

# **KOÇ HOLDİNG INFORMATION DOCUMENT FOR 21 MARCH 2019 ORDINARY GENERAL ASSEMBLY TO REVIEW FINANCIAL YEAR 2018**

## **1. INVITATION TO THE 21 MARCH 2019 ORDINARY GENERAL ASSEMBLY**

Koç Holding A.Ş.'s Ordinary General Assembly Meeting shall be convened on 21 March 2019 Thursday at 16:00 (2pm GMT) at the address of Nakkaştepe Azizbey Sok. No. 1, 34674 Kuzguncuk-Üsküdar/Istanbul (Tel: +90 216 531 00 00, Fax: +90 216 531 00 99). At the meeting, the activities of the Company for the fiscal year 2018 will be reviewed, the following agenda will be discussed and a resolution regarding the agenda will be reached.

In accordance with the legal requirements, 2018 Financial Statements, the Independent Auditor's Report (prepared by our Independent Auditor, PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirilik A.Ş.), the Corporate Governance Compliance Report, and the Board of Directors' Annual Report, including the dividend distribution proposal of the Board of Directors, along with the following agenda and the Memorandum containing the information required by Capital Markets Board regulations shall be made available to the shareholders at Company Headquarters, on the Company's corporate website at [www.koc.com.tr](http://www.koc.com.tr), on the Public Disclosure Platform, and in the Electronic General Meeting System of the Central Registry Agency at least three weeks prior to the meeting.

Shareholders unable to attend the meeting in person, save for the rights and obligations of the ones participating electronically via the Electronic General Assembly System, shall prepare their proxy documents in accordance with the legal requirements, or shall obtain a proxy sample form from Yapı Kredi Yatırım Menkul Değerler A.Ş. (Yapı Kredi Plaza / Levent-Istanbul), our Company, or from the corporate website at [www.koc.com.tr](http://www.koc.com.tr) and shall submit to the Company the notarized proxy documents issued in accordance with the requirements of the Communiqué No. II-30.1, Use of Proxy Vote and Proxy Collection through Invitation, enacted on 24 December 2013 and published in Official Gazette No. 28861. A proxy document is not required from a proxy appointed electronically through the Electronic General Meeting System. **The proxy documents which do not comply with the requirements of the aforementioned Communiqué shall not be accepted, given our legal liability.**

Shareholders intending to vote via the Electronic General Meeting System are requested to obtain information from the Central Registry Agency, our Company's website at [www.koc.com.tr](http://www.koc.com.tr) or from the Company Headquarters (Tel: +90 216 531 00 00) to ensure that they comply with the provisions of the by-laws for the Electronic Shareholders Meeting for Joint Stock Companies.

Pursuant to Paragraph 4 of Article 415 of Turkish Commercial Code No. 6102 and Paragraph 1 of Article 30 of the Capital Markets Law, the right to attend the General Assembly and voting rights shall not be conditional on depositing the share certificates. Accordingly, shareholders participating in the General Assembly do not need to block their shares.

At the Ordinary General Assembly Meeting, the voters shall use open voting system by raising hands, without prejudice to the provisions of electronic voting regarding the voting of each item on the agenda.

All right holders and stakeholders as well as the press are invited to the General Assembly Meeting.

Detailed information on processing shareholders' personal data within the framework of the Law on the Protection of Personal Data (No. 6698) is available at "Koç Holding Personal Data Protection and Processing Policy" disclosed on [www.koc.com.tr](http://www.koc.com.tr).

Pursuant to the Capital Markets Law, shareholders holding registered shares that are traded on the stock exchange will not receive a separate registered invitation letter for the meeting.

It is submitted to the shareholders with due respect.

KOÇ HOLDİNG A.Ş.  
Board of Directors

Company Adress: Nakkaştepe Azizbey Sok. No:1 34674 Kuzguncuk-Üsküdar/İstanbul  
Trade Registry and Number: İstanbul/85714  
Mersis Number: 0570002057500012

## 2. ADDITIONAL EXPLANATIONS IN ACCORDANCE WITH CMB REGULATIONS

The additional explanations required pursuant to Capital Markets Board (CMB) Corporate Governance Communiqué No. II-17.1, are made in the related articles of the agenda below. Other mandatory general explanations are provided in this section.

### 2.1. Capital Structure and Voting Rights

As of the date of the publication of this Information Document, information concerning the total number of shares and voting rights, the number of shares and voting right representing each privileged share and the type of privilege is provided below:

Company shares are divided into two groups, Group A and Group B. Each Group A share has two votes at the General Assembly.

The voting rights of our shareholders, taking into consideration privileged shares, are provided in the following table:

Shareholder	Group	Share Amount (TRY)	Equity Ratio (%)	Voting Right	Voting Right Stake (%)
Temel Ticaret ve Yatırım A.Ş.*	A	678.773.422	26,77	135.754.684.460	42,23
Temel Ticaret ve Yatırım A.Ş.*	B	428.196.786	16,88	42.819.678.578	13,32
Koç Family	B	487.895.145	19,24	48.789.514.515	15,18
Vehbi Koç Foundation	B	184.171.754	7,26	18.417.175.384	5,73
Koç Holding Pension and Assistance Foundation	B	50.451.548	1,99	5.045.154.831	1,57
Rahmi M. Koç ve Mahdumları Maden İnşaat Turizm Ulaştırma Yatırım ve Ticaret A.Ş.	B	35.385.424	1,40	3.538.542.410	1,10
Free Float	B	671.023.971	26,46	67.102.397.052	20,87
<b>Total</b>		<b>2.535.898.050</b>	<b>100,00</b>	<b>321.467.147.230</b>	<b>100,00</b>

\* Majority of Temel Ticaret ve Yatırım A.Ş. shares belong to Koç Family members.

## **2.2. Managerial and Operational Changes in Our Company or our Subsidiaries which may Significantly Affect the Activities of our Company**

There are no managerial or operational changes that has or that will substantially affect the Company's activities in the previous accounting period, or planned for the upcoming accounting periods. Besides that, material event disclosures made by our Company in accordance with legal requirements are available at [www.kap.gov.tr](http://www.kap.gov.tr)

## **2.3. Information regarding demands of shareholders for placing an article on the agenda**

No request has been submitted in writing to the Koç Holding Investment Relations Department concerning the desire of shareholders to have an article placed on the agenda.

### **3. ANNOUNCEMENTS PERTAINING TO THE AGENDA ARTICLES OF THE ORDINARY GENERAL ASSEMBLY MEETING AT 21 MARCH 2019**

#### **1. Opening and election of the Chairman for the Meeting**

Within the framework of the provisions of “Turkish Commercial Code (TCC) no. 6102” and “the Regulation of the Ministry of Customs and Commerce regarding Principles and Procedures of General Assembly Meetings of Joint Stock Companies and Representatives of the Ministry of Customs and Commerce to be Present in these Meetings” (“Regulation” or “General Assembly Regulation”), and General Assembly Principles Article 7, a Chairman shall be elected to chair the General Assembly meeting. Within the framework of the General Assembly Principles, at least one person will be appointed as Secretary by the Chairmen. The Chairman may also appoint adequate number of vote-collectors.

#### **2. Presentation for discussion and approval of the Annual Report of the Company prepared by the Board of Directors for the year 2018**

Within the framework of the TCC, the Regulation and the Capital Markets Law and related regulations, information shall be given on the 2018 Annual Report that includes the Corporate Governance Compliance Report, which has been announced at the Headquarters of our Company, on the Electronic General Assembly portal of the Central Registry Agency and on the corporate website of the Company at [www.koc.com.tr](http://www.koc.com.tr) for review of our shareholders three weeks before the General Assembly meeting and it shall be presented for discussion and approval of our shareholders.

#### **3. Presentation of the summary of the Independent Auditor’s Report for the year 2018**

A summary of the Independent Auditor’s Report, which is prepared according to the TCC and CMB regulations and posted three weeks prior to the General Assembly meeting at Company Headquarters, the Electronic General Assembly Portal of the CRA and [www.koc.com.tr](http://www.koc.com.tr), will be read aloud.

#### **4. Presentation for discussion and approval of the Financial Statements of the Company for the year 2018**

Information about our financial statements and legal statutory accounts, which, pursuant to the TCC, bylaws and Capital Markets Law have been posted three weeks prior to the General Assembly meeting at our Company Headquarters, on the Electronic General Assembly Portal of the CRA and on [www.koc.com.tr](http://www.koc.com.tr) for review of our shareholders, shall be presented to our shareholders for their evaluation and approval.

#### **5. Release of each member of the Board of Directors from liability for the Company’s activities for the year 2018**

Pursuant to the TCC and Bylaws, the release of our Board of Directors members for the activities, transactions and accounts for the year 2018 shall be submitted to the General Assembly for its approval.

**6. Approval, amendment and approval, or disapproval of the Board of Directors' proposal on the distribution of profits for the year 2018 and the distribution date**

According to our financial statements, prepared by our Company within the framework of the Turkish Commercial Code and Capital Markets Law and related regulations in compliance with Turkish Financial Reporting Standards and audited by PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. covering the accounting period between 01.01.2018 – 31.12.2018; consolidated profit attributable to equity holders of the parent in the amount of 5.537.028.000 TL has been obtained. The dividend payment proposal, drawn up in accordance with the Dividend Distribution Table format provided in the Dividend Communiqué numbered II-19.1 and the Dividend Manual announced in accordance with the said Communiqué, and taking into account the Company's Dividend Distribution Policy, long-term strategy, investment and financing policies, profitability and liquidity, is provided in **Appendix 1**.

**7. Resolution of the number of the members of the Board of Directors and their terms of office, and election of the members of the Board of Directors in accordance with the newly resolved number and election of the independent board members**

In accordance with CMB regulations, TCC and Bylaws and the principles governing the selection of Members of the Board of Directors in the Articles of Association, new members to replace Board members whose terms of office have expired accordingly shall be elected. In addition, Independent Members of the Board of Directors shall be elected in compliance with the CMB's Corporate Governance Communiqué No. II-17.1.

According to Article 11 of the Articles of Association, Company's business and management are conducted by a Board of Directors consisting of at least 9 and at most 18 members, elected in line with the TCC and CMB regulations. General Assembly may decide on the renewal of the Board of Directors even if their terms of office have not expired.

One third of the elected Board of Director members shall meet the independence criteria as defined in the CMB's mandatory Corporate Governance Principles.

The Board of Directors, upon receipt of proposal of the Candidate Nomination and Remuneration Committee, has designated the following candidates as the Independent Members of the Board of Directors: Mustafa Kemal Olgaç, Jacques Albert Nasser, Anne Lauvergeon, Ömer Dinçkök and Emily K. Rafferty.

All of the candidates meet all of the independence criteria defined in the CMB's Communiqué, except for the criteria of "qualifying as a Turkish resident under the Income Tax Law" for Jacques Albert Nasser, Anne Lauvergeon and Emily K. Rafferty. As it can be seen from the CV's of the candidates, the foreign independent members, with their competency, expertise and knowledge, have been affiliated with important merits and degrees and accordingly contribute substantially to the Company's and the Group's vision and progress. In this respect, as regards to the criteria of at least half of the independent members being resident in Turkey, application has been made to CMB for Anne Lauvergeon to be accepted for one year as the third foreign independent member of the Board of Directors, which requires five independent members for a board of 15 members. In its statement dated 01.02.2019, CMB assented this request and granted exception to Anne

Lauvergeon for one year; and accordingly has not given any negative opinion on any of the candidates.

The CVs of Board of Directors candidates and Declarations of Independence for the independent member candidates are provided in **Appendix 2**.

**8. In accordance with the Corporate Governance Principles, presentation to the shareholders and approval by the General Assembly of the “Remuneration Policy” for the members of the Board of Directors and the Senior Executives and the payments made on that basis**

According to CMB’s mandatory Corporate Governance Principle No. 4.6.2, the principles for the remuneration of Board of Directors’ members and senior management shall be made available in writing and included as a separate article on the General Assembly Meeting agenda to enable the shareholders to share their opinions on the same. The Remuneration Policy that was adopted by the general assembly decision dated 22 March 2018 is attached hereto as **Appendix 3** for this purpose. Information on the compensation of the members of the Board of Directors and the senior management is available in footnote No. 29 of our financial statements dated 31 December 2018.

**9. Resolution of the annual gross salaries to be paid to the members of the Board of Directors**

The annual gross remuneration to be paid to the members of the Board of Directors in 2019 shall be determined by the shareholders as per our Remuneration Policy submitted for the approval of the shareholders as per item 8 of the agenda.

**10. Approval of the appointment of the Independent Audit Firm as selected by the Board of Directors in accordance with the provisions of the Turkish Commercial Code and the Capital Markets Board regulations**

In accordance with the Turkish Commercial Code and Capital Markets Board regulations, and taking into consideration the opinion of the Audit Committee, the Board of Directors resolved at their meeting on 13 February 2019 to nominate PwC Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to audit the Company's financial reports for the year 2019 accounting period and to fulfil all other obligations required for the auditors by Turkish Commercial Code numbered 6102 and Capital Markets Law numbered 6362 and related regulations. This decision shall be submitted to the General Assembly for approval.

**11. Presentation to the shareholders of the donations made by the Company in 2018, and resolution of an upper limit for donations for the year 2019**

Pursuant to Article 6 of the CMB’s Communiqué on Dividends No. II-19.1, the limit of donations to be made must be determined by the General Assembly, in cases not specified in the Articles of Association, and information concerning the donations and payments made must be provided to shareholders at the General Assembly. Donations totalling 1.165.827 TL were made to foundations and associations in 2018. Of this amount, 427.282 TL was donated to Koç University, 192.985 TL was donated to Global İlişkiler Forumu; 170.000 TL was donated to Üsküdar Aşevi, and the remaining 375.560 TL was donated to various other

entities. The upper limit of donations to be made in 2019 shall be resolved by the General Assembly.

**12. In accordance with the Capital Markets Board regulations, presentation to the shareholders of the collaterals, pledges, mortgages and sureties granted in favor of the third parties in the year 2018 and of any benefits or income thereof**

Pursuant to Article 12 of the Capital Markets Board Corporate Governance Communiqué No. II-17.1, income or benefits derived by our Company and/or its Subsidiaries from collaterals, pledges, mortgages and sureties against third parties must be stipulated in a separate article of the agenda of the General Assembly. This is indicated in footnote No. 32 of our financial statements dated 31 December 2018.

**13. Authorization of the shareholders that have management control, the members of the Board of Directors, the senior executives and their spouses and relatives related by blood or affinity up to the second degree as per the provisions of articles 395 and 396 of the Turkish Commercial Code and presentation to the shareholders of the transactions carried out thereof in the year 2018 pursuant to the Corporate Governance Communique of the Capital Markets Board**

The members of the Board of Directors can do business only with the approval of the General Assembly, as stipulated in the first subsection of Articles 395 and 396 of the TCC entitled Competition Ban and Ban on doing Business with the Company and Borrowing from the Company.

Pursuant to the Capital Markets Board mandatory Corporate Governance Principle No. 1.3.6, the General Assembly shall be informed in the event that shareholders having managerial control, shareholder board members, senior management and relatives up to the second degree of blood or affinity engaged in a significant business transaction creating a conflict of interest with the Company or its subsidiaries, competed with the company in the same line of business on their own behalf or on the behalf of others, or was involved in the same business as that of the Company as unlimited partner in another company. Information about said transactions must be included as a separate article on the agenda and recorded into the minutes of the General Assembly.

To fulfil the requirements of these regulations, permission shall be sought from the shareholders at the General Assembly. Some of the shareholders having managerial control, shareholder board members, senior management and relatives up to the second degree of blood or affinity are also board members at several Koç Group companies including those with similar operations to our Company. In 2018, there has not been any material transaction which requires notification in accordance with Corporate Governance Principle No. 1.3.6 of the Corporate Governance Communiqué.

**14. Wishes and Opinions.**

**APPENDICES:**

**APPENDIX 1** - 2018 Dividend Distribution Proposal

**APPENDIX 2** - CVs of Board of Directors Candidates and Independence Declarations of Independent Board Member Candidates

**APPENDIX 3** - Remuneration Policy for Board of Directors and Executive Management



## APPENDIX 1 – 2018 DIVIDEND DISTRIBUTION PROPOSAL

Koç Holding A.Ş. Profit Distribution Proposal for 2018 (TL)						
1. Paid-in capital		2.535.898.050,00				
2. General legal reserves (as per statutory records)		507.179.610,00				
Information concerning preferred shares, if, as per the company Articles of Association, there are any privileges for preferred shares in distribution of dividend:						
No						
		<b>As per Capital Markets Board</b>	<b>As per Statutory Records</b>			
3.	Profit for the period	8.690.771.000,00	3.078.791.598,71			
4.	Taxes (-)	265.678.000,00	90.129.407,82			
5.	<b>Net profit (=)</b>	<b>5.537.028.000,00</b>	<b>2.988.662.190,89</b>			
6.	Prior years' losses (-)	0,00	0,00			
7.	Legal reserve fund (-)	0,00	0,00			
8.	<b>NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)</b>	<b>5.537.028.000,00</b>	<b>2.988.662.190,89</b>			
	Dividend Advance Distributed (-)	0,00	0,00			
	Dividend Advance Less Net Distributable Current Period Profit	5.537.028.000,00	2.988.662.190,89			
9.	Grants made during the year (+)	1.165.827,00	0,00			
10.	<b>Net distributable profit including grants</b>	<b>5.538.193.827,00</b>	<b>2.988.662.190,89</b>			
	First category dividend to shareholders	0,00	0,00			
	- Cash	276.909.691,35	126.794.902,50			
	- Shares	0,00	0,00			
	<b>- Total</b>	<b>276.909.691,35</b>	<b>126.794.902,50</b>			
12.	Dividends distributed to preferred shareholders	0,00	0,00			
13.	<b>Other dividends distributed</b>	<b>11.500.000,00</b>	<b>11.500.000,00</b>			
	- Members of the Board of Directors	0,00	0,00			
	- Employees (Koç Holding Pension and Assistance Foundation)	11.500.000,00	11.500.000,00			
	- Non-shareholders	0,00	0,00			
14.	<b>Dividends distributed to holders of usufruct right certificates</b>	<b>162.306.992,93</b>	<b>162.306.992,93</b>			
15.	<b>Second category dividend to shareholders</b>	<b>732.377.732,72</b>	<b>882.492.521,57</b>			
16.	Legal reserve fund	0,00	0,00			
17.	Status reserves	0,00	0,00			
18.	Special reserves	0,00	0,00			
19.	<b>EXTRAORDINARY RESERVES</b>	<b>4.353.933.583,00</b>	<b>1.805.567.773,89</b>			
	Other sources planned for distribution	0,00	0,00			
	- Prior years' income	0,00	0,00			
	- Extraordinary reserves	0,00	0,00			
	- Other distributable reserves as per the legislation and Articles of Association	0,00	0,00			
<b>Koç Holding A.Ş. Information on Dividend per Share for 2018</b>						
	GROUP	TOTAL DIVIDEND AMOUNT		TOTAL DIVIDEND AMOUNT / NET DISTRIBUTABLE PROFIT FOR THE PERIOD	DIVIDEND PER SHARE FOR 1 TL NOMINAL VALUE	
		CASH (TL)	SHARES (TL)	RATIO (%)	AMOUNT (TL)	SHARE (%)
A		270.151.822,12	0,00	4,88	0,398000	39,8000
B		655.941.119,59	0,00	11,85	0,338300	33,8300
<b>NET</b>	<b>TOTAL</b>	<b>926.092.941,71</b>	<b>0,00</b>	<b>16,73</b>		
(**) No withholding tax is calculated for all of Group A shareholders and some of Group B shareholders who are known as full fledged legal entity tax payers. The calculations have been based on the assumption that other B Group shareholders are subject to withholding tax.						

## **APPENDIX 2 - CVs OF BOARD OF DIRECTORS CANDIDATES AND INDEPENDENCE DECLARATIONS OF INDEPENDENT MEMBER CANDIDATES**

### **Rahmi M. Koç**

A graduate of Johns Hopkins University in Business Administration, he joined the Koç Group in 1958 at Otokoç. He became Chairman of the Management Committee in 1980 and was named Chairman of the Board of Directors of Koç Holding in 1984, a post he held until 2003 when he became the Honorary Chairman. Apart from Koç Holding, he also serves as a Member / Chairman of the Board of Directors of other Koç Group companies.

In addition, Rahmi M. Koç is or has been affiliated with philanthropic, social and professional organizations including:

- The Metropolitan Museum of Art, New York City, Honorary Trustee
- Co-Chairman of the Business Advisory Council for South East Europe (BAC SEE)
- Vice Chairman of the Board of Trustees of Vehbi Koç Foundation
- Honorary Chairman of the Board of Trustees of Koç University
- Founder and Chairman of the Board of Directors of the Rahmi M. Koç Museum and Cultural Foundation
- Chairman of the Board of Directors of the Vehbi Koç Foundation American Hospital
- Honorary Chairman and Founding Member of TURMEPA, The Turkish Marine and Environment Protection Association
- Honorary Chairman of the Advisory Board of the Turkish Industrial and Business Association (TÜSİAD)
- Member of the Advisory Board of the Turkish Employers Association
- Founding Chairman of the Global Relations Forum
- Former President of the International Chamber of Commerce (1.1.1995-31.12.1996)
- Former President of the Turkish Greek Business Council (1992-1999)
- Former Member of the Allianz Aktiengesellschaft International Advisory Board
- Former Member of the JP Morgan International Council
- Former Member of the International Advisory Board of the US Council on Foreign Relations

Rahmi M. Koç has been awarded with the following merits and degrees:

- “Honorary Doctorate” degrees by Johns Hopkins University (Baltimore-Maryland), Eskişehir Anadolu University, Izmir Ege University, Ankara Bilkent University, Ovidius University of Constanza and Aydın Adnan Menderes University
- “Outstanding Service Award” by the President of the Turkish Republic
- German Government’s “Grosses Verdienst Kreuz”
- “Order of High Merit of the Italian Republic”
- “Order of Merit of the Austrian Government”
- “(Honorary) Commander of the Most Excellent Order of the British Empire (CBE)”
- “Officier dans l’Ordre National de la Legion D’Honneur”, the highest medal awarded by the French government
- “Responsible Capitalism Lifetime Achievement Award” from FIRST, a leading multidisciplinary international affairs organization
- “Hadrian Award” by the World Monuments Fund to the Koç Family
- “Carnegie Medal of Philanthropy” (New York) to the Koç Family
- “BNP Paribas Philanthropy Award” (Paris) to the Koç Family

### **Ömer M. Koç**

He received his B.A. degree from Columbia University in 1985. He worked at Kofisa Trading for one year and completed his MBA at Columbia University in 1989. After working at Ramerica International Inc., he joined the Koç Group in 1990. He held various senior positions at Koç Holding including Finance Coordinator, Vice President and President of the Energy Group. He became Member of the Board of Directors in 2004 and Vice Chairman in May 2008. In February 2016, he was appointed as the Chairman of the Board of Directors of Koç Holding. He serves as the Vice President of TÜSİAD High Advisory Council, Chairman of Tofaş, Tüpraş and Yapı Kredi Kültür Sanat Yayıncılık Board of Directors and Member of the Board of Directors at other Koç Group companies. He is also the Chairman of Turkish Educational Foundation Board of Trustees and Chairman of the Board of Directors of Geyre Foundation.

**Ali Y. Koç**

He received his bachelor's degree from the Management Faculty of Rice University and MBA from Harvard Business School. He started his career at American Express Bank as a Management Trainee and continued as an Investment Analyst at Morgan Stanley Investment Bank. Ali Y. Koç joined Koç Holding in 1997 and held senior-level positions until 2010 including new business development and information Technologies as well as President of Corporate Communications and IT Group. After serving as Member of the Board of Directors at Koç Holding for over 8 years, he was elected as Vice Chairman in February 2016. Since April 2016, Ali Y. Koç also serves as Chairman of the Board of Directors of Koç Financial Services, Yapı Kredi Bank, Ford Otosan, Otokar as well as several other Koç Group companies. In addition to being Chairman and Vice Chairman at Turkey's largest companies and financial institutions, Ali Y. Koç also contributes to the country's social and economic development and currently is the President of Fenerbahçe Sports Club and the National Competition Research Association (URAK), Member at the Foreign Economic Relations Board (DEİK), Member of the Global Advisory Council of Bank of America, Harvard University and Council on Foreign Relations. He is also a Member of the Panel of Senior Advisers at Chatham House and recently joined the Trade and Investment Council at the Confederation of British Industry.

**Semahat S. Arsel**

She began her career in 1964 as a Member of the Board of Directors of Koç Holding, a position she continues to hold. In addition, she is Chairman of the Board of Directors of Vehbi Koç Foundation and the Divan Group, President of the Semahat S. Arsel Nursing Education and Research Center and Founder of the Koç University School of Nursing. She also serves as Member of the Board of Directors of other Koç Group companies. She is Second Chairman of the Florence Nightingale Foundation as well as Member of the Board of Trustees of the Educational Volunteers Foundation of Turkey (TEGV). Semahat S. Arsel has received an "Honorary Doctorate" degree from Istanbul University.

**Caroline N. Koç**

After graduating from high school at Switzerland's St. George's School, Ms. Koç went on to receive a Bachelor's degree in Business Administration from Babson College, USA. She is fluent in English, Turkish, French, Italian and Swedish. Ms. Koç started her professional career in 1992 at Edwards of Hisar, where she acted as the managing director until 1998. Subsequently, she founded "İlkadım Play and Education Center for Kids" in 1998. She was the acting manager of the Center until 2003. She founded "Haremliqie Istanbul" in 20018 and "Selamlıqie Turkish Coffee" in 2009 and is currently the Chairwoman of the Board of Directors of both companies. In addition, she is a Member of the Board of Directors of several Koç Group companies. She is a Member of the Board of Directors of Tohum Autism Foundation, a Founding Member of Tina Foundation as well as the Contemporary Education Foundation. She has been a Member of Koç Holding Board of Directors since 2016.

**İpek Kıracı**

She graduated from Koç Private High School in 2002 and from Brown University Department of Biology in 2007. Since March 2012, she has been a Board of Directors Member and CEO of Sirena Marine Maritime Industry and Trade Inc.; a subsidiary of Kıracı Holding. Besides being a Founding Member of the Suna and İnan Kıracı Foundation, İpek Kıracı continues to work as a Board of Directors Chairwoman for Koç Private High School, Board of Directors Member for Karsan Inc., Temel Trade and Investment Inc., Moment Health Services Trade Inc., Zer Central Services Inc. and Board of Trustees Member of TEGV (Educational Volunteers Foundation of Turkey), GEV (Galatasaray Education Foundation) and Koç University. She has been a Member of Koç Holding Board of Directors since 2016.

**Levent Çakırođlu**

Levent Çakırođlu graduated from Ankara University Faculty of Political Sciences, Business Administration Department and received his master's degree from University of Illinois. He started his career as an Assistant Auditor at the Ministry of Finance in 1988, where he worked as a Senior Auditor between 1991 and 1997. He was appointed as Assistant Manager of Financial Crimes Investigation Board between 1997 and 1998, meanwhile he taught as a Part Time Instructor at Bilkent University. Çakırođlu, joined Koç Group in 1998 as Koç Holding Financial Group Coordinator. He was the General Manager of Koçtaş between 2002 and 2007 and the CEO of Migros between 2007 and 2008. He was assigned as the CEO of Arçelik in 2008 and also became President of the Durable Goods Group of Koç Holding in April 2010. Çakırođlu has been appointed as the CEO of Koç Holding in April 2015. He currently serves as the CEO and has also been Member of the Board of Directors of Koç Holding since April 2016. Levent Çakırođlu is also

Chairman of the Board of Directors of Arçelik- LG and TürkTraktör as well as the Vice Chairman of Otokar and Member of the Board of Directors at various Koç Holding companies.

**Prof. Dr. John H. McArthur, O.C.**

He graduated from the University of British Columbia and received his MBA and doctorate from Harvard Business School. He became a professor at Harvard Business School in 1962 and served as Dean from 1980 until 1995. He is the past Chairman of the Board of Directors of Asia Pacific Foundation of Canada and currently a Board Member of Stemnion, Inc. and Aileron Therapeutics. For many years, he served as Chairman of the Brigham and Women's Hospital and, following its merger with the Massachusetts General Hospital, was the founding co-Chairman of the Board of Partners HealthCare System, Inc. He has also served on the Board of Directors of Duke University Health Systems, Thomson Reuters Founders Share Co. Ltd., Chase Manhattan Corporation, Bell Canada, GlaxoSmithKline PLC and the AES Corporation. In 2013, he was made an Officer of the Order of Canada. McArthur is a Member of the Board of Directors of the Initiative for a Competitive Inner City. John H. McArthur has been a Member of Koç Holding Board of Directors since 1999.

**Prof. Dr. Heinrich V. Pierer**

He studied Law and Economics at the Friedrich Alexander University Erlangen-Nuremberg. He joined Siemens AG in 1969 and held various senior positions in the Company. He was the Chief Executive Officer of Siemens AG between 1992 and 2005 and the Chairman of the Supervisory Board of Siemens AG between 2005 and 2007. He served as Chairman of the Asia-Pacific Committee of German Business between 1993 and 2006. Pierer is an Honorary Professor at the Friedrich Alexander University Erlangen-Nuremberg, Department of Law and Economics. He is a Member of the Supervisory Board of Gerorgsmarienhütte GmbH and a Member of various Advisory Boards of SMEs. In addition, he was a Member of the Supervisory Boards of Deutsche Bank, Berenberg Bank, Volkswagen, Bayer, Munich RE and Hochtief. Heinrich V. Pierer has been a Member of Koç Holding Board of Directors since 2008.

**Dr. Kwok King Victor Fung**

He received his Bachelor's and Master's degrees in Electrical Engineering from the Massachusetts Institute of Technology, and a doctorate in Business Economics from Harvard University. He was the Chairman of the Hong Kong Trade Development Council (1991-2000), the Hong Kong Representative on the APEC Business Advisory Council (1996-2003), Chairman of the Hong Kong Airport Authority (1999-2008), Chairman of The Council of The University of Hong Kong (2001-2009), Chairman of the Greater Pearl River Delta Business Council (2004 to February 2013), Chairman (July 2008-June 2010) and Honorary Chairman (July 2010-June 2013) of the International Chamber of Commerce, a Member of WTO Panel on Defining the Future of Trade (2012-2013), a Vice Chairman of China Center for International Economic Exchanges (2009-2014), a Member of the Chinese People's Political Consultative Conference (January 2003-January 2018) and Chairman of the Steering Committee on the Hong Kong Scholarship for Excellence Scheme (September 2014-September 2018). Fung is the Group Chairman of the Fung Group (formerly known as the Li & Fung Group), a Hong Kong-based multinational group which comprises major operating groups engaging in trading, logistics, distribution and retailing. They include publicly-listed Li & Fung Limited, Global Brands Group Holding Limited, Convenience Retail Asia Limited and other privately held entities. Fung has been Chairman of the Advisory Board of Asia Global Institute at The University of Hong Kong since July 2015. Asia Global Institute, of which Fung is a Co-Founder, is a multi-disciplinary think tank. He has also been an Adviser of the Infrastructure Financing Facilitation Office of The Hong Kong Monetary Authority since 2016 and a Member of the Chief Executive's Council of Advisers on Innovation and Strategic Development since March 2018. Fung is also Chairman of the 2022 Foundation, a non-profit entity focused on research into Hong Kong's long-term competitiveness. Fung is an independent non-executive Director of Chow Tai Fook Jewellery Group Limited in Hong Kong. He is also Chairman of the Asia Advisory Board of Prudential Financial, Inc (USA). He was awarded the Gold Bauhinia Star in 2003 and Grand Bauhinia Medal in 2010 for distinguished service to the community. Kwok King Victor Fung has been a Member of Koç Holding Board of Directors since 2011.

**Mustafa Kemal Olgaç (Independent Board Member Candidate)**

He graduated from Boğaziçi University in Mechanical Engineering and completed two Master's degrees at University of Wales in Controlling Engineering and Edinburgh University in Fire Engineering. He started his career in 1977 at Koç Allianz Sigorta A.Ş. He worked as General Manager at Koç Allianz Hayat ve Emeklilik A.Ş. between 1991 and 2006;

CEO of Allianz Turkey between 2001 and 2006; a Member of the Board of Directors of Allianz Sigorta A.Ş. and Allianz Hayat ve Emeklilik A.Ş. and as Board Chairman of Allianz Global Assistance and Magdeburger Insurance between 2001 and 2014. He served as Member of Turkey Insurance Association Board of Director, Chairman of Turkish Insurance Institute Foundation Board of Trustees, Board Member of YASED International Investors Association, Member and Chairman of EGM Pension Monitoring Center Board of Directors. He is an Independent Member of Avicennia Capital Sdn Bhd (subsidiary of Khazanah group which is a strategic investment fund of the Malaysian government) and Acıbadem Sağlık ve Hayat Sigorta A.Ş. Board of Directors. He is also the Chairman of the Board of Directors of Akasya Bakım ve Yaşam Merkezi A.Ş. He is a Member of TÜSİAD, 1907 Fenerbahçe Association and 65+ Elder Rights Association. Mustafa Kemal Olgaç has been a Member of Koç Holding Board of Directors since 2014.

**Jacques Albert Nasser (Independent Board Member Candidate)**

Following a 33-year global career with Ford Motor Company, Jacques Albert Nasser served as a Member of its Board of Directors, President and Chief Executive Officer. He was most recently the Board Chairman of BHP Billiton and has served as a Member on the Board of Directors of Brambles and Sky. From 2002-2010, he was also a Partner of One Equity Partners, the private equity arm of JPMorgan. Nasser is presently on the Board of Directors of 21st Century Fox and is an Advisor to One Equity Partners. Nasser graduated in Business from RMIT University in Melbourne, Australia, and received a Doctorate of Technology honoris causa. In recognition of his work for industry, the community and as an advisor to government, he has received various awards in Australia, Lebanon and the United States. Jacques Albert Nasser has been a Member of Koç Holding Board of Directors since 2015.

**Anne Lauvergeon (Independent Board Member Candidate)**

Anne Lauvergeon is a graduate of the Ecole Normale Supérieure and the French National School of Mining Engineer. She holds an advanced degree in Physics and Chemistry. She started her professional career in 1983, in the iron and steel industry (Usinor). In 1984, she directed the European nuclear safety studies applied to the chemical industry for CEA (Commissariat à l’Energie Atomique, the public technological research organization in France). From 1985 to 1988, she supervised the underground activities in and around Paris and was appointed Deputy Director of the General Mining Council in 1988. From 1990 to 1995, she worked for the French President’s office, in charge of international economy and foreign trade missions and Deputy Chief of Staff in 1991. At the same time she became Personal Representative to the French President, in charge of the G7/G8 Summits. In 1995, she became Managing Director and Partner of Lazard Frères (New York, Paris). In March 1997, she joined Alcatel Telecom as Senior Executive Vice President and was appointed Member of the Executive Committee in 1998. She was in charge of the international network and the Group’s interests in energy, defense, transportation and nuclear fields. From July 2001 to June 2011, after its creation, she was Chief Executive Officer of AREVA. From June 1999 to June 2011, she was Chairman of the Board of Directors and Chief Executive Officer of COGEMA (now AREVA NC). From 2013 to 2018, she was Chairman of Innovation 2030 National Committee. Since 2011, Anne Lauvergeon is Founder and CEO of A.L.P, an advisory and investment company. Since 2014, she is Chairman of the Board of Directors of Sigfox, the world leading IoT operator. Since 2018, she is appointed Co-Chairman of the Innovation Committee of the MEDEF (Mouvement des Entreprises de France). Anne Lauvergeon is a Board Member of American Express, Suez and Avril. She has been a Member of Koç Holding Board of Directors since 2016.

**Ömer Dinçkök (Independent Board Member Candidate)**

Following the completion of his BA studies at Robert College in Istanbul, Ömer Dinçkök acquired his postgraduate degree in the UK in 1971. Ömer Dinçkök’s entrance into business life was at Akkök Holding, which was founded by his father the late Mr. Raif Dinçkök in 1952 and encompasses industrial and trading companies operating in energy, chemicals, textile and real estate. He took responsibilities as Chairman and Member at the Board of Directors of Akkök Holding and various companies within the group between 1971-2012. Ömer Dinçkök founded Atlantik Holding in 2008 to amalgamate and oversee the performance of the family holdings. Starting in the second half of 2012, he decided to focus his entrepreneurial efforts solely on developing the activities of Atlantik Holding, which is one of the three equal partners of Akkök Holding and where he acts as Chairman of the Board of Directors. Dinçkök has actively contributed to the establishment and/or development of the business and philanthropic organizations below: Honorary Chairman of the Turkish Industry and Business Association (TÜSİAD) (2011-present); Honorary Member of the Assembly at the Istanbul Chamber of Industry (ISO) (2008-present); Member of the Board of Trustees of Koç University (2006-present); Member of the Board of Trustees (1994-present), Chairman of the Board of Trustees (2004-2007), Chairman of the

Board of Directors (2001-2004) and Vice Chairman of the Board of Directors (1994-2001) of the Turkish Education Foundation (TEV); Founding Member and Member of the Board of Trustees (1995-present) and Member of the Board (1995-1998) at the Educational Volunteers Foundation of Turkey (TEGV); Chairman of the Assembly at the Istanbul Chamber of Industry (ISO) (1992-2001); Chairman of the Industrial Counsel at the Turkish Union of Chamber of Commerce and Industry (TOBB) (1992-2000); Member of the Board of Trustees at Wilberforce University in Ohio, USA (1989-2000); Chairman of the Board of Directors of TÜSIAD (1987-1989). He has been a Member of Koç Holding Board of Directors since 2017.

**Emily K. Rafferty (Independent Board Member Candidate)**

Emily K. Rafferty, President Emerita of The Metropolitan Museum of Art (The Met), served for 40 years at the Museum as Chief of Institutional Advancement, Senior Vice President of External Affairs, and as President from 2005 to 2015. As President of The Met, she was the Museum's Chief Administrative Officer, supervising a staff of 2,000 full- and part-time employees and volunteers. Ms. Rafferty's global experience took her to some 50 countries on behalf of the Museum as she worked with government and private sector officials on initiatives involving funding, marketing, international art loans, legislative affairs, and cultural issues. Rafferty served also as a Board Member (2011-2017) and Chairwoman (2012-2016) of the New York Federal Reserve Bank and as a UNESCO Senior Adviser for Heritage Protection and Conservation (2015-2017). Rafferty has been Chairwoman of NYC & Company (the city's official tourism and marketing organization) since 2008, is a Board Member of the National September 11 Memorial & Museum (2005-present) serving now as Vice Chairman, Board Member of PJT Partners (2015-present). Formerly an Advisory Board Member of the Bipartisan Congressional Commission for The American Museum of Women's History in Washington, D.C. (May 2015-December 2016), she continues to serve as an Advisor to the Smithsonian for the advancement that project. As Principal of Emily K. Rafferty & Associates, she currently consults for several organizations, including Russell Reynolds Associates, serving as a Senior Advisor to the Firm in the Non-Profit Sector specifically in the Firm's culture, philanthropy and Non-Profit Board Effectiveness Practice, and for The Shed, a performing arts center under construction at Manhattan's Hudson Yards. Formerly a Member of the Advisory Committee for three years, she now serves on the Board of Carnegie Hall (October 2018-present). She is also a Board Member of Global Hope Coalitions, a Member of the Advisory Council of the American University of Beirut, a Member of the Advisory Board of The European Fine Arts Fair (TEFAF), and is a Member of the Economic Club and the Council on Foreign Relations. She also lectures widely on topics relating to non-profit and board management, fundraising and cultural heritage. The recipient of many awards and honors, Rafferty was named by Crain's New York Business one of New York City's 100 most influential women from 2009 through 2013, and in Fall 2015 she was elected to its Hall of Fame. In 2012, she received New York University's Lewis Rudin Award for Exemplary Service to New York City, and in 2018, received a Lifetime Achievement Award from the National September 11 Memorial & Museum. She has been a Member of Koç Holding Board of Directors since 2018.

## INDEPENDENCE DECLARATIONS OF INDEPENDENT MEMBER CANDIDATES

### DECLARATION FOR INDEPENDENCY

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Koç Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communique on Corporate Governance. In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- ç) I am deemed to be resident in Turkey according to Revenue Tax Law No.193 dated 31.12.1960
- d) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- e) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- f) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- g) I have not been on the board of the Company for more than six years within last ten years,
- ğ) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- h) I am not registered in the name of any legal entity elected as a board member.

(signature)

**Mustafa Kemal Olgaç**

## DECLARATION FOR INDEPENDENCY

I hereby declare that I am a candidate for independent board membership at the Board of Directors of Koc Holding A.Ş. ("Company") under related regulations, Articles of Association of the Company and the criteria stated in the Capital Markets Board's ("CMB") Communique on Corporate Governance, except for the criteria of "qualifying as a Turkish resident under the Income Tax Law". In that regard I also confirm that;

- a) In the last five years, I, my spouse or my up to the second degree blood or affinity relatives is not or has not been; employed by as a key management personnel; has not had ordinary or privileged shareholding exceeding 5% by himself or together with; or has not been involved in any material business dealings with the Company, its subsidiaries and affiliates, or shareholders controlling the Company or having material effect over the Company and all entities controlled by those shareholders.
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- h) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- i) I am not registered in the name of any legal entity elected as a board member.

**(signature)**

**Jacques A. Nasser**



## DECLARATION FOR INDEPENDENCY

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- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- e) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- f) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- g) I have not been on the board of the Company for more than six years within last ten years,
- h) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- i) I am not registered in the name of any legal entity elected as a board member.

**(signature)**

**Anne Lauvergeon**

## DECLARATION FOR INDEPENDENCY

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- b) In the last five years, I am not or have not been employed by as an executive having significant duties and responsibilities or have not been a member of the board or did not have a shareholding exceeding 5% of an entity which has had a contractual relationship with the Company for a material business transaction including audit (including tax audit, legal audit, and internal audit) rating or consulting services during the terms in which the goods or services were provided,
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- f) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- g) I have not been on the board of the Company for more than six years within last ten years,
- ğ) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- h) I am not registered in the name of any legal entity elected as a board member.

**(signature)**

**Ömer Dinçök**

## DECLARATION FOR INDEPENDENCY

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- c) My CV indicates that I have skills, knowledge and expertise relevant to the Company's business and extensive experience to fulfill my duties as an independent board member,
- d) After my election I will not work full time in a Turkish governmental or public institution, except for the faculty membership under relevant regulations,
- e) I am capable to contribute positively to the operations of the Company, to maintain my objectivity in conflicts of interests between the Company and the shareholders, to have strong ethical standards, professional reputation and experience to freely take decisions by considering the rights of the stakeholders,
- f) I will dedicate enough time to follow up the activities of the Company and for the duly fulfillment of my responsibilities,
- g) I have not been on the board of the Company for more than six years within last ten years,
- h) I am not an independent board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations listed on Borsa İstanbul in total.
- i) I am not registered in the name of any legal entity elected as a board member.

**(signature)**

**Emily K. Rafferty**

## **APPENDIX 3 - REMUNERATION POLICY FOR BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT**

This policy determines the remuneration system for the Board of Directors and key executives within the scope of the definition of persons discharging managerial responsibilities under Capital Markets Board regulations.

A fixed remuneration is determined for all members of the Board at the annual general meeting of the Company.

Additional payment is made to the executive members of the Board in accordance with the policy established for senior executives.

Additional payment is made to the Board members who have been assigned specific duties to support the activities of the Company the amount of which is to be determined by the Board of Directors in consultation with the Nomination and Remuneration Committee.

To the chairman and members of the Executive Committee of the Board which supports the Board in the proper management of the Company in all respects, additional compensation determined by the Board of Directors in consultation with the Nomination and Remuneration Committee by taking into account such Committee Members' contributions, attendance at the meetings, functions, etc. can be granted. Payments made thereof to Executive Committee members within the year are to be deducted from the amount determined at the end of the year.

In respect of remuneration of the independent members of the Board of Directors, a payment plan based on the performance of the Company may not be used.

Pro rata payment is made to the members of the Board of Directors by taking into account the time they carried out their duty between the date of appointment and the date of resignation. Expenses incurred by the members of the Board of Directors on account of making contributions to the company (such as transportation, telephone, insurance, etc.) can be paid by the Company.

The remuneration of Senior Executives is to consist of two components, which are fixed and performance based.

Fixed salaries of senior executives are determined in accordance with international standards and legal obligations by taking into account the prevailing macroeconomic data in the market, the salary policies prevailing in the market, the size and long-term targets of the Company and the positions of the persons.

Bonuses for senior executives are calculated according to the bonus base, the performance of the Company and the individual performance. A summary of the criteria is as follows:

**Bonus Base:** Bonus Bases are updated at the beginning of each year. They vary depending on the work volume of the executives' positions. When updating the bonus bases, senior management bonus policies in the market are taken into account.

**Company Performance:** The performance of the Company is determined at the end of the year by measuring the financial and operational targets (market share, exports, overseas operations, productivity, etc.) assigned to the Company at the beginning of each year. In determination of the Company's targets, the sustainability of success and the degree to which it incorporates improvements over previous years are the principles taken into account.

**Individual Performance:** In the determination of individual performance, along with the targets of the company, those related to the employee, customer, process, technology and long-term strategy are taken into account. In the measurement of individual performance, in line with the performance of the company, the principle of achieving long term sustainable improvement in areas apart from the financial dimension is observed.

Severance payments may be granted to the key executives by taking into account total term of service, term of service as an executive, as well as contributions made to the company, the recent bonus base, and the salaries and bonuses paid in the last year of service.

Total amounts determined by the above principles and paid to the members of the Board of Directors during the year are submitted for shareholder approval at the next general meeting.