial instruments		
Derivative cash inflows	488.418	4.107.029
Derivative cash outflows	(359.553)	4.966.027
31 December 2022		
Contractual maturities	Carrying value	Total contractual cash outflows (I+II+III+IV)
Non-derivative financial liabilities		
Bank loans	1.330.013	1.419.954
Trade payables	25.325.661	25.381.702
Other Payables	131.033	131.263
Payables to Stock Exchange Money Markets	8.874.660	8.874.660
Funds from commercial paper	6.787.518	6.826.921
Payables from leases	151.289	161.503
Financial lease and factoring payables	20.320	20.320
Total Liability	42.620.494	42.816.323
Contractual maturities	Notion amount	Total contractual cash outflows (I+II+III+IV)
Derivative financial instruments		
Derivative cash inflows	1.042.496	18.800.811
Derivative cash outflows	(9.083.462)	10.204.028

	Less than 3 months (I)	3 – 12 months (II)	1 - 5 years (III)	More than 5 years (IV)
	301.920	35.088	17.627	-
	16.469.560	61.339	694	-
	131.998	15	144	-
	3.960.507	-	-	-
	1.750.170	-	-	-
	22.594	60.980	111.763	276
	21.457	-	-	-
	22.658.206	157.422	130.228	276

	Less than 3 months (I)	3 – 12 months (II)	1 - 5 years (III)	More than 5 years (IV)
	4.093.271	13.758	-	-
	4.861.802	38	104.187	-

	Less than 3 months (I)	3 – 12 months (II)	1 - 5 years (III)	More than 5 years (IV)
	1.281.848	117.008	18.076	3.022
	25.254.962	125.877	863	-
	131.251	12	-	-
	8.874.660	-	-	-
	6.826.921	-	-	-
	29.578	61.142	69.996	787
	20.320	-	-	-
	42.419.540	304.039	88.935	3.809

	Less than 3 months (I)	3 – 12 months (II)	1 - 5 years (III)	More than 5 years (IV)
	18.646.762	154.049	-	-
	10.014.004	190.024	-	-

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Foreign currency risk:

Foreign currency risk is the risk of volatility in the foreign currency denominated monetary assets, monetary liabilities and off-balance sheet liabilities due to changes in currency exchange rates. The breakdown of the Group's foreign currency denominated monetary assets and monetary liabilities as of December 31, 2023 and 2022 are as follows:

	31 December 2023					
	TL Equivalent (Functional currency)	USD	EURO	GBP	JPY	OTHER
1. Trade receivables	7.405.216	244.796	3.460	91	-	88.405
2a. Monetary financial assets	1.209.066	36.441	3.122	634	705	1.117
2b. Non-monetary financial assets	-	-	-	-	-	-
3. Other	2.953	86	10	-	-	-
4. Current assets	8.617.235	281.323	6.592	725	705	89.522
5. Trade receivables	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-
7. Other	4.398	142	7	-	-	-
8. Non-current asset	4.398	142	7	-	-	-
9. Total Assets	8.621.633	281.465	6.599	725	705	89.522
10. Trade payables	6.972.007	227.583	5.687	92	-	23
11. Financial Liabilities	33.924	1.152	-	-	-	-
12a. Other monetary liabilities	578.930	19.688	-	-	-	-
12b. Other non-monetary liabilities	-	-	-	-	-	-
13. Short Term Liabilities	7.584.861	248.423	5.687	92	-	23
14. Trade payables	-	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-	-
16a. Other monetary liabilities	-	-	-	-	-	-
16b. Other non-monetary liabilities	-	-	-	-	-	-
17. Long Term Liabilities	-	-	-	-	-	-
18. Total Liabilities	7.584.861	248.423	5.687	92	-	23
19. Off-balance sheet derivative instruments' net asset/(liability) position (19a - 19b)	(95.445)	(3.828)	(4.531)	166	4.743	738
19.a The amount of long-position off-balance sheet derivative instruments denominated in foreign currency	7.161.569	121.622	10.275	225	11.399	2.192
19.b The amount of short-position off-balance sheet derivative instruments denominated in foreign currency	7.257.014	125.450	14.806	59	6.656	1.454
20. Net foreign currency asset/(liability) position	941.327	29.214	(3.619)	799	5.448	90.237
21. Net foreign currency asset/(liability) position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	1.029.421	32.814	895	633	705	89.499

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Foreign currency risk: (continued)

	31 December 2022					
	TL Equivalent (Functional currency)	USD	EURO	GBP	JPY	OTHER
1. Trade receivables	3.838.434	120.133	3.942	236	-	8
2a. Monetary financial assets	870.665	25.801	1.891	28	171	2.343
2b. Non-monetary financial assets	-	-	-	-	-	-
3. Other	3.816	110	13	-	-	-
4. Current assets	4.712.915	146.044	5.846	264	171	2.351
5. Trade receivables	-	-	-	-	-	-
6a. Monetary financial assets	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-
7. Other	6.499	154	53	-	-	-
8. Non-current asset	6.499	154	53	-	-	-
9. Total Assets	4.719.414	146.198	5.899	264	171	2.351
10. Trade payables	3.632.470	112.538	4.807	201	-	4
11. Financial Liabilities	142.213	4.616	-	-	-	-
12a. Other monetary liabilities	262.061	8.534	1	-	-	-
12b. Other non-monetary liabilities	1.278	41	-	-	-	-
13. Short Term Liabilities	4.038.022	125.729	4.808	201	-	4
14. Trade payables	-	-	-	-	-	-
15. Financial liabilities	-	-	-	-	-	-
16a. Other monetary liabilities	-	-	-	-	-	-
16b. Other non-monetary liabilities	796	26	-	-	-	-
17. Long Term Liabilities	796	26	-	-	-	-
18. Total Liabilities	4.038.818	125.755	4.808	201	-	4
19. Off-balance sheet derivative instruments' net asset/(liability) position (19a - 19b)	(65.714)	(7.756)	1.612	438	(14.487)	341
19.a The amount of long-position off-balance sheet derivative instruments denominated in foreign currency	13.182.629	208.216	13.154	1.926	226.269	60.916
19.b. The amount of short-position off-balance sheet derivative instruments denominated in foreign currency	13.248.343	215.972	11.542	1.488	240.756	60.575
20. Net foreign currency asset/(liability) position	614.882	12.687	2.703	501	(14.316)	2.688
21. Net foreign currency asset/(liability) position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	672.355	20.246	1.025	63	171	2.347

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39. NATURE AND LEVEL OF RISKS RELATED TO FINANCIAL INSTRUMENTS (continued)

Foreign currency risk: (continued)

Based on the positions of statements of financial position as of December 31, 2023 and 2022, if the value the Turkish Lira would increase or decrease by 10% against other hard currencies assuming each other variables remained constant, the Group's net profit or loss would change due to foreign currency gains or losses of financial assets and liabilities denominated in foreign currencies as follows:

31 December 2023				
Type of risk	Risk rate	Direction of risk	Effect on net profit	Effect on equity
Foreign currency risk	10%	Increase	80.724	80.724
		Decrease	(80.724)	(80.724)
31 December 2022				
Type of risk	Risk rate	Direction of risk	Effect on net profit	Effect on equity
Foreign currency risk	10%	Increase	40.417	40.417
		Decrease	(40.414)	(40.414)

Capital adequacy requirement

As of December 31, 2023, under the "V Series Number 34" communique the wide authority brokerage company must have minimum equity of TL 80.000 (As of December 31, 2022, TL 31.332), to perform portfolio management, investment advisory, to take back the securities (repo) or sell (reverse repo) and purchase and sale, credit securities lending, short selling and securities import and export transactions, IPO underwriting, trading through, leveraged trading intermediation and brokerage of derivatives in derivatives market.

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40. FINANCIAL INSTRUMENTS

Categories of Financial Instruments:

31 December 2023	Other financial assets measured with effective interest method	Loans and receivables	Available for sale financial assets	Financial assets and liabilities at fair value through profit or loss	Other financial liabilities measured with effective interest method	Carrying amount	Fair value	Note
Financial assets								
Cash and cash equivalents	2.405.414	-	-	69.053	-	2.474.467	2.474.467	7
Trade receivables	-	23.794.728	-	-	-	23.794.728	23.794.728	11
Financial investments	8.002.493	-	357.759	4.798.389	-	13.158.641	13.158.641	8
Derivatives	-	-	-	23.295	-	23.295	23.295	38
Financial liabilities								
Financial liabilities	-	-	-	-	6.035.134	6.035.134	6.035.134	9
Trade payables	-	-	-	-	16.531.593	16.531.593	16.531.593	11
Other financial liabilities	-	-	-	-	-	-	-	10
Derivatives	-	-	-	187.174	-	187.174	187.174	38
31 December 2022								
Financial assets								
Cash and cash equivalents	874.298	-	-	354.406	-	1.228.704	1.228.704	7
Trade receivables	-	30.366.740	-	-	-	30.366.740	30.366.740	11
Financial investments	165	-	389.371	24.170.333	-	24.559.869	24.559.869	8
Derivatives	-	-	-	85.765	-	85.765	85.765	38
Financial liabilities								
Financial liabilities	-	-	-	-	17.163.800	17.163.800	17.163.800	9
Trade payables	-	-	-	-	25.325.661	25.325.661	25.325.661	11
Other financial liabilities	-	-	-	-	-	-	-	10
Derivatives	-	-	-	1.606.126	-	1.606.126	1.606.126	38

Fair Value of Financial Instruments:

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

The estimated fair values of financial instruments have been determined by the Group using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to develop the estimated fair value. Accordingly, the estimates presented herein may not necessarily be indicative of the amounts the Group could realize in a current market exchange.

There is no active market for loans to obtain available comparative market price and these instruments are discounted or subject to transaction costs when they are sold or utilized before their maturities. Fair value of these instruments could not be estimated due to the lack of necessary reliable market data. Accordingly, the carrying amount of such instruments is deemed to be a consistent indicator of the fair value.

The following methods and assumptions are used to estimate the fair value of each class of financial instrument for which it is practicable to estimate fair value:

Financial Assets:

Carrying amounts of financial assets measured at amortized cost including cash and cash equivalents and other financial assets approximate their fair values due to their short-term nature and the assumption of immaterial potential losses in exchange of these assets.

Market prices are used in determination of fair values of government bonds, treasury bills and equity shares.

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40. FINANCIAL INSTRUMENTS (continued)

Financial Liabilities:

The carrying amount of monetary liabilities approximates their fair values due to their short-term nature. Variable rate long-term bank loans in recent history have been recently repriced therefore fair value is assumed to approximate their carrying values.

Valuation methods of the financial instruments carried at fair value:

31 December 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss				
Equity shares	1.039.697	-	-	1.039.697
Government bonds and treasury bills	46.562	-	-	46.562
Private sector bonds	272.500	-	-	272.500
Mutual funds	2.549.257	-	-	2.549.257
Foreign currency securities	890.373	-	-	890.373
Income accruals of derivative instruments	6.633	16.662	-	23.295
Financial assets at fair value through profit or loss	220.837	136.708	-	357.545
Financial liabilities				
Other financial liabilities				
Liabilities of derivative instruments	18.145	169.029	-	187.174
31 December 2022				
Financial assets				
Financial assets at fair value through profit or loss				
Equity shares	17.801.208	-	-	17.801.208
Government bonds and treasury bills	284.793	-	-	284.793
Private sector bonds	189.805	-	-	189.805
Mutual funds	5.411.402	-	-	5.411.402
Foreign currency securities	483.125	-	-	483.125
Income accruals of derivative instruments	29.668	56.097	-	85.765
Financial assets at fair value through profit or loss	252.449	136.708	-	389.157
Financial liabilities				
Other financial liabilities				
Liabilities of derivative instruments	12.783	1.593.343	-	1.606.126

The fair value of financial assets and liabilities are determined as follows:

First level: Implies that in determining the fair values of assets and liabilities, active market trading price is used for valuation purposes.

Second level: Implies that in determining the fair values of assets and liabilities, should other market price be observed other than first degree market prices, then observed market price is used for valuation purposes.

Third level: Implies that in determining the fair values of assets and liabilities, data not based on market observation is used for valuation purposes.

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41. EVENTS AFTER THE REPORTING PERIOD

The information regarding the bonds issued after the balance sheet date is provided below:

ISIN Code	Nominal Value	Issuance Date	Maturity Date	Interest Rate (%)
TRFISMD42416	355.350.000	12.01.2024	16.04.2024	43,30
TRFISMD52415	634.750.000	17.01.2024	10.05.2024	43,80
TRFISMD42424	314.050.000	19.01.2024	25.04.2024	43,30
TRFISMD52423	910.000.000	30.01.2024	17.05.2024	45,50
TRFISMD52431	663.500.000	09.02.2024	14.05.2024	46,75
TRFISMD52449	948.650.000	16.02.2024	21.05.2024	47,00
TRFISMD62414	559.400.000	21.02.2024	10.06.2024	47,00
TRFISMD62422	273.300.000	28.02.2024	14.06.2024	47,00
TRFISMD62430	692.450.000	01.03.2024	03.06.2024	48,00

42. FEES FOR SERVICES RECEIVED FROM THE INDEPENDENT AUDITOR'S

	1 January – 31 December 2023	1 January – 31 December 2022
Independent audit fee for the reporting period	2.345	1.321
Other	1.690	1.441
Total	4.035	2.762

**43. OTHER ISSUES THAT SIGNIFICANTLY EFFECT THE CONSOLIDATED FINANCIAL STATEMENTS OR OTHER
ISSUES REQUIRED FOR THE CLEAR UNDERSTANDING OF CONSOLIDATED FINANCIAL STATEMENTS**

None.

APPENDICES

APPENDIX 1: ESG PERFORMANCE INDICATORS

İş Investment Performance Indicators

FINANCIAL PERFORMANCE*

(TL x1,000)	2022	2023
Total Assets	59,629,254	41,993,745
Sales Revenues, Net	2,957,469	4,846,359
Operating Interest and Futures Revenues, Net	1,848,742	6,608,763
Service Revenues, Net	3,126,106	4,435,262
Gross Profit	13,421,864	16,416,831
Operating Expenses	(2,565,126)	(3,592,861)
Operating Profit	9,243,798	13,780,607
Profit/Loss for the Period	4,687,227	5,781,287
Net Profit for the Period (Equity of Parent Company)	4,562,642	5,539,762
Earnings Per Share from Continuing Operations (TL)	3.0418	3.6932

*Data with inflation accounting applied.

Distributed Economic Value (TL x1,000)	2022	2023
Total Taxes Paid to the State	1,674,272	3,478,865
Dividends Paid to Shareholders	400,000	755,000
(Paid from Previous Year's Profit)	944,633	1,370,306
Donations	52	55,048

ENVIRONMENTAL PERFORMANCE¹

İş Investment Total Energy Consumption, GJ

	2022 GJ	2023 GJ
Electricity Consumption		
Fuel and electricity in the Buildings	4,351.0	5,562.0
Electricity purchased from the grid	1,274.2	1,839.2
Renewable electricity supply*	1,125.0	2,443.8
Natural gas	1,951.8	1,279.0
Generator (diesel)	0.0	0.0
Vehicle fuel	1,457.4	1,696.1
Diesel	493.5	506.7
Gasoline	963.9	1,189.4
TOTAL	5,808.4	7,258.1

*The I-REC certified electricity purchased from renewable energy sources.

¹ The 5-year environmental performance data is presented on page 71 of the report.

İş Investment's Emissions by Scope, tonnes CO₂e

Greenhouse Gas Emissions	2022	2023
Scope 1	216	197
Scope 2	124	47
Scope 3	70**	125***
TOTAL	410	369

*Only business trips (flights) are calculated as Scope 3 (GHG Protocol-Category 6).

** Only mains water use and business travel (flights) are calculated as scope 3 (GHG Protocol- Category 5 and 6).

*** Purchased goods are calculated as emissions from (GHG Protocol - Category 1a), capital goods are calculated as emissions from (GHG Protocol - Category 2), fuel and energy related activities are calculated as emissions under GHG Protocol - Category 3, waste and mains water are calculated as emissions under GHG Protocol - Category 5 and business trips (Flights) are calculated as emissions under GHG Protocol - Category 6. The breakdown for Scope 3 emissions for 2023 is explained in our Greenhouse Gas Report.

	2022	2023
Total Hazardous Waste (tonnes)	0	0
Recycling	0	0
Disposal	0	0
Total Non-Hazardous Waste (tonnes)*	-	1.03
Use of Water (m³)	1,820	2,365
Annual Wastewater (m³)	1,820	2,365
Number of Environmental Compliance Fines Paid (number)	0	0
Environmental Compliance Fines Paid (TL)	0	0
Environmental Training		
Number of Employees Provided with Environmental Training - (persons)	0	582

*Not declared for 2022.

EMPLOYEE DEMOGRAPHICS

	2022	2023
Total Workforce (number)	468	582
Female employee rate (%)	47	47
Male	53	53
Board Structure (Number)	9	9
Female	2	2
Male	7	7
Independent members	3	3
Senior Management Structure (Number)	5	7
Female	0	0
Male	5	7
Churn (%)	23	11
Number of Employees working under a Collective Bargaining Agreement	0	0
SOCIAL PERFORMANCE	2022	2023
Employee Training		
Total Training (person hours)	10,547	14,313
Training Offered through Digital Channels* (person hours)	-	3,457
Training Hours per Employee		
Average Training (person hours)	23	25
HSE Training Sessions (person hours)	904	1,032

*Not declared for 2022.

APPENDIX 2: İŞ INVESTMENT SUSTAINABILITY POLICY

PURPOSE AND SCOPE

Acting with an awareness of social responsibility since its establishment, İş Yatırım Menkul Değerler A.Ş. (İş Investment) has always placed priority on supporting the development of capital markets by taking into account Environmental, Social and Governance aspects. The sustainability policies set out the basic principles and principles aimed at minimizing the negative environmental and social impacts of the business and other activities of both İş Investment and its customers and maximizing the positive impacts.

The following policies complement the Sustainability Policy

1. Environmental and Social Impacts Policy,
2. Human Rights and Human Resources Policy,
3. Anti-Bribery and Anti-Corruption Policy
4. Gift and Hospitality Policy

BASIC PRINCIPLES

- İş Investment adopts the following principles regarding sustainability:
- It takes into account the environmental and social impacts of its activities.
- It commits to contribute to the transition to a low carbon economy and respond to society's demands on the axis of sustainability in the development processes of new products and services.
- It aims to create a contemporary business environment that respects human rights and where social justice and labor rights constantly improve, thus raising the level of consciousness and awareness among its stakeholders.
- It rejects all kinds of discrimination which violate equality of opportunity and distinguishes, or excludes or selects people based on gender, religion, language, political opinion, race, cultural or social origin.
- It provides a safe and healthy work environment for its employees within the scope of legislation and practices regarding occupational health and safety, and constantly improves its processes in this regard to preventive, corrective and protective approaches.
- It adopts an understanding based on the fair sharing of the value which it creates and accumulates with its shareholders, customers, employees and other stakeholders.
- It supports a fair reward approach compatible with the code of ethics and strategic goals and which takes into account the contribution of employees to the Company's success.
- It adopts the training of the qualified workforce required for all managerial and specialist positions at different levels on the basis of equal opportunity.
- It always prioritizes a customer-oriented working approach.
- It does not tolerate any form of bribery or corruption and clamps down uncompromisingly on any such actions.
- It organizes training to increase employee awareness regarding the internalization and management of sustainability.
- It carries out supply and purchase transactions in accordance with the Purchasing Policy, taking into account factors such as professionalism, quality, durability, reliability and price of the product or service.

- It adopts medium and long-term strategies that consider customer rights and interests as well as the public interest.
- It adopts the principle of constantly improving its sustainability practices and regularly sharing these issues with its stakeholders.
- Employees or those representing İş Investment are not permitted to directly or indirectly request or accept gifts from customers in contravention to the provisions of İş Investment's Gift and Entertainment Policy and may not engage in behavior which would lead to such contraventions.

At İş Investment, the implementation of the Sustainability Policy and other complementary policies established within the scope of this Policy by the Head Office units is carried out under the supervision of the Corporate Governance Committee. These Policies are regularly reviewed by the Corporate Governance Committee in line with changes in requirements and operating conditions. Necessary updates and changes are then approved by the Board of Directors upon the recommendation of the Corporate Governance Committee and shall enter force accordingly.

An internal audit of compliance is performed with the provisions of the Sustainability Policy and other complementary policies established within the scope of this Policy.

Coordination of sustainability work within executive bodies is provided by the Investor Relations Directorate.

APPENDIX 3: GRI STANDARDS CONTENT INDEX

THE GRI CONTENT INDEX

Within the scope of the GRI 1- Foundation, Requirement 7 on GRI content index, GRI Services checked that the presentation of the GRI content index was clear and consistent with the Standards, and that references to disclosures 2-1 to 2-5, 3-1 and 3-2 were included in the appropriate sections throughout the report. This service was provided through the Turkish version of the report.

STATEMENT OF USE	İş Yatırım Menkul Değerler A.Ş. reported with reference to GRI Standards for the period of 1 January 2023-31 December 2023.
USED GRI 1	GRI 1: Foundation 2021
SECTOR STANDARD	N/A

GRI STANDARD	DISCLOSURES	LOCATION
GENERAL DISCLOSURES		
GRI 2: GENERAL DISCLOSURES 2021	2-1 Organizational details	İş Investment at a Glance, Page: 11-12 İş Investment Shareholders' structure, Page: 13 İş Investment Board of Directors, Page: 15-23 İş Investment Executive Board, Page: 27-30 İş Investment Organization Chart, Page: 31
	2-2 Entities included in the organization's sustainability reporting	About the Integrated Annual Report, Page: 5
	2-3 Reporting period, frequency and contact point	1 January 2023 - 31 December 2023 Annual Contact Person: Ozan Altan Investor Relations Manager Phone: (212) 350 28 72 E-mail: oaltan@isyatirim.com.tr
	2-4 Restatements of information	This report is İş Investment's first Integrated Annual Report.
	2-5 External assurance	No external audit service was obtained. About the Integrated Annual Report, Page: 5
	2-6 Activities, value chain and other business relationships	İş Investment at a Glance, Page: 11-12 Value Creation Model, Page: 40-41 İş Investment's Economic Focus, Page: 50-60
	2-7 Employees	İş Investment's Focus on People, Page: 66-69 Employee Demographics, Page: 186 Social Performance, Page: 186
	2-8 Workers who are not employees	There are no workers who are not employees of the Company.
	2-9 Governance structure and composition	Corporate Governance at İş Investment, Page: 15-23, 27-30

GRI STANDARD	DISCLOSURES	LOCATION
GRI 2: GENERAL DISCLOSURES 2021	2-10 Nomination and selection of the highest governance body	Corporate Governance at İş Investment, Page: 15-19 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/YI_YK_Calisma_Esaslar.pdf
	2-11 Chair of the highest governance body	The Board of Directors at İş Investment, Page: 15-23
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance at İş Investment, Page: 15-19 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/YI_YK_Calisma_Esaslar.pdf
	2-13 Delegation of responsibility for managing impacts	Corporate Governance at İş Investment, Page: 15-19
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management at İş Investment, Page: 33-34 The İş Investment Sustainability Policy, Page: 187-188
	2-15 Conflicts of interest	Risk Management at İş Investment and Sustainability Risks, Page: 42-48
	2-16 Communication of critical concerns	Risk Management at İş Investment and Sustainability Risks, Page: 42-48
	2-17 Collective knowledge of the highest governance body	Corporate Governance at İş Investment, Page: 19-23
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance at İş Investment, Page: 15-18 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/YI_YK_Calisma_Esaslar.pdf
	2-19 Remuneration policies	Corporate Governance at İş Investment, Page: 15-18 İş Investment's People Focus, Page: 68 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/%C3%9Ccret%20Politikas%C4%B1.pdf
	2-20 Process to determine remuneration	Corporate Governance at İş Investment, Page: 15-18 İş Investment's People Focus, Page: 68
	2-21 Annual total compensation ratio	Corporate Governance at İş Investment, Page: 15-18

GRI STANDARD	DISCLOSURES	LOCATION
GRI 2: GENERAL DISCLOSURES 2021	2-22 Statement on sustainable development strategy	Sustainability Management at İş Investment, Page: 33-34 The İş Investment Sustainability Policy, Page: 187-188
	2-23 Policy commitments	Policies Applied at İş Investment, Page: 32 İş Investment Sustainability Policy, Page: 186 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Sayfalar/kurumsal-yonetim.aspx
GRI 2: GENERAL DISCLOSURES 2021	2-24 Embedding policy commitments	Policies Applied at İş Investment, Page: 32 İş Investment Sustainability Policy, Page: 187-188 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Sayfalar/kurumsal-yonetim.aspx
	2-25 Processes to remediate negative impacts	Risk Management at İş Investment and Sustainability Risks, Page: 42-48
	2-26 Mechanisms for seeking advice and raising concerns	Sustainability Management at İş Investment, Page: 33-34 Risk Management at İş Investment and Sustainability Risks, Page: 42-48 İş Investment's Focus on Customers, Products and Solutions, Page: 65 İş Investment's Focus on People, Page: 69
	2-27 Compliance with laws and regulations	İş Investment at a Glance, Page: 12 Sustainability Management at İş Investment, Page: 33-34 Risk Management at İş Investment and Sustainability Risks, Page: 42-48 Corporate Governance Compliance Statement, Page: 79
	2-28 Membership of associations	NGOs which İş Investment is a Member of, Page: 36
	2-29 Approach to stakeholder engagement	İş Investment's Stakeholders and Priorities Page: 35-36 İş Investment's Stakeholder Communication Channels and Frequency, Page: 37-38
	2-30 Collective bargaining agreements	There is no practice of collective bargaining agreement at İş Investment. İş Investment's Focus on People, Page: 67
MATERIAL TOPICS		
GRI 3: MATERIAL TOPICS 2021	3-1 Process to determine material topics	Sustainability Management at İş Investment, Page: 33-34 İş Investment's Sustainability Priorities, Page: 39
	3-2 List of material topics	Operational Efficiency and Sustainable Financial Performance Qualified Human Resources, Human Rights and Employee Rights Compliance with Code of Ethics and Legislation and Anti-Corruption Information Security and Business Continuity Digitalization and Technological Infrastructure Effective Internal Audit and Risk Management Renewable Energy Supply within the Framework of Our Activities
OPERATIONAL EFFICIENCY AND SUSTAINABLE FINANCIAL PERFORMANCE, COMPLIANCE WITH THE CODE OF ETHICS AND LEGISLATION AND TACKLING CORRUPTION		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of material topics	Message from the Chairperson of the Board, Page: 6 Message from the General Manager, Page: 7 Sustainability Management at İş Investment, Page: 33-34 İş Investment's Sustainability Priorities, Page: 39

GRI STANDARD	DISCLOSURES	LOCATION
GRI 201: ECONOMIC PERFORMANCE 2016	201-1 Direct economic value generated and distributed	Key Financial Indicators, Page: 8 Key Developments in 2023, Page: 9 Value Creation Model, Page: 40-41 İş Investment's Economic Focus, Page: 50-60 Financial Performance, Page: 184
	201-2 Financial implications and other risks and opportunities arising from climate change	Risk Management at İş Investment and Sustainability Risks, Page: 42-48
	201-3 Scope of the organization's defined benefit plan obligations	Financial Statements and Notes, Page: 151-153: https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/Tazminat_Politikas%C4%B1.pdf
	201-4 Financial assistance received from the government	No financial assistance was received from the state. Financial Statements and Notes, Page: 149
GRI 203: INDIRECT ECONOMIC IMPACTS 2016	203-2 Significant indirect economic impacts	İş Investment's Sustainability Priorities, Page: 39 Value Creation Model, Page: 40-41 Financial Performance, Page: 184
GRI 205: ANTI-CORRUPTION 2016	205-1 Operations assessed for risks related to corruption	Risk Management at İş Investment and Sustainability Risks, Page: 42-48 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/finansal_suclarla_mucadele_ve_yaptirimlar_politikasi.pdf
	205-2 Communication and training regarding anti-corruption policies and procedures	Risk Management at İş Investment and Sustainability Risks, Page: 42-48 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/finansal_suclarla_mucadele_ve_yaptirimlar_politikasi.pdf
	205-3 Confirmed incidents of corruption and actions taken	There were no confirmed cases of corruption during the reporting period.
GRI 207: TAX 2019	207-1 Approach to tax	Financial Statements and Notes, Page: 160-165
	207-4 Reporting on a country basis	Financial Statements and Notes, Page: 160-165:
QUALIFIED HUMAN RESOURCES, HUMAN RIGHTS AND EMPLOYEE RIGHTS		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of Material Topics	Message from the Chairperson of the Board, Page: 6 Message from the General Manager, Page: 7 Sustainability Management at Investment, Page: 33-34 İş Investment's Sustainability Priorities, Page: 39

GRI STANDARD	DISCLOSURES	LOCATION
GRI 401: EMPLOYMENT 2016	401-1 New employees hired and employee turnover	İş Investment's Focus on People, Page: 68 Employee Demographics, Page: 186
	401-2 Benefits provided to full-time employees that are not provided to temporary or part time employees	There are no benefits provided to full-time employees at İş Investment that are not provided to temporary or part-time employees.
	401-3 Parental leave	İş Investment's Focus on People, Page: 66-69
GRI 402: LABOUR/ MANAGEMENT RELATIONS 2016	402-1 Minimum notice periods regarding operational changes	İş Investment's Focus on People, Page: 66-69
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018	403-1 Occupational health and safety management system	İş Investment's Focus on People, Page: 69
	403-5 Worker training on occupational health and safety	İş Investment's Focus on People, Page: 69 Social Performance, Page: 186
	403-6 Promotion of worker health	İş Investment's Focus on People, Page: 69
GRI 404: TRAINING AND EDUCATION 2016	404-1 Average training hours per employee per year	İş Investment's Focus on People, Page: 66-69 Social Performance, Page: 186
	404-2 Programs to enhance employee skills and transition assistance programs	İş Investment's Focus on People, Page: 66-69 Social Performance, Page: 186
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016	405-1 Diversity of governance bodies and employees	İş Investment's Focus on People, Page: 66-69 Social Performance, Page: 186
GRI 406: NON- DISCRIMINATION 2016	406-1 Incidents of discrimination and corrective actions taken	There were no cases of discrimination during the reporting period.
GRI 408: CHILD LABOUR 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	There is no child labor at İş Investment.

GRI STANDARD	DISCLOSURES	LOCATION
GRI 409: FORCED OR COMPULSORY LABOUR 2016	409-1 Operations and suppliers at significant risk of forced or compulsory labor	There is no forced or compulsory labor at İş Investment. There were no such incidents during the reporting period.
PUBLIC POLICIES		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of Material Topics	Message from the Chairperson of the Board, Page: 6 Message from the General Manager, Page: 7 Sustainability Management at İş Investment, Page: 33-34 İş Investment's Sustainability Priorities, Page: 39
GRI 415: PUBLIC POLICIES 2016	415-1 Political contributions	İş Investment does not provide any support to any political party.
INFORMATION SECURITY AND BUSINESS CONTINUITY		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of Material Topics	Message from the Chairperson of the Board, Page: 6 Message from the General Manager, Page: 7 Sustainability Management at İş Investment, Page: 33-34 İş Investment's Sustainability Priorities, Page: 39 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/YI_Bilgi_Guvenligi_Politikasi.pdf https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/Acil%20ve%20Beklenmedik%20Durum%20Plan%C4%B1_20231213.pdf
DIGITALIZATION AND TECHNOLOGICAL INFRASTRUCTURE		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of Material Topics	Message from the Chairperson of the Board, Page: 6 Message from the General Manager, Page: 7 Sustainability Management at İş Investment, Page: 33-34 İş Investment's Sustainability Priorities, Page: 39
EFFECTIVE INTERNAL AUDIT AND RISK MANAGEMENT		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of Material Topics	Message from the Chairperson of the Board, Page: 6 Message from the General Manager, Page: 7 Sustainability Management at İş Investment, Page: 33-34 İş Investment's Sustainability Priorities, Page: 39 Risk Management at İş Investment and Sustainability Risks, Page: 42-48 https://www.isyatirim.com.tr/tr-tr/bizi-taniyin/yatirimci-iliskileri/Yatirimci_Iliskileri_Belgeler/kurumsal-yonetim/kurumsal-politikalar/Risk_Yonetim_Politikas%C4%B1.pdf

GRI STANDARD	DISCLOSURES	LOCATION
RENEWABLE ENERGY SUPPLY WITHIN THE FRAMEWORK OF OUR ACTIVITIES		
GRI 3: MATERIAL TOPICS 2021	3-3 Management of Material Topics	Message from the Chairperson of the Board, Page: 6 Message from the General Manager, Page: 7 Sustainability Management at İş Investment, Page: 33-34 İş Investment's Sustainability Priorities, Page: 39
GRI 302: ENERGY 2016	302-1 Energy consumption within the organization	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-185
GRI 303: WATER AND EFFLUENT 2018	303-5 Water consumption	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-185
GRI 305: EMISSIONS 2016	305-1 Direct GHG emissions (Scope 1)	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-185
	305-2 Energy indirect GHG emissions (Scope 2)	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-185
	305-3 Other indirect GHG emissions (Scope 3)	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-185
	305-5 Reduction of GHG emissions	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-185
GRI 306: WASTES 2020	306-1 Waste generation and significant waste-related impacts	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-185
	306-2 Management of significant waste related impacts	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-185
	306-3 Generation of waste	İş Investment's Ecosystem Focus, Page: 70-73 Environmental Performance, Page: 184-18

CONTACT

İŞ YATIRIM MENKUL DEĞERLER A.Ş.

www.isyatirim.com.tr

Head Quarters

Levent Mahallesi, Meltem Sokak, İş Kuleleri Kule-2, Kat: 13 No: 10/14 Beşiktaş, İSTANBUL

Telephone : 0212 350 20 00

Fax : 0212 350 20 01

E-mail : bilgi@isyatirim.com.tr

Trade Registry Number : 358758-0

MERSİS Number : 0481-0096-3940-0064

Branches :

<https://www.isyatirim.com.tr/tr-tr/iletisim/Sayfalar/default.aspx#page-2>

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