

**THE KOÇ FAMILY IS AWARDED THE PRESTIGIOUS US-BASED
CARNEGIE MEDAL OF PHILANTHROPY IN THE 40TH YEAR OF THE
ESTABLISHMENT OF THE VEHBİ KOÇ FOUNDATION**

RAHMI KOÇ: WE AS THE CHILDREN OF VEHBİ KOÇ HAVE PERPETUATED HIS LEGACY AND PHILOSOPHY

The Koç Family was awarded one of the world's most prestigious awards, the "Carnegie Medal of Philanthropy" at a ceremony held in New York. Presented every two years in commemoration of the philanthropist-businessman Andrew Carnegie, this year's award was received by Koç Holding Honorary Chairman Rahmi Koç on behalf of the Koç Family, with these words: "To receive this award at a time that coincides with the 40th anniversary of the establishment of the Vehbi Koç Foundation is particularly symbolic and meaningful. Our father Vehbi Koç subscribed to Andrew Carnegie's belief that 'Spending money wisely is harder than earning it.' We as his children have perpetuated his legacy and philosophy."

The Koç Family, the founders of one of Turkey's oldest industrial corporations, Koç Holding, was awarded with the internationally prestigious "Carnegie Medal of Philanthropy" for their contributions to society. The award was presented to the Koç Family at a ceremony held in New York. Given out every two years in commemoration of the philanthropist-businessman Andrew Carnegie, this year's medal was received by Koç Holding Honorary Chairman Rahmi Koç on behalf of the Koç Family, who accepted it with the words, "This is most certainly one of the most significant moments of my life. Receiving this award in the 40th anniversary of the establishment of the Vehbi Koç Foundation is particularly symbolic and meaningful. Our father Vehbi Koç subscribed to Andrew Carnegie's belief that "Spending money wisely is harder than earning it." We as his children have perpetuated his legacy and philosophy."

The award given out jointly since 2001 by more than twenty organizations and institutions founded by the Scottish-born US industrialist and philanthropist Andrew Carnegie to honor his memory was also bestowed this year on New York Mayor Michael Bloomberg, Citigroup Former CEO Sanford Weill and Intel founding partner Gordon Moore in addition to the Koç Family. The criteria that are evaluated for the Carnegie Medal include not only the philanthropist's vision but also a long-standing history devoted to philanthropic work and the national or international influence of this work in any particular area.

He worked 23 years to establish the first private foundation

Speaking at the awards ceremony on behalf of the Koç Family, Koç Holding Honorary Chairman Rahmi Koç said that his father Vehbi Koç had been impressed with the legal framework of the major foundations in the US during his visits there. Rahmi Koç continued: "My father Vehbi Koç believed in philanthropy. He would say, 'You have to give back a portion of what your country has given you. This might be in the form of buildings, equipment or scholarships.' At the time he said this, what he was giving out was unplanned, unique to the moment, and not tax-exempt. When he first visited the US in 1946, right after the war, he saw that the major hospitals, universities and museums all had large foundations behind them. Philanthropy had been institutionalized. He was very impressed with this and with the surrounding legal framework. When he returned to Turkey, he tried to establish a foundation there but there was no legal framework to support this. He worked unwaveringly for 23 years with various prime ministers, governments and parliamentarians on the creation of pertinent laws. He was successful in the end and lent his name to the first foundation to be established in Turkey."

We perpetuated our father's philosophy

"We as his children have perpetuated his legacy and philosophy," says Rahmi Koç, continuing: "My older sister Mrs. Semahat Arsel is the president of our Foundation today. The foundation is active in the fields of education, health and culture. We were the ones to establish Turkey's first private museum, which we named Sadberk Hanım in memory of our late mother. Other philanthropic organizations followed in our footsteps. Many families established their own foundations and made investments in education, health, culture and arts."

Calling attention to the way that today's social issues are increasingly becoming global issues and that this would be requiring more of a focus on comprehensive solutions and transnational alliances, Rahmi Koç said the following: "The world-wide Carnegie institutions are flawless examples of how global needs can be addressed today. In the first days of Turkey's development during the formation of the Turkish Republic, needs and environmental conditions were much different from today. What has changed from those days to the present is the human factor. This is why we place great importance on education, starting from elementary school. When standards of living rise, people take better care of themselves and health organizations gain more importance. As individuals prosper and receive better education, they become more interested in their cultural heritage."

There should be cooperation for bigger and more powerful foundations

Rahmi Koç stressed that more efforts had to be spent to increase the contribution to the community of philanthropic and social responsibility projects in Turkey, stating, "I am very happy to see that the protection of culture and heritage has turned into a strong movement in our country. Almost every businessperson takes pleasure in establishing a foundation in his/her name, channeling all available resources and persisting against the bureaucratic odds. I hope that someday there will be joint efforts and cooperation to create bigger and more powerful foundations."

Social Responsibility awareness is part of our business strategies

The late Vehbi Koç established the Vehbi Koç Foundation exactly 40 years ago, firstly to institutionalize the philanthropic activities that Koç Holding had been pursuing since its incorporation and also to urge future generations to honor this legacy. As Turkey's first private foundation, Vehbi Koç Foundation has been a pioneer in the realization of countless projects in education, health and culture.

Committed to its motto "my country is essential to my existence", the Vehbi Koç Foundation has passed down an increasingly strong awareness of social responsibility to younger generations. Today the third generation of the Koç family has made this awareness of social responsibility an integral part of their business strategies.

In 2007, the Koç family also received the Hadrian award, which is given each year by the World Monuments Fund to people or institutions for contributing to the world's cultural heritage.

The Carnegie Medal is considered to be the equivalent of the Nobel Prize for philanthropy. When the Koç family receives the award this year, they will join the ranks of previous recipients that include the Rockefeller family, the Gates family, George Soros, Brooke Astor, the Sainsbury family, Kazus Inamori, Aga Khan, the Packard family, the Heinz family, the Tata family, Eli Broad and the Mellon family.



About the Carnegie Medal of Philanthropy

Scottish-American industrialist Andrew Carnegie (1835-1919) founded the Carnegie Steel Company in the 1870s. Known as one of the “Captains of Industry” for his success in steel manufacturing Andrew Carnegie’s company became one of the largest and most profitable businesses in the world in the 1890’s. In 1901, Andrew Carnegie sold his company to J. P. Morgan and devoted the remainder of his life to philanthropy with a fervor that had never been witnessed in his day. Andrew Carnegie founded over 20 institutions, including Carnegie Mellon University, the Carnegie Endowment for International Peace, the Carnegie Council for Ethics in International Affairs, the Carnegie Library of Pittsburgh and the Carnegie Institution for Science.

Carnegie donated over 90% of the revenue he earned from the sale of his company to philanthropy (over 13 billion in today’s dollars), dedicating most of his money to education, world peace and scientific research. Carnegie also regularly wrote articles for various publications regarding philanthropy and social issues, and his perspective on life and his view of philanthropy inspired a range of philosophies and beliefs in this regard. Carnegie asserted that a person should devote the first third of their life to education, the second third of their life to earning money and the final third of their life giving all of their money away for worthwhile causes. He advocated that no one should die rich.

The Carnegie Medal of Philanthropy has been awarded jointly since 2001 by the over twenty foundations and institutes that Andrew Carnegie founded throughout his lifetime.

Considered to be the Nobel Prize of philanthropy, the medal is awarded in a different city each time. The medal was awarded in Pittsburgh in 2007 and in the Scottish Parliament in 2005.

Criteria for the Award

Medalists are nominated by the over twenty organizations founded by Andrew Carnegie. The criteria for the award are as follows:

- A vision of philanthropy that reflects the ideals and breadth of Andrew Carnegie
- The work of the philanthropist has a sustainable track record
- The impact his or her philanthropy has had on a specific field, a nation or internationally

Award Recipients

- **2001:** The Rockefeller family, the Gates family, George Soros, Ted Turner, Irene Diamond, Brooke Astor and Walter & Leonore Annenberg
- **2003:** The Sainsbury family and Dr. Kazuo Inamori
- **2005:** The Hewlett family, the Packard family, the Cadbury family, Aga Khan, Sir Tom Farmer and Agnes Gund
- **2007:** Eli Broad, the Heinz family, the Mellon family and the Tata family

- **2009:** The Koç family, Michael Bloomberg, Sanford & Joan Weill and Gordon & Betty Moore