

**ENERGY OF AYGAZ  
ENERGY OF THE WORLD**



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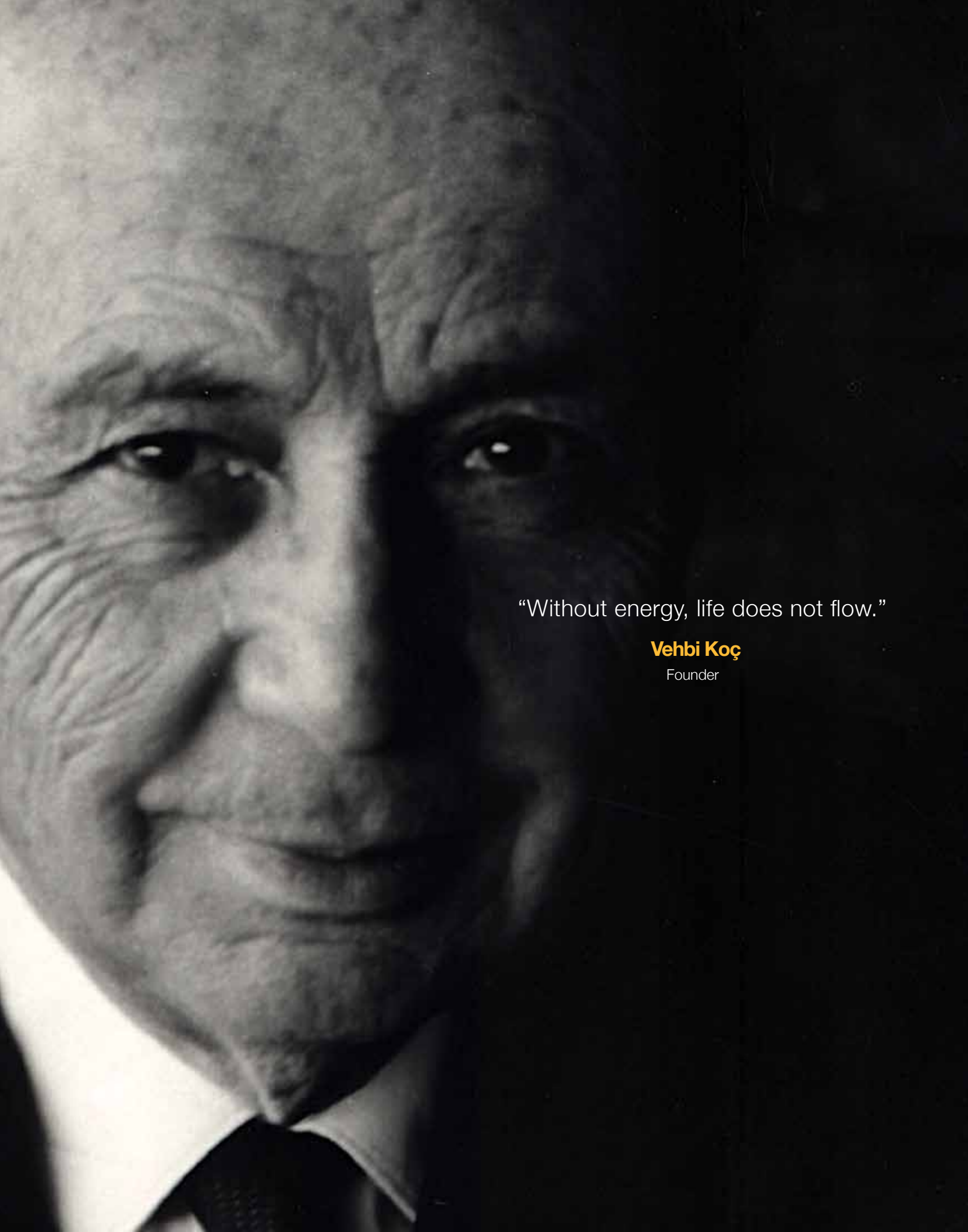
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“Without energy, life does not flow.”

**Vehbi Koç**

Founder



## THE ENERGY OF **AYGAZ...**

Symbolizes trust in every home, every  
journey, at the heart of life,

Drives us forward with steady strides, inspiring  
confidence and more success.

Extends beyond borders, guiding lives  
across diverse landscapes.

Embarks on discoveries, promising  
Experiences on new horizons.

Here to stay today and tomorrow,  
Evolving for a better world.

Gains momentum each day, a guiding light  
toward greater achievements.

**The energy of Aygaz,  
ever-renewing, is**

**THE ENERGY  
OF THE WORLD!**

## AYGAZ AT A GLANCE

### IN BRIEF

Founded in 1961

Koç Group's first company in the energy sector

Integrated LPG company

The first R&D center in the sector

### MAIN FIELDS OF OPERATION

Procurement, storage, filling, and sales of LPG

Production and sales of pressurized containers and LPG equipment

Maritime transportation of LPG

### FACILITIES



Ambarlı Terminal



Aliğa Terminal



Yarımcı Terminal



Dört Yol Terminal



Samsun Terminal



Gebze Plant

5

sea terminals

5

filling plants\*

1

pressurized container and accessory manufacturing plant

8

distribution centers

approximately  
**4,000**  
dealers across Türkiye

\*Excluding the filling plants in the terminals

## Subsidiaries

**AYGAZ DOĞAL GAZ**

<b>Field of operation</b>	: Natural gas and liquified natural gas (LNG) sales
<b>Participation rate</b>	: 100%
<b>Founded in</b>	: 2004
<b>Sales volume</b>	: 88 million m <sup>3</sup> of LNG

**AKPA**

<b>Field of operation</b>	: LPG, fuel products and bottled water marketing and sales
<b>Participation rate</b>	: 100%
<b>Founded in</b>	: 2001

**ANADOLUHİSARI TANKERCİLİK**

<b>Field of operation</b>	: LPG transportation by sea
<b>Participation rate</b>	: 100%
<b>Founded in</b>	: 2010
<b>Number of vessels</b>	: 4
<b>Transportation capacity</b>	: 67,000 m <sup>3</sup>
<b>Fleet's Average Age</b>	: 15

**BAL KAYNAK SU (PÜRSU)**

<b>Field of operation</b>	: Drinking water production and sales
<b>Participation rate</b>	: 100%
<b>Acquired in</b>	: 2019
<b>Sales volume</b>	: 185 million liters

## Joint Ventures

**UNITED AYGAZ LPG LTD.**

<b>Field of operation</b>	: Sourcing, storage, filling and distribution of LPG in Bangladesh
<b>Participation rate</b>	: 50%
<b>Formed in</b>	: 2021
<b>Sales volume</b>	: 126 thousand tons

**OPET AYGAZ GAYRİMENKUL**

<b>Field of operation</b>	: Property purchasing to operate fuel and autogas stations
<b>Participation rate</b>	: 50%
<b>Formed in</b>	: 2013
<b>Stations</b>	: 16

## Affiliates and Financial Investments

**SENDEO-KOLAY GELSİN**

<b>Field of operation</b>	: Courier and last mile delivery services
<b>Participation rate</b>	: 27.5%
<b>Incorporated in</b>	: 2020
<b>Merger with Kolay Gelsin</b>	: 2024

**ENERJİ YATIRIMLARI (EYAŞ)**

<b>Field of operation</b>	: Energy
<b>Participation rate</b>	: 20%
<b>Founded in</b>	: 2005
<b>Indirect share in the capital of Tüpraş*</b>	: 9.3%

**KOÇ FİNANSAL HİZMETLER**

<b>Field of operation</b>	: Financial Services
<b>Participation rate</b>	: 3.93%
<b>Indirect share in the capital of Yapı Kredi Bank</b>	: 1.6%

\*Türkiye Petrol Rafinerileri A.Ş.

## AYGAZ IN NUMBERS - 2024

2.4

MILLION TONS  
LPG SALES VOLUME

2,010

CYLINDER GAS  
DEALERS

1,874

AUTOGAS  
STATIONS

25<sup>th</sup>

LARGEST INDUSTRIAL  
ENTERPRISE IN TÜRKİYE\*

*\*İstanbul Chamber of Commerce  
Top 500 Industrial Enterprises Türkiye*

1,1

BILLION \$  
YEAR-END MARKET VALUE

9,67

CORPORATE GOVERNANCE  
RATING SCORE

*\*out of 10*

1,469

AVERAGE NUMBER OF  
EMPLOYEES

178

THOUSAND M<sup>3</sup>

THE LARGEST LPG STORAGE  
CAPACITY IN TÜRKİYE

47

MILLION KM

THE DISTANCE TRAVELED ON LAND  
WITH LPG LOGISTICS OPERATIONS

240

THOUSAND

VEHICLES FILLED WITH  
AYGAZ OTOGAZ PER DAY

40

THOUSAND

AYGAZ CYLINDERS DISTRIBUTED  
TO HOUSEHOLDS PER DAY

67,000  
M<sup>3</sup>

TOTAL TRANSPORTATION  
CAPACITY OF THE  
LPG VESSELS OWNED  
BY ANADOLUHIŞARI  
TANKERCİLİK

12,000

UNITED AYGAZ  
LPG SALES POINTS

75

MILLION \$

UNITED AYGAZ LPG'S CAPITAL\*

*\*USD equivalent on the days the  
capital was paid.*

6 16

SPHERES

THOUSAND TONS

UNITED AYGAZ LPG'S  
INSTALLED CAPACITY

126

THOUSAND TONS

UNITED AYGAZ LPG'S  
TOTAL LPG SALES

2.27

MILLION

DOWNLOADS OF THE RENEWED  
AYGAZ MOBILE APP

88

MILLION M<sup>3</sup>

NATURAL GAS SALES OF  
AYGAZ DOĞAL GAZ

185

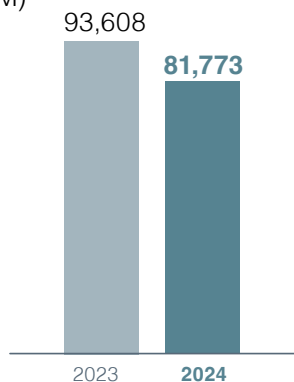
MILLION LITERS

PÜRSU'S WATER SALES IN  
CARBOYS, PLASTIC AND GLASS  
BOTTLES

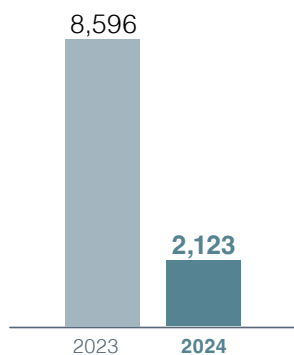
# FINANCIAL AND OPERATIONAL OUTLOOK

## Consolidated Sales Revenues

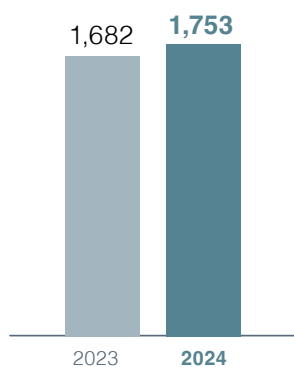
(TL M)



## Net Profit\* (TL M)



## EBITDA (TL M)



## Summary Financial Indicators

(TL M)

	2024	2023
Sales revenues	81,773	93,608
Gross profit	6,874	7,165
Operating profit	623	505
Profit before tax	2,645	7,892
Net profit*	2,123	8,596
EBITDA**	1,753	1,682
Gross profit margin	8.4%	7.7%
Operating profit margin	1.1%	0.3%
Net profit margin	2.6%	9.2%
EBITDA margin	2.1%	1.8%
Current assets	10,807	14,645
Fixed assets	51,043	52,042
Total assets	61,850	66,687
Short term liabilities	7,927	13,045
Long term liabilities	1,650	909
Shareholders' equity*	52,273	52,221
Total equity and liabilities	61,850	66,687
Return on equity (ROE)	4.1%	16.5%
Current ratio	1.4	1.1

\* Parent company's shares

\*\* Excluding other income and expenses from operations.

Shareholding Structure

**51.2%**

Koç Group

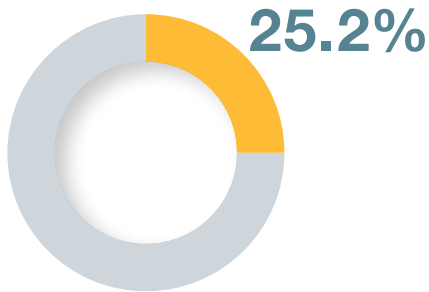
**24.5%**

Liquid Petroleum Gas Development Company (LPGDC)

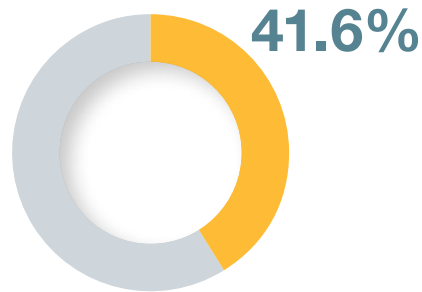
**24.3%**

Free Float

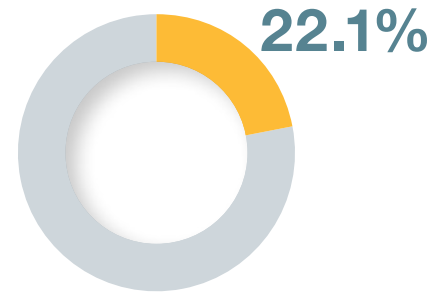
Market Shares\*



LPG Market Share



Cylinder Gas Market Share

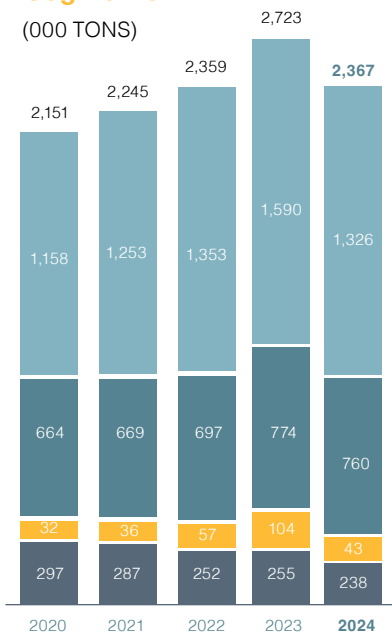


Autogas Market Share

\* According to EMRA's December 2024 Report

LPG Sales Volume By Segments

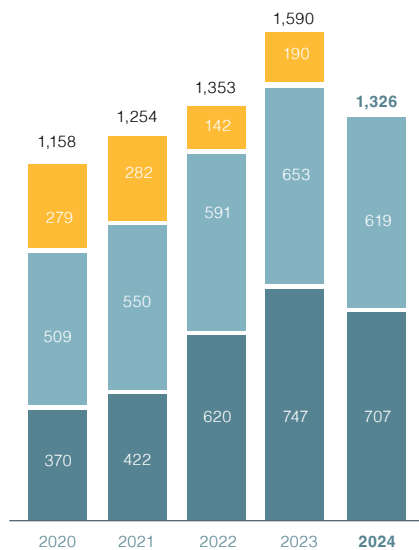
(000 TONS)



● CYLINDER GAS ● AUTOGAS  
● BULK GAS ● OTHER LPG SALES

Other LPG Sales

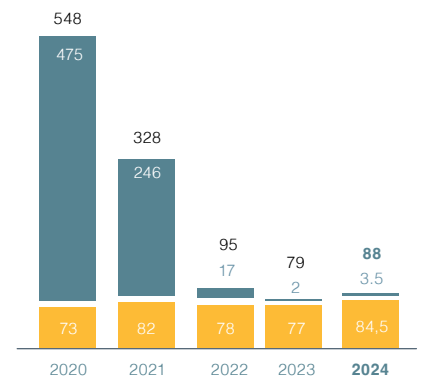
(000 TONS)



● WHOLESALE  
● INTERNATIONAL  
● AYGAZ UK TRADING

Natural Gas Sales Volume

(MCM - MILLION m<sup>3</sup>)



● PNG SALES  
● LNG SALES



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# VISION

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To be the brand that keeps life in motion with its outstanding competencies in the energy and distribution sectors, exceptional solutions, and closeness to its customers.

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# MISSION

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To offer the best products and services in all fields of operation and particularly in LPG by prioritizing high quality and safety standards with work principles that align with corporate values of the Koç Group and always respecting the community and the environment.

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# STRATEGIC PRIORITIES

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- Promising to deliver the essential needs for the continuity of life with the assurance of Aygaz.
- Becoming a powerful mobile energy brand in Türkiye and the world.
- Building an agile working culture on continuous learning and innovation.
- Offering innovative solutions for a sustainable future.
- Being close to the mind, heart and life of the customer.

## CORPORATE VALUES

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### **CUSTOMER-CENTRIC**

We constantly strive to be a trusted brand.

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### **AGILE AND INNOVATIVE**

We follow and define the dynamics of the moment.

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### **COMMITTED AND RESPONSIBLE**

We focus on the target, overcome the obstacles and move forward.

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### **COLLABORATIVE**

We teach and share to empower each other and always charge ahead.

# AGENDA FOR ORDINARY GENERAL ASSEMBLY MEETING OF AYGAZ A.Ş. TO BE HELD ON MARCH 27, 2025

1. Opening and election of the Chairman of the Meeting,
2. Reading, discussing and approving the 2024 Annual Report prepared by the Board of Directors,
3. Reading the summary of Independent Audit Report Summary for 2024 accounting period,
4. Reading, discussing and approving of the Financial Statements related to 2024 accounting period,
5. Acquitting of each member of the Board of Directors in relation to the activities of Company in 2024,
6. Discussing and approving of the amendment to be made to the Company's "Dividend Distribution Policy" for the year 2025 and the following years in accordance with the Capital Markets Board regulations,
7. Acceptance, acceptance after amendment or refusal of the proposal of the Board of Directors in accordance with the Company's profit distribution policy regarding the distribution of the profits of 2024 and the date of the distribution of profits,
8. Provided that the necessary approvals are obtained from the Capital Markets Board and the Ministry of Trade; acceptance, acceptance with amendments or rejection of the proposal of the Board of Directors on the amendment of the Article 6 titled "Capital" of the company's Articles of Association, for the purpose of increasing the registered capital ceiling and extending its validity period,
9. Determining the number and duty term of the Members of the Board of Directors, making elections in accordance with the determined number of members, selecting the Independent Members of the Board of Directors,
10. Informing and approval of the Shareholders about the Remuneration Policy for the Members of the Board of Directors and Executive Management and the payments made within the scope of the policy in accordance with the Corporate Governance Principles,
11. Determining the annual gross salaries of the members of the Board of Directors,
12. Approval of the Independent Auditing Institution selection made by the Board of Directors in accordance with the Turkish Commercial Code and the Capital Markets Board regulations,
13. Informing the shareholders of the donations made by the Company in 2024 and resolution of an upper limit for donations to be made for 2025 as per the "Donation and Sponsorship Policy",
14. Informing the shareholders about the collaterals, pledges, mortgages and surety granted in favour of third parties and the income and benefits obtained in 2024 by the Company and subsidiaries in accordance with Capital Markets Board regulations,
15. Authorizing the shareholders holding management capacity, the Members of the Board of Directors, executive managers and their spouses and relatives by blood and marriage up to the second degree within the framework of the articles 395<sup>th</sup> and 396<sup>th</sup> of Turkish Commercial Code and informing shareholders about transactions performed within the scope during 2024 as per the Corporate Governance Communiqué of Capital Markets Board,
16. Informing the shareholders about the activities carried out in 2024 within the scope of the Company's goal of transitioning to a low-carbon economy and the progress made toward this goal,
17. Wishes and opinions.

# INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT (CONVENIENCE TRANSLATION)

To the General Assembly of Aygaz A.Ş.

## 1) Opinion

We have audited the annual report of Aygaz A.Ş. (the "Company") and its subsidiaries (collectively referred to as the "Group") for the 1 January - 31 December 2024 period.

In our opinion, the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements regarding the Group's position in the Board of Directors' Annual Report are consistent and presented fairly, in all material respects, with the audited full set consolidated financial statements and with the information obtained in the course of independent audit.

## 2) Basis for Opinion

Our independent audit was conducted in accordance with the Independent Standards on Auditing that are part of the Turkish Standards on Auditing (the "TSA") adopted within the framework of the regulations of the Capital Markets Board and issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities in the Audit of the Board of Directors' Annual Report section of our report. We hereby declare that we are independent of the Group in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA and the regulations of the Capital Markets Board and other relevant legislation that are relevant to our audit of the financial statements. We have also fulfilled our other ethical responsibilities in accordance with the Ethical Rules and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

## 3) Our Audit Opinion on the Full Set Consolidated Financial Statements

We expressed an unqualified opinion in the auditor's report dated 17 February 2025 on the full set consolidated financial statements for the 1 January - 31 December 2024 period.

## 4) Board of Director's Responsibility for the Annual Report

Group management's responsibilities related to the annual report according to Articles 514 and 516 of Turkish Commercial Code ("TCC") No. 6102 and Capital Markets Board's ("CMB") Communiqué Serial II, No:14.1, "Principles of Financial Reporting in Capital Markets" (the "Communiqué") are as follows:

- to prepare the annual report within the first three months following the balance sheet date and present it to the general assembly;
- to prepare the annual report to reflect the Group's operations in that year and the financial position in a true, complete,

straightforward, fair and proper manner in all respects. In this report financial position is assessed in accordance with the financial statements. Also in the report, developments and possible risks which the Group may encounter are clearly indicated. The assessments of the Board of Directors in regards to these matters are also included in the report.

c) to include the matters below in the annual report:

- events of particular importance that occurred in the Company after the operating year,
- the Group's research and development activities,
- financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the Board of Directors considers secondary legislation arrangements enacted by the Ministry of Trade and other relevant institutions.

## 5) Independent Auditor's Responsibility in the Audit of the Annual Report

Our aim is to express an opinion and issue a report comprising our opinion within the framework of TCC and Communiqué provisions regarding whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited consolidated financial statements of the Group and with the information we obtained in the course of independent audit.

Our audit was conducted in accordance with the TSAs. These standards require that ethical requirements are complied with and that the independent audit is planned and performed in a way to obtain reasonable assurance of whether or not the financial information and the analysis made by the Board of Directors by using the information included in the audited financial statements in the annual report are consistent and presented fairly with the audited [consolidated] financial statements and with the information obtained in the course of audit.

This independent audit was conducted and concluded by independent auditor Seçkin Özdemir.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

A member firm of Ernst & Young Global Limited

Seçkin Özdemir, SMMM Independent Auditor

5 March 2025 İstanbul, Türkiye

# BOARD OF DIRECTORS' REPORT AND CHAIRMAN'S MESSAGE



Despite prevailing challenges, the global economy has largely achieved a soft landing, curbing inflation without significantly compromising growth. However, geopolitical risks, particularly the ongoing war in Ukraine and escalating tensions in the Middle East, continue to pose significant threats. Meanwhile, Donald Trump's return to the White House carries potential implications for global trade. His protectionist policies could further strain US-China relations, triggering radical shifts in global supply chains. In fact, both the US and Europe have already introduced various economic support measures to reduce dependence on China. Another key area in this intensifying competition is technology, particularly artificial intelligence, where the US is expected to engage in a fierce race with China, while Europe lags behind.

Throughout 2024, the Chinese government implemented various measures to achieve its official growth target of 5%. Additionally, it prioritized exports to capitalize on idle production capacity resulting from weak domestic demand. In several markets, particularly across Europe, an influx of competitively priced Chinese goods has reshaped the competitive landscape. Looking ahead, as China continues to expand its global market presence, it appears increasingly likely that not only the US but also Türkiye and other economies will respond with additional tariff measures.

In 2024, Türkiye pursued a market-oriented and conventional economic policies aimed at curbing inflation and ensuring financial stability. While reducing inflation remained the top priority, our country also aimed to achieve this without making substantial concessions on growth. Efforts were also directed toward narrowing the current account deficit and keeping financial balance under control. Following robust growth in the first quarter, economic activity slowed

## Esteemed Shareholders,

Welcome to the 64<sup>th</sup> General Assembly of Aygaz. On behalf of the Board of Directors, I extend my sincere greetings and look forward to a productive meeting.

In 2024, the global economy largely aligned with expectations. In developed markets, tight monetary policies and declining energy prices prompted central banks to initiate interest rate cuts as inflation neared target levels. Similarly, in

emerging economies, inflation remained close to central bank targets, creating a favorable environment for monetary easing. According to the latest IMF data, global inflation stood at 5% in 2024, while economic growth was recorded at 3.2%. The US economy expanded by 2.8%, driven by robust consumer spending, whereas growth in Europe remained sluggish due to persistent structural challenges.

considerably in the second half of the year. This deceleration was primarily driven by a sharp decline in real wage increases, coupled with tight monetary and credit policies. After remaining high until May, inflation began to decline in a controlled manner, supported by the real appreciation of the Turkish lira. High Turkish lira interest rates and limited exchange rate increases contributed to a decline in foreign currency deposits. Additionally, currency-protected deposits, posing a significant risk for Türkiye, dropped markedly, while the Central Bank's previously strained foreign exchange reserves began to recover. However, the tight exchange rate policy, which is expected to continue into the coming year, presents challenges for exporters by restricting their competitiveness.

Meanwhile, the global shift toward a low-carbon economy continues to drive investments in renewable energy as part of the efforts to combat climate crisis. Türkiye, with its existing infrastructure and technological capabilities, has the potential to secure a strategic position in this transformation. However, the country's ranking of 53<sup>rd</sup> among 67 nations in the 2025 Climate Performance Index, placing it in the "very low performance" category, underscores the need for more ambitious and intensive efforts. To remain competitive in this evolving landscape, Türkiye must accelerate investments in innovative technologies and alternative energy sources.

Türkiye plays a key role in the global LPG market, accounting for 7.5% of global consumption. It ranks as the second largest LPG market in Europe and tenth worldwide in terms of LPG use for energy. According to the World Liquefied Gas Association (WLGA), Türkiye, the second biggest autogas market in the world, is among the top three LPG-consuming

countries globally, alongside Russia and South Korea. Moreover, with an LPG-powered vehicle fleet of nearly 5.2 million units, Türkiye holds the leading position worldwide in this segment.

According to data from the Energy Market Regulatory Authority (EMRA), Aygaz maintained its leadership in the Turkish LPG sector in 2024. As per the December report, the company held a 41.6% market share in the cylinder gas segment and 22.1% in the autogas segment. Aygaz successfully concluded the year with a total sales volume of 2.4 million tons, generating consolidated revenues of TL 81.8 billion and a consolidated net profit after tax of TL 2.1 billion, demonstrating strong financial performance.

Committed to its vision of becoming a leading international LPG player, Aygaz continued to achieve positive results in its first overseas investment in Bangladesh. In line with its growth strategy in Asia, the company expanded its storage capacity to 16,000 tons and reached sales of 126,000 tons in the country by the end of 2024, while further strengthening its investments. As one of the largest LPG buyers in the Mediterranean, Aygaz reinforced its strong position in the international LPG market, accounting for 46% of Türkiye's total LPG imports in 2024. Additionally, the company enhanced supply security by adding a fourth LPG tanker to its fleet to transport imported gas.

Beyond its economic contributions, Aygaz remained committed to corporate social responsibility, supporting long-term initiatives in history, environment, education, sports, culture and the arts. As a brand that resonates with people of all ages, Aygaz played a key role in fostering social development through enduring projects. Inspired by Koç Holding's global leadership in the UN Women's Generation Equality Forum, Aygaz developed

technology and innovation programs for girls, young women and middle-aged individuals, making meaningful contributions to social progress throughout the year.

Guided by Koç Group's forward-looking vision, Aygaz remained committed to upholding the foundational values of our Republic, while supporting the sustainable development of Türkiye, its business partners, and the LPG sector in 2024. I have utmost faith that Aygaz will continue to take strategic steps that contribute to both the Koç Group's and Türkiye's bright future.

I would like to express my sincere gratitude to all our stakeholders, starting with our employees, dealers, suppliers, customers, unions, supply industry partners, and you, our valued shareholders, for your trust and support. Looking forward to reconvening next year in good health, I extend my warmest regards.

**Rahmi M. Koç**  
Chairman

# INDEPENDENT AUDITOR’S REPORT ON FINANCIAL STATEMENTS (OPINION)

## Opinion\*

We have audited the consolidated financial statements of Aygaz Anonim Şirketi (“the Company”) and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Turkish Financial Reporting Standards (“TFRS”).

\* The complete text of the Independent Auditor’s Report (opinion) is provided on pages 118-123.

## CONSOLIDATED BALANCE SHEET\*

(Thousand TL)	2024	2023
Total Current Assets	10,807,346	14,644,654
Total Fixed Assets	51,042,689	52,041,962
Total Assets	61,850,035	66,686,616
Total Short Term Liabilities	7,927,146	13,045,370
Total Long Term Liabilities	1,650,261	909,253
Total Shareholders' Equity	52,272,628	52,731,993
Total Equity and Liabilities	61,850,035	66,686,616

## CONSOLIDATED INCOME STATEMENT\*

(Thousand TL)	2024	2023
Revenues	81,773,124	93,607,612
Cost of Sales	-74,899,125	-86,442,381
Gross Profit	6,873,999	7,165,231
Operating Profit	875,349	305,275
Profit Before Tax	2,644,692	7,891,573
Net Profit	1,650,876	7,999,529
Net Profit – Parent Company Shares	2,122,621	8,596,186
Return per Share (Kr)	9,6570	39,1089

\* Unless otherwise stated, all amounts expressed in terms of the purchasing power as of December 31, 2024.



# BOARD OF DIRECTORS

2024

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**Mustafa Rahmi Koç**  
Chairman



**Mehmet Ömer Koç**  
Vice Chairman



**Alexandre François  
Julien Picciotto**  
Member



**Levent Çakıroğlu**  
Member



**Yağız Eyüboğlu**  
Member



**M. M. Gülay Barbarosoğlu**  
Independent Member



**Neslihan Tonbul**  
Independent Member



**Muharrem Hilmi Kayhan**  
Independent Member

## DIVIDEND POLICY

Our Company distributes profits within the framework of the provisions of the Turkish Commercial Code, Capital Market Regulations, Tax Regulations and other relevant regulations, as well as the article on profit distribution of our Articles of Association. In line with Corporate Governance Principles, a balanced and consistent policy is followed between the interests of the Shareholders and the Company.

In principle, as long as related regulations and financial resources allow, taking into consideration market expectations, our longterm company strategy, investment and financing policies, profitability and cash position, a minimum 50% of the distributable profit calculated in accordance with Capital Markets Regulations is distributed as cash and/or bonus shares.

Distribution of profit is aimed to be paid out at the latest within one month subsequent to the General Assembly Meeting; the date of profit distribution is resolved by the General Assembly. The General Assembly or, if authorized, the Board of Directors may decide to distribute the dividend in installments in accordance with Capital Markets Regulations.

According to the Company's Articles of Association, The Board of Directors may distribute advance dividends, provided that it is authorized by the General Assembly and complies with the Capital Markets Regulations.

# BOARD OF DIRECTORS' DIVIDEND DISTRIBUTION PROPOSAL

Esteemed Shareholders,

We have reviewed and accepted the Consolidated Financial Statements prepared by Aygaz A.Ş. management in accordance with the Turkish Financial Reporting Standards (TFRS) for the accounting period from January 1, 2024 to December 31, 2024 and audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. and resolved to present them to the General Assembly.

Upon review of these consolidated financial statements and Aygaz A.Ş.'s accounting records kept in accordance with the provisions of Tax Procedure Law (TPL), it was ascertained that:

- the consolidated financial statements, prepared in accordance with TFRS and pursuant to CMB's principle decision on inflation accounting on December 28, 2023, indicate TL 2,122,621,000.00 in net profit for the reporting year and TL 3,358,577,662.41 in net profit from its fiscal year activities according to TPL records;
- the net profit according to the consolidated financial statements prepared in compliance with TFRS in the amount of TL 2,122,621,000.00 increases to TL 2,145,439,443.11 first assessment base for dividend with the addition of TL 22,818,443.11 in donations (calculated according to the purchasing power on December 31,2024).

a. Accordingly, it has been resolved that setting aside a 5% as general legal reserve for 2024 pursuant to article 519 of the Turkish Commercial Code would not be required since the amount of general legal reserve in TPL records has already reached 20% of the capital as of 31.12.2024,

b. In compliance with the Capital Markets legislation, Article 17 of the Company's Articles of Association, and the Company's Dividend Policy approved by the shareholders at the General Assembly meeting on March 31, 2014, and taking into consideration the market expectations, the Company's long-term strategies, investment and financing policies, profitability and cash position, dividend distribution is proposed as follows:

TL 1,072,719,721.56 to be paid out to shareholders as first dividend

TL 857,934,827.38 to be paid out to shareholders as second dividend

TL 827,845,076.91 to be paid out to shareholders from retained profits

TL 274,750,958.75 to be set aside as general legal reserve

c. It is also proposed to pay out the total amount of TL 2,758,499,625.85 as the sum of dividends to the shareholders fully in cash.

d. Upon the General Assembly's acceptance of the dividend distribution proposal detailed above, it has been resolved that TL 2,758,499,625.85 in dividends to be paid out fully from current earnings and TL 274,750,958.75 for general legal reserves to be covered by current earnings. Of the total TL 2,758,499,625.85 to be paid out to shareholders in dividends based on the records prepared according to TFRS, TL 1,930,654,548.94 to be covered from net period profit and the remaining TL 827,845,076.91 to be covered from retained profits; and of TL 274,750,958.75 to be allocated for general legal reserves, TL 191,966,451.06 to be covered from net period profit and the remaining TL 82,784,507.69 to be covered from retained profits.

e. The balance of TL 325,327,077.81 in profit for the period according to TPL records after the dividend payout and general legal reserve deductions to be allocated for extraordinary reserves.

f. A gross=net cash dividend at the rate of 1,255.00% and in the amount of TL 12.55000 per share with a nominal value of TL 1.00 to be paid out to fully obligated corporations and our limited taxpayer shareholders who earn dividends through an office or a permanent representative in Türkiye; and a gross cash dividend at the rate of 1,255.00% and the amount of TL 12.5500 per share with a nominal value of TL 1.00, and net 1,066.75% and net amount of TL 10.6675 to be paid out to other shareholders;

and dividend payout to start on April 2, 2025.

## CANDIDATES TO THE 2025 BOARD OF DIRECTORS

Mustafa Rahmi Koç

Mehmet Ömer Koç

Alexandre François Julien Picciotto

Levent Çakıroğlu

Yağız Eyüboğlu

M. M. Gülay Barbarosoğlu (Independent Member)

Neslihan Tonbul (Independent Member)

Muharrem Hilmi Kayhan (Independent Member)

# REMUNERATION POLICY FOR BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

This policy document defines the remuneration system and practices adopted with regard to members of the board of directors and senior management who have assumed administrative responsibilities within the scope of CMB regulations.

Our company has determined the senior management staff as members of the board of directors, general manager, assistant general managers and directors directly reporting to the general manager related to the main field of activity of the company.

In accordance with Turkish Commercial Code and Article 12 of the Articles of Association of Aygaz A.Ş., a fixed remuneration is determined each year at the ordinary general assembly meeting for the membership functions of the Board of Directors, valid for the entire Board of Directors. Members of the Board of Directors are paid on a pro-rata basis, taking into account the time they have been in office as of the dates of their appointment and departure.

Executive directors on the board shall receive a payment within a determined policy for senior management, the details of which are specified below.

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 Corporate Governance Committee who is responsible for fulfilling the duties of the Nomination and Remuneration Committee in our Company.

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 Corporate Governance 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 cannot be used.

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 for Senior Executives consists of two components, which are fixed, and performance based.

Within the scope of remuneration policy, salary and fringe benefits management is organized and implemented as fair, objective, appreciating high performance, competitive, rewarding and motivating.

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. With the remuneration policy, it is aimed to increase the motivation and loyalty of the employees and to gain qualified employees who will ensure the achievement of the Company's strategic business goals, taking into account the internal wage balances and competitiveness in the market.

Bonuses for senior executives are calculated according to the bonus base, company performance and the individual performance in a way that will support the realization and exceeding of the Company's business goals, and encourage superior performance by rewarding sustainable success. A summary of the criteria is as follows:

- **Bonus Base:** Premium Baselines are updated at the start of every year and may vary according to the size of the workload of the executive position. Premium baselines are updated in the light of senior executive premium policies in the market.
- **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:** Determination of individual performance is based on individual and collective objectives and key results determined by Senior Executives together with their teams and managers. In measurement of individual performance, long term sustainable improvement in non-financial areas, compliance with Environment, Social and Governance (ESG) principles is a significant principle.

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.

*Information about the benefits provided to senior management in 2024 is available in note 32 to the financial statements (page 191).*

## GENERAL MANAGER'S MESSAGE



is the world's second largest autogas market after Russia. LPG continues to serve as a critical transition fuel in Türkiye's path toward carbon neutrality.

According to the Energy Market Regulatory Authority's (EMRA) December 2024 report, the autogas market shrank by 2.1%, while the cylinder gas market declined by 7.6%, resulting in an overall market contraction of 6.2% compared to the previous year. Despite this downturn, Aygaz maintained its market leadership through strong financial performance and operational excellence, securing a 41.6% share in the cylinder gas segment and a 22.1% share in the autogas segment. Additionally, Aygaz climbed to 25<sup>th</sup> place on the Istanbul Chamber of Industry's (ISO) 2023 list of Türkiye's 500 Largest Industrial Enterprises. As of year-end 2024, our consolidated revenues reached TL 81.8 billion.

Aygaz maintained its growth momentum abroad in 2024, continuing its steady expansion. Operating in Bangladesh, one of the world's fastest growing LPG markets, United Aygaz LPG further strengthened its position by increasing its capacity investments. By year-end, the company reached a sales capacity of 126 thousand tons and a storage capacity of 16 thousand tons. Meanwhile, our Gebze Plant continued to support Aygaz's ambition of becoming a global player by exporting cylinders, valves, regulators, bulk gas, and autogas station tanks to various international markets.

In 2024, we further enhanced our operational capabilities with the addition of a new LPG vessel, with a capacity of 38 thousand m<sup>3</sup>. This investment not only strengthens our logistical efficiency but also creates additional value within our supply chain. Meanwhile, our merger

### Esteemed Shareholders,

We have left behind another year of accelerating global transformation, marked by ongoing uncertainties and risks, particularly in the energy sector. Despite these challenges, we maintained our market leadership and continued to advance with a deepening focus on strategic business areas, driven by our belief that challenges also create great opportunities. Founded by the late Vehbi Koç and built on the ideals of the Republic, Aygaz remains committed to contributing to both economic and social development, as it has since its inception, while pursuing a sustainable growth strategy.

Despite evolving market dynamics and global volatilities, our core business LPG continues to hold a strategic position within the energy ecosystem and is expected to retain its significance in

the future. Its portability, sustainability, and accessibility reinforce optimistic projections for its continued role in the sector. According to the World LPG Association's (WLGA) 2023 report, global LPG consumption reached 357.6 million tons, while production stood at 359.4 million tons.

With an annual consumption of 4.4 million tons, LPG remains an important energy source both globally and in Europe. Türkiye, home to the world's largest LPG-powered vehicle fleet with approximately 5.2 million autogas vehicles, maintained its position as one of the leading autogas markets. Since 2011, autogas has consistently ranked among the most preferred fuels for passenger vehicles, and with an annual consumption of 3.5 million tons, Türkiye

of Sendeo with Kolay Gelsin began yielding the anticipated results, with the new operation achieving its highest-ever monthly volume by delivering 6.8 million packages in November. Another key strategic initiative was the decision to manage our natural gas and LPG businesses within a more integrated organizational structure. This move aims to enhance operational efficiency, optimize resource utilization, and further strengthen our competitive position in the sector. By creating greater operational synergy, this integration will also improve customer satisfaction. In addition, our investments in the Pürsu brand continued throughout the year. We expanded our İnegöl plant with new investments to increase production capacity and enhance the consumer experience. At the same time, we focused on improving our logistics infrastructure by enlarging our storage facilities to ensure greater efficiency in distribution.

At Aygaz, we are committed to expanding our culture of entrepreneurship and innovation across the organization. For this purpose, we intensified our collaborations with startups and strengthened our presence in the intrapreneurship ecosystem by encouraging active employee participation in innovation processes. The Aygaz Innovation Academy, which graduated its first participants in 2024, played a key role in fostering innovation. Through our intrapreneurship initiatives, we took significant steps toward commercializing our most promising projects and bringing innovative solutions to market. As a result of these efforts, Aygaz was awarded third place in the “Innovation Strategy” category at the Turkish Exporters Assembly’s (TİM) İnovaLIG competition. Additionally, we

were recognized among the top ten companies in Fast Company’s “Best Workplaces for Innovation” and “Best Workplaces for Innovators” surveys. Beyond corporate innovation, we continued to diversify and expand our product portfolio with solutions designed for outdoor use in response to evolving consumer needs. Meanwhile, our R&D Center contributed its expertise and experience to various projects through university-industry collaborations.

In 2024, we made strategic strides in digital transformation, significantly accelerating our progress in this critical area. With a focus on enhancing operational efficiency, we intensified our efforts in digitalization, artificial intelligence, and data analytics, working closely with our Information Technologies team. Through our Aygaz Mobile platform, we reached 41% of our home customers, a testament to the strength of our digital infrastructure and the deep connections we have built with our customers.

Beyond achieving our business objectives, we remain committed to contributing to social and cultural development through corporate social responsibility projects aligned with our approach of giving back to society. Throughout 2024, we continued to invest in the future by supporting numerous projects in culture and the arts, the environment, sports, and education. Our long-standing sponsorship of the Sagalassos Ancient City excavations, which began in 2005, continued this year under the leadership of a consortium that now includes Koç University. Additionally, we supported the İznik Tile Kilns Excavation, the Istanbul Theatre Festival, and various sports clubs. Our commitment to gender equality in

technology and innovation remained a key priority through our W-Energy for Equality program, launched under the Koç Group’s UN Women Generation Equality Forum initiative. As part of this effort, we introduced the “Yaşı Bile Olmaz” project in 2024 with our employees volunteering as trainers to provide basic digital literacy training to middle-aged and older individuals.

Aygaz’s journey has accompanied Türkiye’s modernization path since the very beginning, and we remain committed to our vision of advancing both our country and industry forward. With a strong domestic and international presence, we will continue to drive our company into the future with a forward-thinking approach. Looking ahead, we will continue to maintain our growth momentum by leveraging all our energy in line with innovative and sustainable strategies.

I have full confidence that we will build upon the trust-based relationships we have cultivated with our partners, customers, dealers, employees, and suppliers, who all play a key role in Aygaz’s continued success. I extend my sincere gratitude to all our stakeholders for their trust and contributions as we strive to reinforce our industry leadership.

**Melih Poyraz**  
General Manager



# EXECUTIVE MANAGEMENT 2024

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**Melih Poyraz**  
General Manager



**Gökhan Dizemen**  
Assistant General Manager  
Finance



**Ayşe Abamor Bilgin**  
Assistant General Manager  
Technical Affairs and Investments



**Ahmet Ercüment Polat**  
Assistant General Manager  
Sales\*



**Şenol Zafer Polat**  
Director  
Cylinder Gas Sales



**Hakan Öntürk**  
Director  
Autogas Sales



**Elifcan Yazgan**  
Director  
Supply Chain



**Esra Topkoç**  
Director  
Human Resources



**Gökhan Burak Gürbüz**  
Director  
Manufacturing



**Didem Kalkan Erdem**  
Director  
Marketing

*\* Replaced Fikret Coşar, who retired from this position on December 31, 2024 .*

# CORPORATE HISTORY

## 1961

- Aygaz starts operating under the registered title Gazsan Likit Gaz Ticaret and Sanayi A.Ş.

## 1962

- LPG filling and distribution operations launched at the Yarımcı Filling Plant.
- Dealership network established.

## 1963

- Registered title changed from Gazsan to Aygaz A.Ş.
- The first Aygaz ad campaign launched with the slogan, “TL 40 in cash, TL 40 in installments”.

## 1965

- First publicity campaign launched with French fries cooked using Aygaz cylinder gas given out to passersby from a delivery truck.

## 1967

- Ambarlı Filling Plant built.
- Türkiye’s first LPG vessel, M/T Aygaz set sail.

## 1970

- With the addition of Aliğa Filling Plant, five filling plants in operation.
- Aygaz starts selling chemicals.

## 1976

- All Aygaz management units consolidated at the new head office building in Zincirlikuyu, İstanbul.

## 1982

- The “blue seal cap”, a symbol of safety is introduced in Aygaz cylinders.

## 1984

- The first Aygaz mobile heater that uses cylinder gas is produced.

## 1988

- Modernization of Aygaz dealers begins to better serve customers.

## 1989

- Aygaz designs “Gavdem Machine”, the first LPG equipment to change valves without gas transfer.

## 1993

- 12 kg tall cylinders for homes and 24 kg commercial cylinders introduced to the market.
- Another first in marketing, with urban delivery trucks playing the Aygaz jingle on the streets.
- Installation of Aygaz Central Energy System in homes starts.
- All Mobil Oil Gaz A.Ş. shares acquired, and business rebranded as Mogaz.

## 1995

- Aygaz Hotline launched.
- Computerized customer code system implemented at dealerships.

## 1996

- “Guaranteed seal cap” introduced for cylinder gas.

## 1997

- “Aygaz 24” service and Automatic Tank Ordering System launched.

## 1998

- Aygaz renews corporate image and identity. New logo introduced with the first zeppelin of Türkiye.
- Aygaz enters the autogas market.
- New social responsibility campaign, “Aygaz Warns about Accidents at Home” launched.

## 1999

- Aygaz becomes the first company in LPG industry to qualify for ISO 9002 Certification.
- Aygaz starts using electronic gas leak detector, another first for Türkiye.
- Aygaz Patio Heater introduced to the market.
- Aygaz pioneers the propane era in the industry.

## 2000

- Aygaz named the “Most Successful LPG Company” at the Petroleum Türkiye ‘99 Achievement Awards.

## 2001

- With Aygaz A.Ş. and Gaz Aletleri A.Ş. (Gazal) merging under the brand Aygaz, all operations from production to sales consolidated under one umbrella.
- OTOAYGAZ LPG1, Türkiye’s first autogas brand, offered to the market.

## 2002

- “The Cautious Child”, a corporate responsibility project for raising awareness against accidents is launched.

## 2004

- Aygaz Euro LPG offered to consumers.

## 2005

- Aygaz stands apart in cylinder gas safety with the launch of hologram cap application.

## 2006

- As a first in Türkiye, Aygaz offers cylinder gas consumers the option to pay on delivery in installments or win loyalty points by credit card.

## 2007

- A special forklift tank is produced for forklifts.
- As part of the “Moonlight: Aygaz brings Light of Health” project, vaccination rooms of 81 family health clinics in 81 provinces are renovated.

## 2008

- Aygaz ranks among the top five financially transparent companies in Türkiye according to a report by Sabancı University and Standard & Poor’s.

## 2009

- Aygaz increases its stake in the Koç Statoil Gas to 98% and renames the company Aygaz Doğal Gaz.
- Aygaz Euro LPG+, Türkiye’s first autogas with additives, introduced to the market.

## 2010

- The social responsibility campaign “What Will the Weather Be Tomorrow?” launched against climate change.

## 2011

- Aygaz celebrates its 50<sup>th</sup> anniversary with a series of events participated by employees, dealers and industry representatives.
- Aygaz receives ISO 10002 Certificate, recognized worldwide as the symbol of a company’s excellence in customer satisfaction.

## 2012

- For the second consecutive year, Aygaz is recognized with the “Company to Adopt Consumer Satisfaction Principle” award at the 15<sup>th</sup> Annual Consumer Awards by the Turkish Ministry of Customs and Trade.

## 2013

- The merger of Mogaz with Aygaz completed.
- Aygaz becomes the first company to earn a “Customer-Friendly Brand and Customer-Friendly Enterprise” certification, a brand recognition launched by the Turkish Standards Institute.
- Opet Aygaz Gayrimenkul A.Ş. is established as a 50-50 partnership between Aygaz A.Ş. and Opet Petrolcülük A.Ş.

## 2014

- At the Türkiye Energy Summit, Aygaz Doğal Gaz wins the Golden Valve Award, and Aygaz the Golden Barrel Award.

## 2015

- Knightsbridge (Beykoz), a vessel with 11,000 m<sup>3</sup> capacity built in Japan in 2009, joins the Aygaz fleet.
- Aygaz becomes the first company to import shale gas-based LPG from the US into Türkiye.

## 2016

- Aygaz becomes a signatory of Women’s Empowerment Principles (WEPEs).
- Aygaz wins the Honor Ribbon at the European Business Awards.
- Aygaz develops the new sulphur-free LPG odorant, GreenOdor.

## 2017

- With the Cylinder Gas Tracking Project, Aygaz starts to record the journey of the cylinders from the filling plant up until delivery to consumers.

## 2018

- The Aykargo project is awarded in the “Collaborators” category at the Most Successful Koç Employees Awards Ceremony.
- Aygaz R&D Center is established, becoming a first among the LPG distribution companies in Türkiye.
- Aygaz General Manager is elected to the Board of Directors of the World LPG Association (WLPGA).
- Aygaz is listed in the BIST Sustainability Index, which includes publicly traded companies on Borsa İstanbul (BIST) with the highest corporate sustainability performance.

## 2019

- Aygaz signed a Share Purchase Agreement to buy 50% of the shares of United LPG Limited, a United Group company with a pre-license for LPG filling facility, to engage in LPG sourcing, filling, and distribution activities in Bangladesh.
- All shares of Bal Kaynak Su İthalat İhracat Sanayi ve Ticaret A.Ş. and the filling plant in İnegöl were acquired to expand the water business line and increase production capacity.

## 2020

- Aygaz Maxi was added to the Aygaz cylinder gas product range with the round and tall options.
- Pürsu became the official drinking water supplier of Fenerbahçe Sports Club in the 2020-2021 season.
- Aygaz was named Türkiye’s Best Employer in the 2019 Kincentric Best Employers survey.
- Two projects of Aygaz and one project of Aygaz Doğal Gaz, carried out in cooperation with SMEs, received grants as part of TÜBİTAK’s Call for SME Support for On-demand R&D Projects (On-demand R&D 2020).
- With the rise of domestic violence against women during the pandemic lockdowns, Aygaz used all its communication channels to support the efforts of UN Women.

## 2021

- Aygaz celebrated its 60<sup>th</sup> anniversary with a special commercial and book.
- Aygaz and United Enterprises completed the final signing procedures for incorporating United LPG Limited.
- Sendeo, the new brand name of Aykargo, which started operating in the distribution and last mile delivery sector in 2020, was introduced to the media.
- Pürsu was a winner in the Beverages category at the 2021 Worldstar Global Packaging Awards, organized by the World Packaging Organisation (WPO).
- Aygaz was recognized with the Good Design Award at Design Week Türkiye for two products: the Mini BBQ and Pürsu glass bottles.

## 2022

- Sendeo completed its organizational structuring across 81 provinces.
- Aygaz announced its commitment to promoting “gender equality.”
- United Aygaz LPG’s capital was increased to BDT 2.14 billion.
- Aygaz was recognized with first prize in the “Future of Work-Borderless Organization” category at the 2022 IDC CIO Summit with its AR-WE virtual office project.

## 2023

- Aygaz won an award for its Loading Robot project at the WLGA Global Technology Conference (GTC2023) in Rome.
- Aygaz launched its new autogas product Aygaz 100+ Octane.
- Sendeo was recognized with second prize in the “Customer-Centric Culture” category at the Customer Experience Awards Türkiye.
- Aygaz Innovation Academy established.
- Sendeo was named among Türkiye’s Best Employers by Kincentric.
- W-Energy for Equality Program was recognized with the Special Jury Award at the Corporate Intrapreneurship Awards by the Entrepreneurial Institutions Platform and Özyeğin University.
- W-Energy for Innovation and W-Energy for Future projects were named the best of the year by TEGEP in the Development Program for Supporting Women’s Participation in Professional Life category.

## HIGHLIGHTS OF 2024



Aygaz organized a **Sustainability Workshop** to determine long- and short-term sustainability goals.



**United Aygaz LPG commercial**, with an adaptation of the Aygaz jingle, started airing.



Aygaz ranked ninth in the “**Best Workplaces for Innovators**” and “Best Workplaces for Innovation” surveys conducted by Fast Company.



At the **63<sup>rd</sup> Ordinary General Assembly Meeting**, the company announced its consolidated revenues for 2023 as TL 64.8 billion.



Aygaz, boasting the largest LPG logistics operation in Türkiye, added the **fourth LPG tanker** to its fleet.



Aygaz participated in the **European LPG Association Congress** in Lyon, France.



Aygaz hosted the launch event of **the Women in Global LPG Network's Turkish Office** organized by the World Liquid Gas Association.



**The 2023 Aygaz Sustainability Report**, providing an overview of the company's environmental, social, economic and corporate management performance, and sustainability efforts, was published.





**Aygaz Startup Mentorship Program** was launched, with the first training hosted and moderated by Koç University Entrepreneurship Research Center (KWORKS).



Aygaz Group participated in the Townhall Meeting with the motto **“We Have So MuchEnergy!”** to review business results, look to the future and company goals together, and exchange opinions and suggestions.



First group of participants graduated from **Aygaz Innovation Academy**.



A new image film for **Aygaz 100+ Octane** was released.



Aygaz ranked third in the **Innovation Strategy category in the Turkish Exporters Assembly’s (TİM) İnovaLiG competition**.



Trainings started as part of the **“Yaşı Bile Olmaz”** program, organized with the participation of Aygaz employees as volunteering trainers to provide basic digital literacy training for individuals aged 40 and older.



Pürsu became the **official water supplier of Fenerbahçe Sports Club** for the 2024-2025 season. The brand also committed to be the shorts sponsor of Fenerbahçe Football A Team.



The project titled “Testing DME Production and Commercialization from Organic Waste with an Innovative Method” won first prize in the **“Best Product” category at the WLGA 2024 Global Technology Conference** in South Africa.



# TURKISH AND GLOBAL LPG INDUSTRY

LPG, preferred as a sustainable and environmentally friendly fuel, is anticipated to maintain its current position in the energy scale in the coming years.

Liquefied petroleum gas (LPG) is an energy source recognized as an efficient, transportable, readily available and sustainable fuel with environment-friendly properties. Like renewable energy, LPG is also gaining wider adoption. LPG is anticipated to maintain its current position in the energy scale in the coming years. According to the World Liquid Gas Association (WLGA), autogas holds a 7.5% share in global consumption, ranking fourth worldwide after domestic, petrochemical and industrial consumption. The global consumption of LPG reached 357.6 million tons according to the 2023 WLGA report, while global LPG production was 359.4 million tons.

### USA, TOP LPG PRODUCER

The United States of America (USA) was again the world leader in production this year. The USA, China, Saudi Arabia, Russia, and Canada, respectively, accounted for 60% of the total production as the top five countries. Even though oil, natural gas, and LPG are considered alternative fuels to one another, LPG production inevi-

tably accompanies oil and natural gas production. Despite some geographic and industrial changes, LPG production continues to increase in correlation with these two sources.

### CHINA, TOP LPG CONSUMER

As reported by the WLGA, global LPG consumption grew by 4.4% year on year to 357.6 million tons in 2023. The report also highlighted that LPG consumption increased by 91.5 million tons in the past 10 years, growing 1.34 times. In terms of the highest LPG consuming countries, China ranks first with 81.6 million tons, followed by the USA and India in the top three, which account for 45% of total global LPG consumption.

The 10-year fuel efficiency and decarbonization goals are expected to contribute to the structural decline in the demand for fossil-based transportation fuels in the long term while LPG is projected to grow further, particularly in the petrochemicals sector and potentially in the household markets.

## GLOBAL LPG INDUSTRY

### PRODUCTION

**359.4**  
million tons

- Top Producers**
1. USA
  2. China
  3. Saudi Arabia

### CONSUMPTION

**357.6**  
million tons

- Top Consumers**
1. China
  2. USA
  3. India



According to the World Liquid Gas Association report, LPG consumption increased by 91.5 million tons in the past 10 years, growing 1.34 times.

Combined share of China, the US and India in global LPG consumption

**45%**

**Turkish LPG market is the second largest in Europe and tenth in the world.**

**TÜRKİYE, THE SECOND LARGEST MARKET IN EUROPE**

Turkish LPG market is the second largest in Europe and tenth in the world. As of December 2023, 19% of total LPG demand in the Turkish market was met by domestic production and 81% by imports. LPG is imported primarily from Algeria, the USA and Russia among other countries.

ton. Throughout the year, LPG prices fared at USD 542/ton levels on average. However, in the first quarter of the year, supply concerns caused spikes in LPG prices, which rose to USD 568/ton in March. After a supply increase in April, May and June, along with high interest rates impacting growth and decreasing demand, LPG prices began to decline. The June price of USD 446/ton repre-

sented a 22% decrease compared to the March price. However, LPG prices started to rise again in June in contrast to the crude oil prices, mainly driven by rising demand for LPG in the Far East, Sonatrach’s production policy, and supply/demand dynamics, increasing by 34% and reaching USD 599/ton in November. In December, LPG prices saw a slight drop due to weak eco-

**LPG EXPORTS BY SEA ON THE RISE**

According to the 2024 report, maritime transportation of LPG has shown an increase worldwide. The number of tankers transporting LPG globally rose by 306 last year, reaching 1,669 with total capacity of 47.1 million cubic meters.

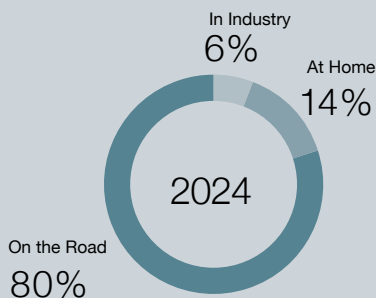
**VOLATILITY IN LPG PRICES**

The Algerian (SP) sourced LPG, which was priced at USD 531/ton in January 2024, closed December at USD 585/



**AREAS OF LPG USE**

EMRA December report





conomic data worldwide and concerns about demand for the winter months.

In terms of consumer prices in 2024, the market saw a 73% increase in autogas and cylinder gas. According to the Energy Market Regulatory Authority's (EPDK) December industry report, the Turkish cylinder gas market grew by 1.5% in 2023, driven by heightened demand in the manufacturing and construction sectors. Meanwhile, the autogas market expanded by 13.5% due to price increases remaining below inflation rates in the first half of the year and an economic advantage of 40%-45% in the autogas product over gasoline. The total market grew by 13.8%

year on year. In the same period, Aygaz cylinder gas sales followed a parallel trend to the market, while autogas sales grew by 11%, supported by its strong distribution network. Aygaz maintained its leading position throughout the year.

**According to the Energy Market Regulatory Authority's December report, the Turkish cylinder gas market shrank by 7.6% in 2024 to 0.6 million tons, while the autogas market contracted by 2.1% to 3.4 million tons.**

## AYGAZ IN 2024

Aygaz maintained its leading position in the Turkish LPG sector, remaining committed to its vision of becoming an international LPG player in 2024.

Aygaz, founded in 1961 as Koç Group's first company in the energy sector, has long been a generic LPG brand for consumers. As an integrated LPG company, Aygaz engages in a broad range of activities, including sourcing, storing, filling and selling LPG, manufacturing and selling pressurized containers and LPG equipment, and maritime transportation of LPG.

With superior quality, customer-centric approach and service excellence at the core of its way of doing business, Aygaz leverages its effective and extensive dealership network to reach its customers with drinking water products and last mile delivery services.

As part of its international expansion strategy, the company has extended its LPG operations to Bangladesh, bringing industry know-how and experience to the Asia-Pacific region.

### TÜRKİYE'S 25TH LARGEST INDUSTRIAL COMPANY

Aygaz has long maintained its position as the first and only publicly traded LPG

company in the country and ranked 25th in İstanbul Chamber of Industry's (ISO) 2023 list of the Top 500 Industrial Enterprises of Türkiye. With a deeply-ingrained corporate culture and qualified workforce, Aygaz uses a state-of-the-art technological infrastructure across all fields of operation. Keeping its focus on increasing sales in the domestic and international markets to elevate its current position through sustainable growth and efficiency, Aygaz has succeeded in maintaining its leadership in the LPG industry throughout the year, thanks to a broad product range, integrated business processes, and a dynamic organizational structure.

### CONTINUED LEADERSHIP IN THE LPG MARKET

According to the December report of EMRA, Aygaz continued to maintain its industry leadership in 2024 in the LPG market where nearly 80 companies operate.

As of the end of December, the overall market share of Aygaz stood at 25.2%, with 41.6% in the cylinder gas and 22.1%

### AYGAZ DISTRIBUTION NETWORK ACROSS TÜRKİYE

**2,010**

Cylinder gas dealers

**1,874**

Autogas stations



in the autogas segments. Aygaz's total domestic sales exceeded 1 million tons in 2024. With the addition of wholesale and exports, this volume amounted to 2.4 million tons, with a 15.1% year-on-year decrease. As of year-end 2024, Aygaz earned TL 81.7 billion in consolidated revenues.

#### AYGAZ, A GLOBAL LPG PLAYER

Pursuing its international growth strategy, Aygaz entered into a business partnership with the United Group in 2019 and established United Aygaz LPG Limited as a joint venture to operate in the fields of LPG supply, filling and distribution in Bangladesh. Starting to sell LPG in Bangladesh, the world's fastest growing liberal LPG market, in 2022, United Aygaz LPG sold 126 thousand tons in 2024 and grew its storage capacity to 16 thousand tons as investments continue to increase this capacity and to build a second facility.

#### EXPORTS TO FIVE CONTINENTS

Aygaz manufactures its own cylinders, valves, regulators, bulk gas and autogas station tanks at its Gebze Plant, which also exports these products to several countries and contributes to the company's mission of becoming a global player. Since 1962, Aygaz has manufactured more than 700 different types of products, nearly 80 million cylinders, 40 thousand tanks and 150 million valves and regulators, which are used in more than 60 countries on five continents.

#### AUTOGAS INNOVATIONS

As a leading autogas brand, Aygaz followed its sustainable innovation vision to develop environmentally friendly, innovative and high-performance products and introduced Aygaz 100+ Octane with a Research Octane Number (RON) of 100 to the market in

**As part of its international expansion strategy, Aygaz established United Aygaz LPG Limited in 2019 in Bangladesh as a joint venture with United Group.**

# 25.2%

**Aygaz's share in the Turkish LPG market**

**With artificial intelligence technologies gaining momentum, the number of projects tripled in 2024 by increasing the workforce in the R&D Information Technologies department.**

2023, earning the appreciation of both converters and consumers. Image communications for Aygaz 100+ Octane continued with the commercial film released in June 2024, while campaign films were launched in April and October for promotional communications.

#### **AI-DRIVEN DIGITAL TRANSFORMATION**

In alignment with its growth and profitability targets, Aygaz established a Data Analytics department under the Information Technologies and Digital Transformation Department, aiming to improve data-based decision-making competencies and streamline business processes. As artificial intelligence (AI) technologies gain more momentum, the number of projects tripled by increasing the workforce in the R&D Information Technologies department.

With the reinforcement of the Information Technologies structure , AI-driven projects such as Optima, Price Analytics and Facility Image Processing were launched. The objective of the Optima project is to enhance operational efficiency with reliable sales forecasting, map-based live operation tracking, and route optimization in autogas distribution planning processes. The Price Analytics project focuses on improving pricing strategies using advanced data analytics and increasing profitability. The facility projects deployed with image processing and video analytics technologies will lead to a decrease in production errors and an improvement of efficiency in inventory and distribution processes.

Focusing on creation next-generation customer experience, Aygaz continued its e-commerce activities this year. Pürsu products were offered via Aygaz Mobile and Aygaz Web apps. Campaigns were designed to increase sales in partnership with Yapı Kredi Blue Class, Chippin, Arçelik, Fenerclub, and Hopi. The shopping experience was elevated with an offering of more than 450 products, 200 campaigns, and special deals in the mobile app. With enhancements in user experience, 41% of home customers place their orders via Aygaz e-commerce channels.

#### **INNOVATION AND INTRAPRENEURSHIP CULTURE AT AYGAZ**

As a company that recognizes the importance of building an innovation and intrapreneurship culture within the organization, Aygaz continued to foster this culture in 2024. Aygaz focuses on encouraging the employees to participate more actively in determining company strategies, supporting startup collaborations and initiatives, promoting



mentoring, and positioning the company more effectively within the ecosystem. In 2024, intrapreneurship activities continued seamlessly, while three projects moved to the commercialization stage, with Aygaz managing five active intrapreneurship projects in total.

Throughout the year, Innovation Academy projects, strategy workshops, design thinking workshops in facilities and over 100 ideas and project proposals with commercial potential were received and evaluated through the Aythink innovation portal. Aygaz Innovation Academy, established in September 2023, graduated its first group of participants in 2024.

### HIGH CUSTOMER SATISFACTION

Ensuring ultimate customer satisfaction is a key priority for Aygaz. According to the results of independent surveys conducted since 2003, Aygaz Group brands rank among those with the highest customer satisfaction in both the cylinder and autogas segments. Aygaz continuously diversifies and expands its product range in response to evolving customer demands and needs, while elevating its service quality in collaboration with its autogas and cylinder gas dealers. With an extensive distribution network consisting of 2,010 cylinder gas dealers and 1,874 autogas stations across Türkiye as of year-end 2024, Aygaz meets the demands of customers quickly and safely. This strong distribution and service network delivers cylinders of Aygaz and its other brands to nearly 40 thousand homes every day, while more than 240 thousand autogas-powered vehicles fill up their tanks with Aygaz autogas at the stations.



### ROBUST INFRASTRUCTURE FOR SOURCING

Aygaz, which accounted for nearly 46% of the total LPG imports into Türkiye in 2024, works with a wide range of suppliers of different origins to streamline its LPG operations. With a robust infrastructure and high sales volume, Aygaz is one of the few companies capable of discharging the largest LPG vessels on its own and at a single port.

### TÜRKİYE'S LARGEST LPG LOGISTICS OPERATION

Aygaz operates the largest LPG truck fleet in Türkiye with more than 300 tanker trucks, nearly 200 cylinder gas transportation trucks, and over 600 drivers, traveling 47 million kilometers and making 98 thousand trips every year. Aygaz runs its LPG logistics operations by applying various linear scheduling tools as part of the logistics optimization efforts to deliver its products from source to customer at a minimum total cost.

# 600+

Types of products sold on Aygaz e-commerce platforms

**Aygaz Innovation Academy, launched in September 2023, graduates its first group of participants in 2024.**



**Aygaz boasts the largest LPG storage capacity in Türkiye with a total of 178 thousand cubic meters.**

The company uses the Station Inventory Management and Tanker Routing Systems to plan LPG supply to the autogas stations.

These systems make it possible to manage the distribution network through person-independent optimized routes by automatically creating order requests and contribute to improved efficiency and dealer satisfaction. Aygaz ensures that suppliers and drivers comply with the procedures, communiqués and instructions on occupational health and safety and provides training to all drivers for road and driving safety.

67,000 cubic meters with four specially equipped, full-pressure carriers with an average age of 15 years. In 2024, Anadoluhisari Tankercilik accounted for 10% of Aygaz's maritime procurement and transportation activities. Kuzguncuk M/T and Beykoz M/T are used for Aygaz's sourcing and export transportation, while M/T Beylerbeyi is currently chartered out on a long-term contract.

#### **FACILITIES IN WORLD STANDARDS**

Aygaz operates world-class facilities, including five sea terminals, five filling plants, eight distribution centers, and a pressurized container and accessory manufacturing plant, all equipped with the latest technologies. With a total of 178,200 cubic meters, Aygaz boasts the largest LPG storage capacity in Türkiye.

#### **THE INDUSTRY'S FIRST AND ONLY R&D CENTER**

Aygaz R&D Center is the first and only of its kind among the LPG distribution companies in Türkiye. In 2024, the



#### **INTERNATIONAL MARITIME TRANSPORTATION OF LPG**

In addition to road transportation, Aygaz has also been actively involved in maritime transportation of LPG since 1967. In 2010, Aygaz assigned the management of its LPG carriers to its subsidiary Anadoluhisari Tankercilik A.Ş. The fleet currently has a total capacity of

Center primarily focused on R&D projects involving digitalization, increasing LPG usage, and reducing emission levels and carbon footprint.

In R&D, Aygaz mainly focuses on developing innovative and sustainable energy solutions for the energy sector. Accordingly, the Center designs and executes projects to increase both the product efficiency and environmental advantages of LPG. Looking ahead, the Center aims to maintain its competitive advantage with digitalization projects and environmentally friendly technologies.

### SMART PRODUCTION, EFFICIENCY AND PEOPLE-CENTRIC APPROACH

At the Gebze Plant, smart factory work continued at full steam, while preparations for transitioning to full automation were completed in 2024. Thanks to the automation system created with machines engineered at the plant, production capacity and labor were improved in the camp/medium-sized cylinder line. Early warning systems deployed for error and maintenance management.

Activities and initiatives to foster employee loyalty such new lounge areas for the employees, the opening of a gym, and entertaining field training, resulted in ensuring high employee satisfaction.

### STRATEGIC BUSINESS AREAS

**Aygaz Doğal Gaz:** Aygaz Doğal Gaz, founded to become a diversified player in the natural gas market, is engaged in the sales of piped and liquified natural gas (LNG), while following the market closely to seize new business opportunities.

**Bal Kaynak Su (Pürsu):** The natural spring water business of Aygaz is carried out through its subsidiary Bal Kaynak Su. Aiming to expand the scope of

water distribution through its dealers and ensure sustainable production, the company delivers water to the consumers under the Pürsu brand. With an extensive distribution network, quality service approach, and focus on well-being and hygiene, Pürsu has soon become a leading brand in the bottled water sector.

### Sendeo – Kolay Gelsin Delivery

**Services:** Sendeo was founded with the mission of creating added value for shareholders and dealers by leveraging the brand power, extensive dealer and station network, facility infrastructure, and home delivery experience of Aygaz. Born from the intrapreneurship efforts within Aygaz, Sendeo evolved from an idea into a last mile delivery business. Following the incorporation of the company and building an extensive delivery network across Türkiye, Sendeo entered into an equal partnership with Kolay Gelsin on June 28, 2024, now operating under the “Kolay Gelsin” brand.

### AYGAZ, INCREASING VALUE THROUGH FINANCIAL INVESTMENTS

**Enerji Yatırımları (EYAŞ):** Aygaz holds a 20% stake in EYAŞ, which owns 46.4% of Tüpraş shares. Therefore, Aygaz has an indirect share of 9.3% in the capital of Tüpraş. EYAŞ was founded in 2005 to acquire 51% of the shares of Tüpraş, the largest industrial corporation of Türkiye, from the Privatization Administration. As the pioneering producer in the refinery industry in Türkiye, Tüpraş operates in refining, distribution, oil and petroleum products, and maritime transport. With an annual crude oil processing capacity of 30 million tons, Tüpraş is among the largescale refinery companies in Europe.

**Koç Financial Services (KFS):** Aygaz holds an indirect stake of 1.6% in the capital of Yapı ve Kredi Bankası A.Ş. through its shares in Koç Finansal Hizmetler A.Ş., which brings together the Koç Group subsidiaries in the finance sector under one umbrella.

**Other:** Aygaz also holds 2.5% stake in Ram Dış Ticaret A.Ş.







THE **ENERGY** OF AYGAZ IS  
THE **ENERGY** OF LIFE

As the first light of morning begins to  
wake up the city,

A stove is lit, tea is brewed, tables  
are set.

Families gather, sharing precious  
moments.

The energy of Aygaz fuels the  
warmth of life.

## CYLINDER GAS

Aygaz develops new products in response to evolving consumer expectations in the cylinder gas segment, while diversifying its sales channels.



Aygaz, a pioneer in the LPG industry with countless innovations, maintained its leadership in the cylinder gas market in 2024. Recognized as the most trusted LPG brand and synonymous with cylinder gas in Türkiye, Aygaz holds 25.2% market share according to EMRA's December 2024 industry report.

Aygaz currently works with 2,010 cylinder gas dealers across the country, delivering its products to the customers. Aygaz aims to reinforce this strong bond with its customers by offering not only cylinder gas but also other products such as premium barbecues, heaters, and camping, camper van and boat equipment that make life on the go easier.

### DIVERSE PRODUCT RANGE

With a dynamic and energetic brand image, Aygaz monitors the constantly evolving customer expectations and responds with new product developments, prioritizing solutions to different needs. Aygaz leverages the

features of LPG as the most practical and transportable energy source to expand its product range with options that can be used outdoors. Aygaz continues to diversify its offering with a steadily growing product range developed for the Turkish market.

Aygaz Mini product has been developed as a novelty to the camp cylinder concept. In addition to serving as a spare for regular household cylinders, Aygaz Mini is available with highly popular complementary products such as special cooktops, a practical barbecue and a heater, designed by the Aygaz R&D teams. Presented in stylish designs, these products are particularly preferred for outdoor use by campers and people living in camper vans. In addition to the cartridge stoves with high safety features, Aygaz also introduced cartridges with high combustion properties in cold weather as a first in the Turkish market. Aygaz will continue to develop more products in this category.



**2,010**  
cylinder gas dealers

**By offering products such as premium barbecues, heaters, and camping, camper van and boat equipment that make life on the go easier, Aygaz reinforces its strong bond with its customers.**

Aygaz's wide variety of camping cartridges are highly popular with nature lovers and camping enthusiasts. In addition to the cylinders produced specifically for the camper van and marine segments, Aygaz also offers special regulators and other LPG equipment to meet various customer needs.

### INCREASING CONSUMER AWARENESS

Aygaz recognizes the importance of raising awareness among the consumers regarding the safe use of its products. Therefore, the company plays an active role in spreading and implementing the European standards in Türkiye and participates in industry events promoting user safety as well as trade fairs and events to inform consumers.

### ONLINE SALES CHANNELS

As e-commerce enjoys rapid growth in recent years, so do the online sales channels. Aygaz had already anticipated this development and started a digital transformation in 2018, later launching an online cylinder gas sales platform as a first in the Turkish market. The Aygaz Mobile app was introduced in 2022 with new features, quickly gaining the appreciation of the customers. Then, Aygaz e-Store was launched as a new e-commerce system, offering more than 600 different products along with Aygaz cylinders and all other equipment that Aygaz customers may need on a single platform.

Aiming to enhance the digital capabilities of its dealers as well, Aygaz built a system on an address infrastructure that enables the orders to be automatically placed with the most suitable dealer



and to communicate the orders received every day to the right dealers across the country. As a result, Aygaz launched the only e-commerce platform with these features on to the Turkish market. In addition to the Aygaz mobile app and Aygaz e-Store, the e-commerce platform of Aygaz on [www.aygaz.com.tr](http://www.aygaz.com.tr) has also continued to sell LPG-powered devices and equipment in a wider range of products, which have seen great interest from the customers. Currently, the website lists more than 600 products in multiple categories, including patio and indoor heaters, barbecues, camping stoves, accessories, and spare parts categories, all powered by LPG.

In addition to its own sales channels, Aygaz aims to make the most of customer traffic in the e-commerce world by continuing to open official stores in Türkiye's leading marketplaces.

### COMMUNICATIONS AND CAMPAIGNS

Aygaz Mobile app, available on iOS and Android platforms, and designed to create an effective user experience by offering cylinders and devices on a single platform, was introduced during a digital launch event. Communications and campaigns continue to increase app downloads.

During the year, cylinder gas discounts are offered in specific cities or provinces. Furthermore, potential consumers in certain regions are targeted with regular communications. In addition to cylinder gas, the barbecues, heaters and camping equipment are also highlighted in campaigns and related communications.

# AUTOGAS

Following its vision to develop environmentally friendly, innovative and high-performance products, Aygaz introduced Aygaz 100+ Octane to the market last year, earning the approval of customers.

Aygaz has been instrumental in the development of the autogas sector, which has a history of 26 years in Türkiye. Operating with the most extensive distribution network in Türkiye, Aygaz caters to autogas users through 1,800+ autogas stations across the country. Aygaz remains the undisputed leader of the autogas segment with 22.1% market share according to EMRA's December 2024 report. Aygaz selects its stations by considering the market developments and boasts station sales efficiency above the industry average. With the addition of newly opened stations in 2024, Aygaz continues to provide quality service to a broader customer base. Aygaz also strives to foster the healthy development of the market by working in partnership with converters, the key stakeholder of the autogas sector.

## DEVELOPMENTS IN THE AUTOGAS MARKET

As fuel prices increase, autogas

becomes a more economical fuel solution that consumers consider, leading to higher consumption in 2024. In Türkiye, 32.2% - corresponding to 5 million 157 thousand – of the 16 million registered passenger cars are powered by LPG as of October 2024.

Advanced autogas conversion systems contribute to high performance, safety and fuel economy, while the high quality autogas offered by Aygaz receives positive feedback from consumers. The healthy development of the market is also supported by the automotive industry selling new LPG-powered vehicles.

## HIGH PERFORMANCE WITH AYGAZ 100+ OCTANE

As a leading autogas brand, Aygaz followed its sustainable innovation vision to develop environmentally friendly, innovative and high-performance products and introduced Aygaz 100+

**In Türkiye, 32.2% - corresponding to 5 million 157 thousand – of the 16 million registered passenger cars are powered by LPG.**

**1,874**  
autogas stations





Octane with a Research Octane Number (RON) of 100 to the market in 2023. Aygaz 100+ Octane, compliant with the TS EN 589 autogas quality standard, ensures efficient combustion in the engine, prevents engine pinking, and improves exhaust emissions, delivering high performance for autogas users. Aygaz 100+ Octane delivers performance equivalent to gasoline, earning the approval of both converters and consumers. Aygaz 100+ Octane, which does not contain any additives, helps obtain the best possible performance from autogas by combining the advantages of LPG's natural ingredients and high Aygaz quality. It also keeps exhaust emissions low by ensuring complete combustion of fuel. Aygaz introduced its first "quality autogas" product in 2001 as a major breakthrough in the market, and in 2023, reinforced its position as an innovative company with the launch of its 100+ Octane product.

### COMMUNICATIONS AND CAMPAIGNS

The communications for Aygaz 100+ Octane, which was launched with the Silver Apple Award-winning commercial film featuring Fenerbahçe's star striker Edin Džeko, continued with image and campaign films in 2024. The new films highlighted Aygaz 100+ Octane's superior performance and fuel economy by guaranteeing at least 100 octane even in the toughest conditions and

featured the stories of various people across Türkiye on their Aygaz 100+ Octane-powered journeys. The film, which emphasizes the high performance of Aygaz 100+ Octane, especially in winter conditions, premiered in 2023 and continued to be aired in the first months of 2024.

The promotional campaign launched in April offered autogas users a chance to earn 25% discount on barbecues, heaters and camping products in addition to Otogaz Points. The campaign communications included thematic commercials: "You Can't Guarantee that the Traffic Will Flow," "You Can't Guarantee that it Won't Rain After Washing the Car," "You Can't Guarantee that a Goal Will be Scored in this Match," and "But Aygaz 100 Octane Guarantees at Least 100 Octane and Savings." After the campaign, Aygaz 100+ Octane's communications continued with the image film titled "Gazla" (Step On It). Sezen Aksu's famous song "Rakkas" was used for the jingle of the "Gazla" commercial, which premiered in June. A new promotional campaign launched in October offered Otogaz Points, while emphasizing the product's performance and savings.

Aygaz continued to update the corporate identity at the stations selling the 100+ Octane product in 2024.

**Aygaz 100+ Octane, compliant with the TS EN 589 autogas quality standard, ensures efficient combustion in the engine and improves exhaust emissions, delivers performance equivalent to gasoline.**



## BULK GAS

Aygaz holds a 37% market share in the bulk gas segment.



Bulk gas is an energy source used in the homes for heating, hot water, and cooking needs and in production by commercial and industrial enterprises.

With LPG losing its cost advantage over natural gas in 2024, Aygaz Bulk Gas customers' LPG consumption began to decline gradually. Additionally, natural gas and LNG networks, which offer cost advantages over LPG, are expanding more widely, encouraging more residential and business customers who use LPG for heating purposes to turn to alternative systems.

As a result of these developments, the bulk gas segment' share dropped to 3% in the Turkish LPG market according to the December 2024 report of EMRA. Meanwhile, bulk gas accounted for 4% of Aygaz's total domestic retail sales.

### STANDARDIZED LPG

The standardized LPG suitable for aerosol production, used as a raw material in the aerosol industry and also by food packaging and insulation manufacturers, has a significant share in bulk gas sales. With growing orders from exporter clients, Aygaz's standardized LPG sales surpassed 33,000 tons in 2024.

**With growing orders from exporter clients, Aygaz's standardized LPG sales surpassed 33,000 tons in 2024.**

## GEBZE PLANT

Contributing to Aygaz's mission of becoming a global player by exporting its products to several countries, Gebze Plant focused on smart factory efforts in 2024.

The Gebze Plant manufactures the cylinders, valves, regulators, bulk gas and autogas station tanks that Aygaz uses. The facility is spread on an open area of 52 thousand square meters and an indoor area of 27 thousand square meters within the Gebze Organized Industrial Zone. Contributing to Aygaz's mission of becoming a global player by exporting its products to several countries, Gebze Plant holds ISO 9001 Quality, ISO 14001 Environment, ISO 45001 Occupational Health and Safety, ISO 10002 Customer Satisfaction, ISO 50001 Energy, and ISO 27001 Information Security Management Systems certifications. More than 700 types of products, including 80 million cylinders, 40 thousand tanks and 150 million valves and regulators, manufactured by Aygaz since 1962, are used in 60 countries on five continents.

### SMART PRODUCTION AND EFFICIENCY

In 2024, smart factory efforts continued at full steam at the Gebze Plant. Thanks to the machines previously developed at the plant, the production figures and labor of the camp cylinder/medium size cylinder line were improved by 14%, while preparations for transition to full automation were completed. Early warning systems were deployed in error and maintenance management, with local automations enabling solutions before faults occurred. Several projects were implemented for proper and efficient energy, saving 271 thousand kWh/year

of electricity and 130 thousand kWh/year of natural gas. The newly commissioned lines yielded 10% savings in wet paint and 14% in powder paint.

### CUSTOMER SATISFACTION-FOCUSED APPROACH

As always, employee satisfaction remained a priority. Activities and initiatives such as upgrading the HVAC systems in the lounge areas, and renovation and reopening of the gym to all the employees resulted in a notable increase in employee satisfaction.

### PRODUCTION AT GEBZE PLANT

Aygaz products, manufactured at the

Gebze Plant and exported to 60+ countries, are preferred for their high quality, reliability and durability. Aygaz boasts a broad range of products, including LPG cylinders, bulk gas tanks, valves and regulators, for different needs and applications. In 2024, Gebze Plant continued to play a key role in product development at Aygaz. Following the revisions in the cylinder production lines for the products manufactured at the Gebze Plant for exports, new products could be offered to new markets and LPG clients, resulting in an expansion in the geographical reach of exports.



## SUPPLY CHAIN

Aygaz is an integrated LPG company safely delivering its products from the facilities to the customers at minimal cost using its maritime and road fleets.

Supply chain is a crucial part of operations for Aygaz as an integrated LPG company. Therefore, Aygaz works with a wide range of suppliers of different origins to streamline its LPG operations. In addition to engaging in retail sales, Aygaz also works with third parties, growing its LPG trade over the years to reach a total LPG volume of 2.4 million tons. With this volume, Aygaz ranks among the largest LPG buyers in the Mediterranean and holds a key position in the international LPG market, accounting for 46% of total LPG imports into Türkiye in 2024.

### ROBUST SOURCING INFRASTRUCTURE

With a robust infrastructure and high sales volume, Aygaz, is one of the few companies capable of discharging the largest LPG vessels on its own at a single port. With the highest inventory turnover

rate among the importers with maritime operations, Aygaz boasts a monthly cycle of three at its port terminals. Aygaz also handles at least one ship per day on an annual average at its own ports and others, utilizing its strong logistics infrastructure to the maximum while ensuring product traceability at all times. Aygaz recognizes the importance of diversifying its portfolio to ensure supply security and therefore purchases from 11 different origins and 14 suppliers. Embracing the same strategy, Aygaz also diversifies its delivery methods, receiving the products from suppliers at the port or using its own tanker ship fleet in imports.

### THE LARGEST LPG LOGISTICS OPERATION IN TÜRKİYE

Aygaz operates the largest LPG truck fleet in Türkiye with more than 300 tanker trucks, nearly 200 cylinder gas transportation trucks, and over 600 drivers, traveling 47 million kilometers and making 98 thousand trips every year.

Aygaz runs its LPG logistics operations applying various linear scheduling tools as part of logistics optimization to deliver its products from source to customer at minimum total cost. The company uses the Station Inventory Management and Tanker Routing Systems to plan LPG supply to the autogas stations. These systems make it possible to manage the distribution network through person-independent optimized routes by automatically creating order requests and contribute to improved efficiency and dealer satisfaction. Aygaz ensures that suppliers and drivers comply with the procedures, communiqués and instructions on occupational health and safety and provides training to all drivers for road and driving safety.



## Anadoluhisari Tankercilik



As an integrated LPG company, Aygaz is actively engaged in land transport and maritime transport. Aygaz began to transport LPG by sea in 1967 and later transferred the management of its vessels to its subsidiary Anadoluhisari Tankercilik in 2010. Following the addition of a new tanker in 2024, the fleet currently consists of four specifically equipped and fully pressurized tankers with a total capacity of 67,000 cubic meters and an average age of 15 years. In 2024, Anadoluhisari Tankercilik accounted for 15% of Aygaz's maritime procurement and transportation activities, including chartered vessels. One of the company's tankers, Beylerbeyi M/T, is currently chartered out on a long-term lease.

### INTERNATIONAL CERTIFICATIONS AND INSPECTIONS

Anadoluhisari Tankercilik operates with multiple international management system certifications on International Safety Management (ISM Code), Quality (ISO 9001:2015), Environment (ISO 14001:2015), and Occupational Health and Safety (ISO 45001:2018). In addition to these certifications, the

company's vessels have been assessed by major oil companies in accordance with the Tanker Management Self-Assessment Model since 2008. Moreover, the vessels that the company operates are inspected and certified in accordance with the International Ship and Port Facility Security (ISPS) Code.

The company successfully completes the audits that major oil suppliers conduct on the Anadoluhisari Tankercilik vessels regularly as well as other inspections required by applicable regulations (class, flag state, port state, insurance, etc.).

### COMPLIANCE WITH ENERGY EFFICIENCY INDEX

Anadoluhisari Tankercilik also assesses energy efficiency. The Energy Efficiency Design Index (EEDI), introduced in 2013 as an important technical measure for the use of energy-efficient equipment and engines on ships, is only applied to ships built after that date. For ships without EEDI, both the Energy Efficiency Existing Ship Index (EEXI) and the Carbon Intensity Index (CII) were introduced on January 1, 2023 applicable to the entire fleet.

In alignment with the IMO's carbon emission guidelines, the EEXI Energy Efficiency calculations were made for main and auxiliary engines, while methods were studied in terms of compliance with the rule in 2023. Ultimately, the EPL (Engine Power Limitation) method was selected with respect to ship/engine type and usability, and the equipment was installed in the fleet vessels during the 2023 maintenance period.

Following the EEXI calculations, the CII came into effect. Ships' carbon emissions are reported and verified annually in accordance with both the International Maritime Organization and the European Union guidelines. The European Union will begin collecting carbon taxes on carbon emissions starting in 2024 with the first tax payment due in September 2025.

In 2023 and 2024, silicone paint was applied on Kuzguncuk M/T and Beykoz M/T to reduce carbon emissions.



AYGAZ  
Mogaz Lipekgaz

AYGAZ

Mogaz Lipekgaz

23  
1965

THE **ENERGY** OF AYGGAZ IS  
THE ENERGY OF **ROADS**

At the break of day,

An engine starts, roads are covered,  
as new discoveries unfold.

Different lives converge at the same  
crossroads.

The energy of Aygaz  
powers safe travels.

## UNITED AYGAZ LPG

Since starting its sales operations in Bangladesh in 2022, United Aygaz LPG has continued to increase its capacity and sales.

As part of its global expansion strategy, Aygaz established United LPG Limited as a joint venture with sourcing, filling and distribution operations in the Bangladesh market in 2021. As of year-end 2024, United LPG has reached 200 dealers and 12,000 retail sales points, a combined sales volume of 126 thousand tons in retail and wholesale, and USD 107 million in total revenues.

### AYGAZ, A GLOBAL PLAYER

Bangladesh is among the world's fastest growing liberal LPG markets, with a compound annual growth rate of 12% between 2018 and 2023. According to WLGA data, the total LPG market grew from 518 thousand tons in 2017 to 1.6 million tons in 2023. Currently, 30 licensed LPG companies operate in the Bangladesh LPG market, where household use accounts for 85% of

the total consumption. The World Bank data indicates that Bangladesh's GDP per capita was USD 2,688 in 2022 and USD 2,529 in 2023. Bangladesh is also one of the most densely populated countries in the world with a population of 173 million.

Aygaz initiated negotiations with the Bangladesh-based United Group in 2019. The purpose of the intended equal partnership was to operate in the Bangladesh market to source, fill and distribute LPG by making the necessary investments. On January 20, 2021, Aygaz acquired 50% stake in United LPG Limited, which already held a pre-license for LPG but was not operational yet, for Taka 50 million (~USD 605 thousand). The joint venture company established with 50-50 equal management rights was registered as United LPG Limited in Bangladesh, and

**United Aygaz LPG's combined sales revenues of retail and wholesale reached USD 107 million by the end of 2024.**



UNITED AYGAZ LPG  
IN NUMBERS

**200**  
DEALERS

**278**  
EMPLOYEES

**12** thousand  
SALES POINTS

**126** thousand  
TONS SALES

was renamed United Aygaz LPG at the beginning of 2023.

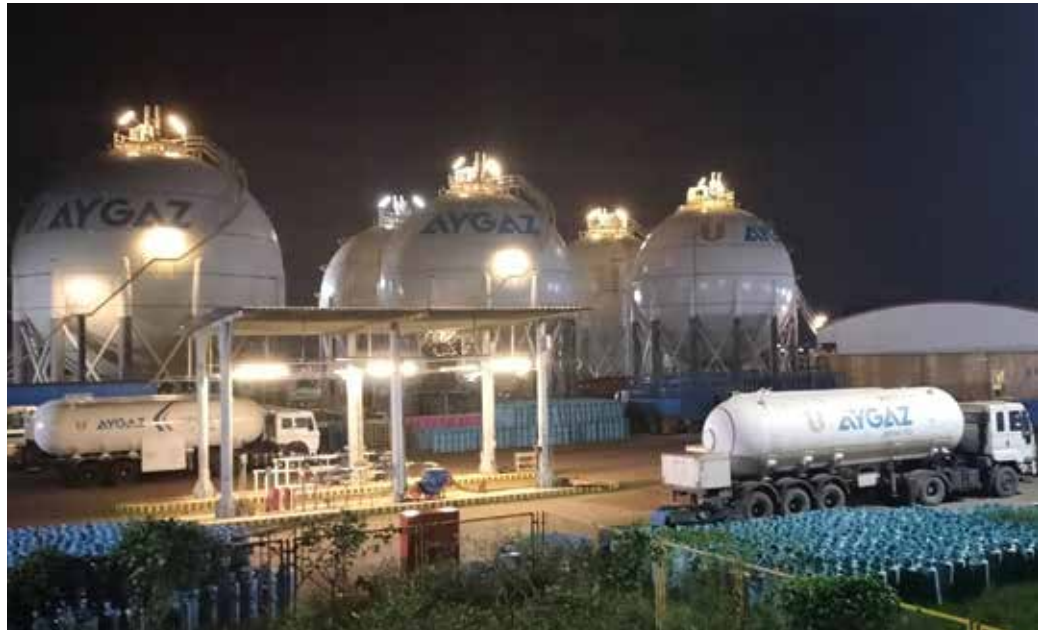
### CAPITAL SHARE

Following the capital increases in 2021, 2022 and 2023, the capital of United Aygaz LPG reached Bangladesh Taka (BDT) 5,844 million (USD 61 million) as of year-end 2023. On June 2, 2024, United Aygaz LPG's capital was increased by BDT 1,652 million (~USD 14 million) from BDT 5,844 million to BDT 7,496 million (USD 75 million), and Aygaz participated in this increase in proportion to its share.

### INFRASTRUCTURE WORK

United Aygaz LPG completed the first phase of the investments in the main terminal in Chittagong (Chattogram), which started in 2021, as laid out in the business plan, and began to sell cylinder gas in 2022. The terminal's storage capacity reached 6 thousand tons at the end of 2022 and later to 11 thousand tons with the ongoing investments. By the last quarter of 2024, the storage capacity in Chittagong rose to 16 thousand tons. As a result, 11 thousand tons of LPG was discharged in one go by a handy-size ship for the first time in 2024. LPG is shipped by vessels to ensure supply security as a critical factor.

After the No Objection Certificate (NOC) and explosive materials license were obtained for the second facility to be built in Dhaka, construction and installation works started in 2024. The facility, slated for commissioning in 2025, will increase the inventory capacity of United Aygaz LPG to 19 thousand tons in total. As the fixed asset investments continued, the company started to hire qualified employees that meet the company's expectations in line with the planned human resource requirements. As of year-end 2024, the company's workforce consists of 278 employees.



### SALES AND MARKETING


United Aygaz LPG follows a geographical expansion strategy across the country, a critical factor for delivering the planned business results. Accordingly, more dealers are appointed and logistical energy efficiency projects are implemented. To leverage economies of scale to the maximum, the company focuses on cylinder gas, bulk gas, autogas and wholesale to other companies. In 2024, nearly 33 thousand tons were sold to other LPG companies in wholesale.

Communications and marketing activities were actively utilized to bring the brand power of Aygaz in Türkiye to Bangladesh in 2024, elevating brand recognition with emphasis on safety, quality, and sustainability. Taking Türkiye as an example, the company has worked to build a well-functioning dealership organization based on the principles of long-term benefit and mutual gain, and hosted dealer events in different

regions across the country. Furthermore, the Aygaz jingle was adapted for the new commercial of United Aygaz LPG. Considering the contribution of retail sales points to brand recognition, the company hosted the industry's largest event for retail sales points. Aspiring to become a preferred and generic brand for both dealers and consumers and the most reliable, safest and highest quality LPG company in Bangladesh, United Aygaz LPG continues to implement the necessary strategies in digital, visual and physical media.

**Increasing the capacity at the Chittagong Terminal to 16 tons in the last quarter of 2024, United Aygaz LPG is already working to build the second facility in Dhaka.**





THE **ENERGY** OF AYGAZ IS  
THE ENERGY OF **POWER**

Life moves in a constant flow.

Industries thrive, machines  
hum, Türkiye advances.

Knowledge, experience, and  
strength push new frontiers.

The energy of Aygaz powers  
the future.

## AYGAZ DOĞAL GAZ

Aygaz Doğal Gaz offers innovative and sustainable solutions in global and local markets.



Aygaz Doğal Gaz, founded in 2004 to become a diversified player in the growing natural gas market in Türkiye, is engaged in the sales of piped and liquified natural gas (LNG). In 2024, the company sold 88 million cubic meters of natural gas, generating TL 1.7 billion in revenues. With this sales volume, Aygaz Doğal Gaz has nearly 18% market share among the ten licensed operators in the Turkish LNG sector.

### NEW BUSINESS LINES AND MARKETS

The LNG procured from the Marmara Ereğlisi terminal of BOTAŞ and Aliğa terminal of Ege Gaz is distributed across the country by special LNG trailers to consumers in locations without access

to pipelines. Aygaz Doğal Gaz follows the developments and new business opportunities in the bulk LNG market closely and continues to explore potential LNG use in heavy vehicles and ships to strengthen its position. For this purpose, Aygaz Doğal Gaz currently works on a mobile LNG filling station project, approved by TEYDEB (TÜBİTAK Technology and Innovation Grant Programs Directorate) and included in the grant program. Aygaz Doğal Gaz also pursues new business areas to seize opportunities in the hydrogen and biomethane value chain.

Aygaz Doğal Gaz holds a 30-year wholesale license from the Energy Market Regulatory Authority (EMRA) to

**18%**  
MARKET SHARE

sell the natural gas sourced from the domestic market to users, as well as a 30-year Transmission License to deliver LNG to consumers. Aygaz Doğal Gaz is also licensed for spot LNG imports as the company aims to reinforce its operations further through natural gas imports and exports in line with its targets and strategies. Aygaz Doğal Gaz currently holds 30-year export licenses for Serbia and Greece.

#### NATURAL GAS IN TÜRKİYE

In Türkiye, natural gas is used primarily in residences, electricity generation, and industrial production. According to EMRA's December 2024 Natural Gas Industry Report, total consumption in the Turkish natural gas market increased by 6.3% year-on-year as of year-end 2024.

Natural gas can be imported into Türkiye directly from three countries and indirectly via transit pipelines from two countries or in the form of LNG via four LNG terminals in total, including two on sea platforms. In addition to having long-term agreements with four countries, Türkiye also tries to meet the high demand, especially in winter

months, with spot LNG purchases from various countries and the underground storage facilities where capacity increase processes have been completed.

The natural gas import agreements of Türkiye valid for 2024 amount to an annual volume of 48 billion cubic meters. Nearly 90% of this volume belongs to BOTAŞ, and the remaining volume is shared by four private companies in different ratios. In terms of the natural gas sold to the end user, the share of BOTAŞ is estimated to exceed 98%.

**Aygaz Doğal Gaz continues to work on using LNG as fuel in heavy vehicles and ships to reinforce its position in the market.**



#### AYGAZ DOĞAL GAZ IN NUMBERS

**88** MILLION CUBIC  
METERS NATURAL  
GAS SALES

**1.7** BILLION TL  
REVENUES

## BAL KAYNAK SU (PÜRSU)

In 2024, Bal Kaynak Su continued to elevate the brand recognition of Pürsu brand, while expanding the distribution network.



Bal Kaynak Su was acquired by Aygaz with the aim of expanding its water business, previously carried out through its dealers, and ensuring sustainable production. Bal Kaynak Su offers its water to the end consumer under the Pürsu brand. As of 2024, Pürsu is delivered by more than 500 dealers in 41 provinces. Despite a decrease in Pürsu's share in the carboy segment by 6% compared to 2023, the brand has maintained its growth trend by increasing its sales volume by 24% in the glass bottle segment. In 2024, the company sold 185 million liters of water, generating TL 680 million in revenues with a 6% increase in total sales.

Aygaz – through its wholly owned subsidiary Kuleli Tankercilik A.Ş. - acquired all shares of Bal Kaynak Su İthalat İhracat Sanayi ve Ticaret A.Ş., along with the filling plant, where the natural spring water operations take place and the land where the facility sits, in 2019. The water obtained from two spring sources in Uludağ and Nazilli, is delivered to customers by Bal Kaynak Su, which holds all necessary permits and licenses.

### OPERATIONS ACROSS TÜRKİYE

As the sales volume rapidly increased with new e-commerce partnerships, Pürsu also became the preferred brand of multiple hospitality chains. Aiming to drive exports, Pürsu began to enter new international markets with plastic and glass bottle products. With this go to market strategy, Pürsu moves forward in line with its sustainable growth target by focusing on value-added products.

### BRAND RECOGNITION

Committed to elevating its brand recognition, Pürsu continued to be the official water supplier of Fenerbahçe Sports Club and Beşiktaş Gymnastics Club in the 2024-2025 season. As part of the sponsorship agreement with Fenerbahçe Sports Club Men's Football Team, the new Pürsu logo started to be featured on the players' shorts of the 2024-2025 season.

# 680

MILLION TL - REVENUES

# 185

MILLION LITERS – SALES

## SENDEO-KOLAY GELSİN

Since June 2024, Sendeo has served its customers under the Kolay Gelsin brand.

Sendeo was born as a business idea from the intrapreneurship activities aiming to create value for the shareholders and dealers by leveraging Aygaz's strong brand recognition, extensive dealer network, and experience in delivering to address. Aykargo, which officially started its operations as Aykargo Dağıtım Hizmetleri A.Ş. was renamed Sendeo Dağıtım Hizmetleri A.Ş. (Sendeo) in 2021.

The procedures to merge the operations of Sendeo and Kolay Gelsin, a company fully owned by Ahmet Musul, under the brand name "Kolay Gelsin," with Koç Parties and Ahmet Musul as equal principals, were finalized in June 2024.


As of December 31, 2024, the capital of Sendeo, serving customers through the "Kolay Gelsin" brand, stands at TL 930 million, with shareholding split between Koç Holding (22.5%), Aygaz (27.5%), and Ahmet Musul (50%).

# 6.8

**MILLION PACKAGES  
HIGHEST MONTHLY DELIVERY**







THE **ENERGY** OF AYGAZ IS  
THE **ENERGY** OF FUTURE

Every moment prepares for the future.

Thinks better, follows the traces of  
time, pursues innovation.

Every step opens to a world that will  
be inherited by future generations.

Aygaz's energy sheds light not only  
on today but also on tomorrow.

## SUSTAINABLE GROWTH

Aygaz adopts a business model grounded in sustainability and contributes to the UN Sustainable Development Goals through its work on strategically identified material topics.

This report includes sustainability-related data and disclosures, which have not been prepared in accordance with the provisions of the Turkish Sustainability Reporting Standards (TSRS) under Public Oversight, Accounting, and Auditing Standards Authority (POA) regulations, and have not been subject to the assurance audit required by POA. A report, which we will prepare pursuant to POA regulations to include the required data and disclosures under TSRS 1 and TSRS 2, will be disclosed publicly within the statutory timeframe after undergoing sustainability assurance auditing by an independent auditor.

Aygaz’s sustainability approach, encompassing environmental, social and governance (ESG) aspects, guides the company in managing its financial and non-financial assets. Accordingly, Aygaz adopts a business model, grounded in sustainability, to maintain the trust-based relationship built with stakeholders and uphold its reputation.

Material sustainability topics are identified by considering global trends such as shifting to a low carbon economy, climate change, equal opportunity and diversity, information security, demographic changes, increasing energy demand, and the rise of sustainable growth resources, and a sustainable growth approach that takes into account the impact on all stakeholders is adopted. The material sustainability topics at Aygaz were identified by considering the opinions of senior executives, strategic decisions, stakeholders, and external trend analyses. The topics with the highest materiality that will create value for both Aygaz and stakeholders were identified through these analyses. In 2024, the material sustainability topics were reviewed and updated through a double materiality assessment.

*More information on the material topics and the materiality matrix is provided under “Material Sustainability Issues” section (pages 17-23) of the 2023 Sustainability Report.*



## SUSTAINABILITY REPORTING

Aygaz discloses its sustainability approach and performance in the sustainability reports, prepared in accordance with GRI Standards. Important international and global standards, policies and principles, in particular those of the International Labour Organization (ILO), United Nations (UN), CDP, Global Reporting Initiative (GRI), and Sustainability Accounting Standards Board (SASB) along with the Turkish Sustainability Reporting Standards (TSRS 1-2) are taken as basis while preparing the sustainability reports. Since 2018, Aygaz has been listed in the BIST Sustainability Index, whose constituents include publicly traded companies with high corporate sustainability performance, in recognition of its effective and strong sustainability management.

As a company within Koç Group, a signatory of the United Nations Global Compact (UNGC), Aygaz has signed the UN Women's Empowerment Principles (UN WEP), demonstrating its commitment to complying with these principles through its sustainability reports.

Aygaz works toward the adoption of sustainability across the organization and further enhancing performance. As part of these efforts, the Sustainability Department was established in the last quarter of 2023. The CMB's Sustainability Principles Compliance Framework outlines the key principles that the publicly traded companies are expected to disclose on environmental, social and corporate governance topics. Accordingly, the scope of the 2024 Annual Report

has been expanded in line with the principles announced by the CMB and the "Sustainability Report Template" has been used for disclosures. Information related to the corporate governance approach, performance, and sustainability activities, specified in the Principles, is disclosed under the Sustainable Growth section of the Annual Report.

The data in this report pertains to the period from January 1, 2024 to December 31, 2024, and only covers the operations of Aygaz. Environmental performance and occupational health and safety data is calculated for the 12-month period. Social performance indicators are also for the period from January 1, 2024 to December 31, 2024.

## SUSTAINABILITY MANAGEMENT



The Sustainability Department is responsible for monitoring and managing sustainability activities. Under the leadership of the General Manager and in coordination with the Sustainability Department, a Sustainability Leaders Team has been formed, including senior management and experts. This committee oversees and addresses sustainability-related issues. Furthermore, working groups, reporting to the committee, play an important role in achieving the goals. The Sustainability Department evaluates corporate sustainability plans and strategies through inter-departmental communications and workshops. Sustainability issues are reported to the Senior Management, Executive Board and Board of Directors by the Sustainability Department.

The Board committees, which are actively involved in the company's corporate governance, play a key role in sustainability management.

## STAKEHOLDER COMMUNICATIONS

Effective communication and cooperation with the stakeholders plays a key role in the company's pioneering work in the industry and drives its success in all areas, starting with highly material topics. Drawing from the stakeholder analysis conducted in 2017, Aygaz continuously strives to diversify its communication channels. The opinions and feedback received regularly from relevant stakeholders in alignment with the Sustainability Report and material sustainability topics provide direction for future activities and projects. Guided by a consistent and transparent disclosure policy, Aygaz discloses information on its performance, future aspirations, and strategies accurately and briefly by considering the needs of different stakeholders.

*More information on Aygaz's memberships and affiliations is provided on page 75 of the 2023 Sustainability Report.*



STAKEHOLDER GROUP	COMMUNICATION METHOD	COMMUNICATION FREQUENCY	SOME ISSUES RAISED BY THE STAKEHOLDERS
Shareholder, Investors, Analysts	Investor Conferences, face-to-face meetings at the head office, responding to information requests received by phone and in writing, teleconferences, analyst meetings, senior management meetings, Investor Relations page on the corporate website, Annual Report, Sustainability Report, Company presentations, earnings releases, briefings, material event disclosures	Immediate response to information requests, minimum each quarter	
Business Partners and Dealers	Dealer Hotline, satisfaction surveys, Aygaz Training Truck and Training Bus, collaborative projects, audits, dealer portals	Daily	<ul style="list-style-type: none"> <li>• Highlighting product quality and safety-related activities more in communications</li> <li>• Sharing case studies regarding customer focus</li> <li>• Emphasizing brand strength further</li> <li>• Placing innovation at the heart of the customer experience</li> <li>• Focusing on competitiveness in market conditions</li> <li>• Diversifying new business channels and seizing opportunities</li> </ul>
Employees	Employee satisfaction and loyalty research and surveys, online idea collection platform, intranet plasma screens, internal communication activities, announcements, committee meetings, company publications, suggestion systems	Daily	<ul style="list-style-type: none"> <li>• Contributing even more to the development of social projects</li> <li>• Adopting more next-generation HR approaches (flexible working hours, etc.)</li> <li>• Increasing the ongoing intrapreneurship activities</li> <li>• Talent management and career planning</li> <li>• Gaining more knowledge on R&amp;D and Innovation</li> </ul>
Affiliates and Subsidiaries	Meetings, collaborative projects	On demand	
Public Institutions and Regulatory Authorities	One-on-one meetings, official visits, industry events	At least once a month	
Customers	Communication campaigns, advertisements, website, social media, Aygaz, Mogaz, Pürsu Customer Service Line, market and customer loyalty surveys, visits	Daily	
Media	Press releases and press conferences, interviews, reputation surveys, website, trade publications	Weekly	<ul style="list-style-type: none"> <li>• Developing a corporate responsibility project that reflects the strength of the Aygaz brand and that can be owned for years</li> </ul>
Non-governmental Organizations and Chambers	Following the industry agenda, social responsibility topic, collaborative projects, sponsorship and donations, reputation surveys, working committees and boards	Weekly	<ul style="list-style-type: none"> <li>• Continuing to work on environmental policy and activities related to the country's most pressing matters, integrating quality with environmental management</li> <li>• Raising energy efficiency awareness among end-users</li> </ul>
Trade Unions	Face to face discussions, collective bargaining agreement, collaborative projects, General Assembly, open workplace meetings	At least four times a year	
Suppliers	Supplier portal, audits/inspections	Daily	<ul style="list-style-type: none"> <li>• Working to expand the scope of employment in operations across the country</li> <li>• Constantly improving quality, safety and occupational health practices</li> </ul>
International Organizations and Initiatives	Joint projects, conferences, seminars, and corporate memberships	Minimum monthly	
Universities	Conferences, training programs, festivals	Minimum monthly	

# HUMAN RESOURCES

At Aygaz, human resources management is shaped around a contemporary and transparent approach that promotes gender equality and diversity in the workforce.

Aygaz aims to become an agile organization and an employer of choice that makes all its stakeholders and employees proud. Aygaz defines its human resources policy with a contemporary and transparent approach grounded in the principle of equality. Aygaz adopts the motto of its founder Vehbi Koç, “Our human resource is our most important asset,” and manages its human resources processes with a focus on employee satisfaction, continuous improvement, and mutual open communication.

In 2024, the average number of employees at Aygaz stood at 1,469, consisting of 15% women and 85% men. The average age of employees is 37, while average tenure at the company is 6 years. Employees with associate, undergraduate and graduate degrees account for 60% of the workforce. This ratio reaches 86% among office employees.

Aygaz promotes gender equality and diversity across its workforce and

values the importance of having women in decision-making roles. The female manager ratio was 17% in 2024, while the ratio of women executives in senior management roles rose from 30% in 2023 to 33% in 2024.

## KEY PRINCIPLES OF HUMAN RESOURCES MANAGEMENT

The key principles that guide the human resources policies at Aygaz include equal opportunity for all, recruiting and appointing the right candidate to the right job, equal pay for equal work, merit-based promotion, timely recognition and rewarding, continuity and efficiency in professional success, effective internal communication, and sensitivity to the community.

*Aygaz Human Resources Policy is published on the website.*

## EQUALITY AT WORK

In hiring skilled employees who will serve the company’s vision, Aygaz applies next-generation selection and placement processes. Aygaz engages

### HUMAN RESOURCES IN NUMBERS

**1,469**  
EMPLOYEES

**15%**  
FEMALE

**85%**  
MALE

**33%**  
WOMEN IN SENIOR  
MANAGEMENT

**37**  
AVERAGE AGE

in strong promotional activities and university events in line with the employer brand approach to attract the best talent that will drive the company forward. The selection and placement processes to attract qualified human resource to Aygaz include group interviews with participation from all management levels, case studies, presentations, foreign language assessments, job-specific numerical aptitude and reasoning tests, personality inventories, and reference checks. The candidates are assessed for prospective roles without any bias regarding fair competition, religion, language, race, ethnicity, and gender, while the recruitment strategies are updated annually to align with global trends.

The employees, who are selected with great care and diligence based on “the right candidate for the right position” and “equality at work” principles start their careers at Aygaz with a comprehensive, interactive and digital onboarding program. With the technology-driven onboarding program, Aygaz aims to enable people to adapt to company processes and their new duties as rapidly as possible.

Each candidate included in the recruitment process is sent a candidate experience questionnaire and asked to share their experiences about the process. According to the results of these surveys, the NPS (Net Promoter Score) of Aygaz was +84 points in 2023 and +80 in 2024.

#### END-TO-END INTERNSHIP EXPERIENCE

The interns, who are selected for an internship at Aygaz are regarded as



future Koç employees. In 2024, the interns, who participated in the Aygaz Key and Key+ internship programs, went through an end-to-end employee experience that involved orientation, introduction presentations, project work, and feedback sessions on development areas. The intern experience survey conducted at the end of the internship resulted with a high NPS score of +81 points, far exceeding the +74 points of the previous year.

#### EMPLOYER BRAND ACTIVITIES

As part of the employer brand activities, Aygaz engaged with nearly 2,000 students from the top Turkish universities in 2024 to share its existing and new business lines, innovative work culture, and technology and innovation focus.

**Through the technology-driven onboarding program, Aygaz aims for its new employees to quickly and seamlessly adapt to the company processes and their new jobs.**

**PERFORMANS APPRAISAL PROCESSES**

Aygaz aims to reward sustainable value creation over short-term gains through a performance management system that focuses on an objective assessment of the employee performance. The Koç Dialogue performance system was introduced in 2021 and further improved in the ensuing years to provide a mobile environment where the employees can set their targets, get the necessary approvals, and access anywhere anytime. Through the Koç Dialogue process, 3,605 OKR (Objectives and Key Results) and 11,475 KR (Key Results) were created in 2024.

**EQUAL PAY FOR EQUAL WORK**

Aygaz employs an international job assessment system that measures the contribution of all jobs toward achieving company goals and ensures that they

are ranked according to their scale. A competitive remuneration policy, determined in line with the company's current wage structure, position in the market, competition, and financial means, is applied fairly without any bias for gender, language, religion, and race.

Remuneration for unionized employees is determined according to the collective bargaining agreements between MESS (Turkish Employers Association of Metal Industries) and Turkish Metal Workers Union for the workers in the metal business line or between Aygaz and Turkish Seamen's Union for the workers in the maritime business line. Employees are paid 16 salaries, consisting of 12 salaries +4 bonuses per year, while all employees are offered Koç Group's comprehensive benefits, standard or varied depending on the position.

**HOLISTIC EMPLOYEE EXPERIENCE**

Creating high employee loyalty and satisfaction is an essential part of ensuring customer satisfaction. Therefore, employee experience, which means the whole of how the employees perceive their companies, remains a key focus area for Aygaz. In 2024, strategies were developed for enhancing work environments and increasing productivity, and strategies were developed to create an employee experience that inspires them to deliver their best performance. The holistic employee experience approach has been reviewed as part of the agile working model, while maintaining this focus. The Agile Employee Experience Team updated the action planning process to encourage the participation of colleagues from different groups, while continuing to focus on improving the quality of planned actions. In addition to analyzing the results of the





Employee Engagement Survey and responding to employee requests, the company also conducts focus group studies to enhance the employee experience.

Aygaz also reviews the feedback received from its internal customers every year and has been conducting surveys to measure employee satisfaction and engagement through an independent research firm since 1996. In 2024, employee engagement score stood at 76.9%, which was 64.2% in 2023.

In addition studying the results of the Annual Employee Engagement Survey, Aygaz strives to better understand the employees' needs and emotions through monthly mood surveys, talks with office employees, and site visits to meet with field workers.

All employees can contact the Human Resources team 24/7 by email. The email addresses have been openly

communicated to the employees, who are encouraged to reach out for all their questions and problems and seek support. Furthermore, all customers and employees may choose to convey their grievances, questions, and requests via the Aygaz Customer Call Center Line (444 4 999) and the website 24/7.

#### **INTEGRATED CAREER AND TALENT MANAGEMENT**

At Aygaz, career plans are made for the employees in line with their knowledge, skill, and competency levels through a process that also considers their expectations. At the annual Strategic Human Resources Planning Meetings, following specific methodologies and considering senior management's inputs, succession plans are defined for the company's potential executive pool and all management positions in line with the future goals and strategies of Aygaz. At the end of this process, special training and development opportunities are offered

**Aygaz develops career plans for its employees based on their knowledge levels, skills and competencies and by considering their career aspirations.**



With thousands of video training content from technology and personal development to wellness, family, and hobbies, the employees continued to learn and develop remotely on the Koç Academy online video training platform this year. Moreover, technical and personal development training content provided by digital learning sources such as TİSK Academy, Udemy, and Udacity are also offered to Aygaz employees. In addition to the personal development training, mandatory department-specific training programs were assigned to the relevant employees.

to the employees identified as future executives to ensure that they are well prepared for the next position. Starting next year, the entire process will be conducted through a new digital platform.

**“YOU ARE PART OF THE SUCCESS” SYSTEM**

“You Are Part of the Success” System was designed as an agile project to encourage Aygaz Group employees to work toward the company’s goals, while developing themselves and to motivate them by recognizing their success and efforts. This system consists of three categories, defined by the level of contribution: Bright Star, Supporting Us, and Driving Our Success. The Bright Star category celebrates instant successes of the employee/team and aims to create opportunities for recognition and rewarding based on a flexible schedule throughout the year. The Supporting Us category aims to identify the employees who make a difference within the Aygaz Group, and recognize, appreciate, and reward their achievements. This approach increases loyalty and promotes exemplary behaviors across functions. The Driving Our Success category aims to recognize, appreciate and reward

the outstanding achievements of the employees identified in the “Supporting Us” category and that make significant contributions to the company. In 2024, the system identified and rewarded 254 employees.

Aygaz delivers numerous training programs and partners with expert institutions and platforms to support the professional and personal development of its employees. According to the 2024 training report, the average training time per person reached 29.17 hours with the investments made in the development of employees.

**Professional development**

**trainings:** Training and development continued throughout the year based on a training catalog, featuring employee, leader and potential competency development programs designed in alignment with Aygaz’s competency sets. While the personal and professional development of all Aygaz employees is supported with content available in the training catalog, classroom courses were delivered in the spring and fall semesters to enhance the leadership skills and competencies of leaders and managers.

**Talent360 Young Talent**

**Development Program:** The Talent360 Young Talent Development Program, which follows an interactive training methodology, has been implemented to support young Aygaz employees in developing their leadership skills, enhancing their organizational competencies and actively participating in business processes. Following the human resources planning meetings, 24 employees were selected for this program based on succession criteria, including intermediate or advanced level of English, at least two years of experience within the Aygaz Group, and being under the age of 35. The training program will conclude in the fall of 2025 with the participants delivering their presentations before the senior executives. The training program is composed of theoretical training (35%), practical case studies and simulations (35%), and group and individual coaching (30%).

**Technician Academy:** Technician Academy trainings were introduced to train newly hired technicians as “Lead Technician Trainer” candidates, supported with technical sessions over a five-year period. In 2024, 103 technicians took 176 hours of training across seven technical topics over 22 days.

**Partnerships with leading**

**educational institutions:** Several Aygaz C-suite executives attended prestigious programs such as Harvard University Personal Development Program and Be Global China, which Koç Holding designs and tailors to for different levels of potential employee groups in collaboration with some of the world's leading educational institutions. Moreover, 15 Aygaz employees participated in LEAD programs like SLead, MAP, In2Lead. This year, a total of 58 employees enrolled in digital education programs such as Harvard Business School, Udacity, Udemy, Emeritus (MIT, Cambridge, Berkeley) and Koç University Executive MBA programs.

**English language education:**

A priority training topic for Aygaz is improving the foreign language proficiencies of its employees in line with the company's future vision. Accordingly, all employees who wish to improve their skills are offered online, classroom, and one-to-one English language education. This year, 21 employees at the upper intermediate level and 15 employees at the lower intermediate and beginner levels who needed to improve their English proficiencies as required by their respective positions participated in six-month online trainings on the Cambly platform to improve their speaking skills.

**Improving road safety with driving training:**

As part of the Aygaz Road Safety Project, the Defensive and Antiskid Driving Techniques training, designed for drivers who use company vehicles at Aygaz, aims to educate the participants about recognizing the dangers and risks in traffic early on, raise awareness about defensive driving, and drive with "zero accidents." In total, more than 300 employees

participated in both the theory and practice parts of the training program in eight regions.

**SYNERGY THROUGH CLUBS**

Through annual communications plans, Aygaz aims to build an internal communication culture that embraces employee expectations, addresses next-generation needs, and ultimately creates an effective employee experience. Accordingly, various events are organized to foster engagement. A Running Club, Book Club, and Aygaz Winter and Outdoor Sports Club, formed within the company, aim to create synergy from the employees who are interested in these topics by organizing nature hikes, marathon runs, book review gatherings, and library visits. Additionally, the Cycling Club, Photography Club, and Aygaz Volunteers bring together employees interested in these areas through activities that nurture team spirit, solidarity and communication.

Outdoor events were organized at each facility to reinforce the sense of solidarity and unity among Aygaz's field employees, strengthen communication, encourage collaboration, and foster team spirit. In total, 425 employees from 12 different locations participated in the events.

**CODE OF ETHICS AND SOCIAL RESPONSIBILITY**

In performing their duties, the employees of Aygaz, a Koç Group company, are required to comply with the "Koç Group Goals and Principles." To ensure that ethical values are extended to all employees with the same effectiveness and passed onto the next generations, Aygaz has published its Code of Ethics and Implementation Principles. The Ethics Committee, formed to better evaluate

any violations and ensure alignment of practices, is composed of the General Manager, Senior Executives, Human Resources Director, and Legal and Compliance Director. The Code of Ethics and Implementation Principles booklet is presented to all the newly recruited employees, who are asked to declare and undertake that they would adhere to the principles. The process is also supported with the online Ethical Principles-Energy training. In 2024, 475 employees took the training.

*Code of Ethics and Implementation Principles Policy is available on the website.*

**FUTURE OF WORK TRENDS**

At Aygaz, human resources practices that help the employees build a healthy work-life balance are prioritized. Aygaz aims to future-proof its business practices and offers its employees flexible working and hybrid working opportunities with its ability to capture future of work trends.

**DIGITALIZING HR PROCESSES**

Aygaz is rapidly adapting to the current conditions by closely following the digital transformation, data analytics, automation, and artificial intelligence trends. In 2024, the operational efficiency of the human resources processes was improved through various activities, and the more operational manual tasks were automated. Furthermore, project work is ongoing to enhance the employee experience and support the digitalization culture in all human resources processes. To prepare Aygaz employees for the digital world and migrate the operational processes to the digital environment, training was provided on a number of topics to 94 employees.

# MANAGEMENT SYSTEMS

Aygaz manages all its activities in a holistic manner, fulfilling its environmental responsibility with sustainability-focused business processes and offering high standards of value to all its stakeholders with its products and services.

Aygaz has consolidated all management disciplines related to quality, environment, occupational health and safety, energy, information security, customer satisfaction, and periodic ADR inspections under Integrated Management Systems. The core strategies and the ongoing work on maximizing customer satisfaction by prioritizing product and service quality, efficient use of natural resources, protecting the environment, ensuring the safety of stakeholders, and implementing sustainable business processes all contribute to further strengthening the leading position of Aygaz in the industry.

## INTEGRATED OPERATIONAL MANAGEMENT

All Aygaz employees are committed to ensuring that the integrated Management Systems Policy is adopted and applied

*Integrated Management Systems Policy and Information Security Policy are available at [www.aygaz.com.tr](http://www.aygaz.com.tr).*

Ensuring ultimate customer satisfaction is a key priority for Aygaz. Therefore, the company regularly monitors customer feedback and offers various communication channels to facilitate resolution.

*Aygaz Customer Complaints Management Pledge is available on the corporate website.*

Throughout 2024, Aygaz's management system standards remained compliant with all requirements, the planned regulations were effectively implemented, and the management system-related practices adhered to policies and successfully reached targets. Furthermore, the organization's ability to meet legal and regulatory requirements was found to be sufficient, while potential improvement areas were identified through the management system. In addition to improvement efforts, Aygaz also contributed to the development of management systems under the Koç Group Quality Board.

## INTEGRATED MANAGEMENT SYSTEMS

- Quality
- Environment
- Occupational health and safety
- Energy
- Information security
- Customer satisfaction
- Periodic ADR inspections



In 2024, 17 main business processes were internally audited according to the quality, environment, OHS and customer satisfaction management standards, 14 units in accordance with the Information Security Management Standard, 10 units within the framework of energy and security management systems, and ADR in-house inspections were conducted by 46 qualified internal auditors. As a result, the effectiveness of the systems was reviewed from a holistic perspective. Additionally, accredited firms conducted 53 person\*days of external audits to assure the continued validity of the documents pertaining to the implemented management systems.

### OCCUPATIONAL HEALTH AND SAFETY PRACTICES IN 2024

As an active participant in Koç Holding Occupational Health and Safety Coordination Board, Aygaz leads various projects for continuous development. Aygaz operates at 12 locations, including the Head Office, the Gebze Plant, and other facilities, all holding ISO 45001 Occupational Health and Safety Management System Certification.

In line with the Golden Rules of OHS published in 2023, the focus in 2024 remained on Lock Out/Tag Out procedure, subcontractor management practices, job hazard analyses, and behavior-oriented OHS practices in energy-related operations. The training programs provided to the employees of Aygaz and subcontractors at the filling and production plants to raise awareness on occupational health and safety, fire and emergency, and to build a stronger foundation for this corporate culture totaled 20,587 person\*hours. Some of these trainings were supported with drills.



### DIGITALIZATION IN OHS AND ENVIRONMENTAL PROCESSES

As part of the efforts to digitalize the occupational health and safety processes, the OHS performances in five categories have been monitored using Power BI since 2022. Furthermore, the records of basic occupational health and safety training provided to Aygaz employees and the employees' recruitment and periodic health checks are transferred to the Ministry of Labor and Social Security via the Worksafe software. In environmental management, waste, water and energy consumption data is tracked with Power BI. Additionally, a game software is being developed to raise awareness in these areas.

**Accredited firms conducted 53 person\*days of external audits to assure the continued validity of the documents pertaining to the management systems.**

**Aiming to reduce carbon emissions by utilizing renewable energy, Aygaz commissioned 2 solar power plants with a total installed capacity of 1.59 MW in Akçaköy, Manisa in November.**

**SUSTAINABLE BUSINESS PROCESSES**

Aygaz embraces efficient use of natural resources and protecting the environment as a strategic priority and manages all its business processes by considering sustainability. Contributing positively to urban air quality with an environmentally sensitive product portfolio is also among the company's goals. As a testament to this commitment, all 12 of the Aygaz locations, including the Head Office, Gebze Plant, and other facilities, hold ISO 14001: 2015 Environmental Management System certification. Environment and energy management is executed with a holistic approach in compliance with applicable legislation and international standards, in line with Koç Group targets and principles, and in accordance with the Integrated Management Systems Policy and Aygaz Climate Change Strategy frameworks.

Koç Group's environmental audits conducted in 2024 at 11 locations of Aygaz to assess compliance with environmental legislation and Group requirements involved field studies and reviews of documentation pertaining to 2021, 2022 and 2023 data, greenhouse gas emissions, energy consumption and waste inventory were successfully completed.

As part of environmentally sensitive business processes, 900 person\*hours of environmental and waste management training was

delivered last year at the terminal directorates and filling facilities as required by legislation. On the occasion of World Environment Day, a quiz show was hosted to raise awareness. With greenhouse gas emission assurance activities completed in 2023, the direct greenhouse gas emissions were determined as 6,550 tCO<sub>2</sub>e, and indirect greenhouse gas emissions (from purchased electricity) as 8,355 tCO<sub>2</sub>e. Accordingly, the carbon footprint density, associated with Direct and Indirect (Purchased Electricity) Emissions, dropped from 0.44 tCO<sub>2</sub>e/million TL in 2022 to 0.30 tCO<sub>2</sub>e/million TL in 2023. While greenhouse gas emission assurance process for 2024 is ongoing, the carbon footprint density is expected to be 0.15 tCO<sub>2</sub>e.

*The Climate Change Strategy is available on the Aygaz website.*

**ENERGY EFFICIENCY ACTIVITIES**

Through new contracts and tariff changes during the year for the electricity supply of terminal directorates, filling plants, cylinder distribution centers and sales directorates, Aygaz saved TL 3 million compared to national market figures. In 2024, electricity consumption across the 31 locations of Aygaz amounted to 19.9 million kW in total.

In 2024, 29 energy efficiency projects implemented at the Aygaz Filling Plants and the Gebze Plant delivered 1,393 MWh of electricity savings and 58.9 K cubic meters of natural gas, resulting

in a financial gain of TL 3.37 million. Annually, energy savings of 5,250 GJ and 735 tons of CO<sub>2</sub> reduction were achieved. Yarımca Terminal and Gebze Plant successfully passed the ISO 50001:2018 Energy Management System certification audits, and internal, external and field inspections, while ISO 50001: 2018 Energy Management System certification was obtained for the Ambarlı Terminal. During the year 395 person\*hours of Energy Awareness Training was delivered.

Aygaz aims to reduce its carbon emissions by opting for renewable energy. To support this goal, two solar power plants with a total installed capacity of 1.59 MW were commissioned in Akçaköy, Manisa in November. The plants are estimated to generate 2.9 MWh of electricity annually.

**WASTE MANAGEMENT AND EFFICIENT WATER USE**

Aygaz monitors its impact across the value chain as part of waste management. The company reduces and recycles its waste at the source or disposes of it safely when recycling is not possible. Activities are also carried out at Aygaz facilities to achieve maximum recycling through efficient water use. In 2024, 119,263 cubic meters of water was consumed, while all the water recycled, recovered and reused amounted to 59,482 cubic meters.



### TÜRKİYE'S FIRST SUSTAINABILITY REPORT

In 2002, Aygaz became the first company in Türkiye to publish a sustainability report, setting an example, and has continued to disclose its sustainability performance to the stakeholders regularly ever since. Starting from 2008, the report is prepared in accordance with the Global Reporting Initiative (GRI) principles. Aygaz fulfils all of its obligations with respect to the working conditions, human rights and transparent corporate governance within the framework of UN Global Compact, signed by Koç Holding, and strives to minimize the environmental impact of its production, services, and products. Aygaz carries out its activities in alignment with the policies embedded into its management philosophy. Accordingly, the company's performance is also included in the Koç Group Sustainability Report. Aygaz continues with annual reporting in line with the BIST Sustainability Index, in which the Company has been included in 2024 as in previous years.

### EXCELLENCE ACROSS THE VALUE CHAIN

Aygaz prioritizes operational excellence and safety in its business processes while working to ensure quality, ethical principles, and environmental and social compliance across the value chain. These operations span a broad scope from LPG sourcing to delivering the products to the end-user and recollecting them.

Supplier selection is based on several criteria, including human rights, working conditions, occupational health and safety, anti-corruption practices, and environment. In this process, quality, ethical principles, and environmental and social compliance are considered across the value chain. Koç Holding is a signatory of United Nations Global Compact (UNGC), and as a Koç Group company, Aygaz does not procure goods or services from suppliers that do not meet the UNGC criteria. Furthermore, Aygaz provides training programs on social, environmental, and ethical issues for its suppliers.

**As the first company to publish a sustainability report in Türkiye, Aygaz continues to prepare these reports annually according to the Global Reporting Initiative (GRI) principles, BIST Sustainability Index requirements, and the Turkish Sustainability Reporting Standards.**



# INNOVATION AND INTRAPRENEURSHIP CULTURE

Aygaz is committed to fostering a culture of intrapreneurship and innovation, and focused on spreading this culture across, and reinforcing a more effective position in the ecosystem in 2024.



Working toward its vision of building a sustainable innovation culture, Aygaz prepares for the future by supporting innovative ideas in existing and new areas. In line with this vision and mission, Aygaz generates solutions driven by R&D, innovation, and digitalization and develops innovative products and services. Aygaz also aims to systematically implement viable ideas-related to products, services, processes, and business models designed to meet customer needs- to ensure the continuous advancement of the company.

### STARTUP MENTORING PROGRAM

Guided by its social development and joint growth vision, Aygaz launched the Startup Mentoring Program in 2024 to support the technologies of the future, enhancing the mentoring capabilities of its employees, and steering successful startups and technologies toward collaborations from an early stage. Within the scope of the program, 16 Aygaz

employees began to serve as Startup Mentors.

### INNOVATION EVERYWHERE

Aygaz launched the "Innovation Everywhere" program with the vision of leveraging the ideas and projects developed by its employees, creating collective value with employees from all functions, and future-proofing the company. As part of this vision, Innovation Meet-ups were organized at Aygaz's facilities and regional directorates, with over 500 employees participating in the event. Additionally, a Design Thinking Workshop was held at the head office with the contributions of 12 employees from different facility functions. With its inclusive innovation and intrapreneurship efforts encompassing all employees, from the teams at filling facilities and operators to technicians and engineers, Aygaz has set an example of corporate innovation for many other organizations.

## INNOVATION AND ENTREPRENEURSHIP AT AYGAZ

### Start-up Mentoring Program Innovation Everywhere Program Open Innovation Activities

- > Innovation Meetings
- > Design Thinking Workshop

### INTELLECTUAL PROPERTY PORTFOLIO

48 COUNTRIES

**173**  
BRANDS

**43**  
PATENTS

## INNOVATION AT AYGAZ

In 2024, Aygaz reviewed all its innovation efforts and published them on the corporate website under "Innovation at Aygaz." The contact tab - "Write to Us for Collaboration" - on the website facilitated engagement, encouraging several businesses, in particular startups, to directly contact the Aygaz Innovation Team for collaboration. More information about ongoing projects is provided on Our Innovation Strategy page. These efforts support Aygaz's goal of establishing stronger ties with the innovation ecosystem.

## OPEN INNOVATION

Aygaz made significant strides in open innovation in 2024. As part of startup collaborations, over 40 startups were evaluated for commercialization potential, and five were involved in Proof of Concept (PoC) studies, while Aygaz started to actively work with two of these. As a company that highly values joint collaborations between organizations, Aygaz initiated a large-scale co-innovation project in 2024. Aygaz also evaluated a startup using the VB (Venture Building) model within the scope of its joint solution development strategy.

Aygaz places emphasis on organizations within the innovation and entrepreneurship ecosystem learning from each other and developing shared values. In line with this philosophy, Aygaz actively participates in the Entrepreneurial Institutions Platform, Here2Next, and the Turkish Technology Development Foundation's Climate Lab committee.

All of these efforts and initiatives earned Aygaz the third prize in the Innovation Strategy category in the Turkish



Exporters Assembly's (TİM) Inovalig competition. Aygaz also ranked ninth in the "Best Workplaces for Innovators" and "Best Workplaces for Innovations" survey conducted by Fast Company in recognition of its innovation strategies and practices.

## AYGAZ VENTURE INVESTMENT THESIS

The Aygaz Venture Investment Thesis was created in 2022 to bring more focus and structure to the company's venture investments:

"Aygaz invests in startups with high potential in the pre-seed and seed

**In 2024, over 40 startups were evaluated for commercialization potential, and five were involved in Proof of Concept (PoC) studies, while Aygaz started to actively work with two of these.**



stages in Türkiye or abroad that develop environmental solutions and/or new technologies for the global energy and distribution markets. Aygaz supports the growth of startups focused on hydrogen storage and distribution, biofuels, renewable energy, customer experience, delivery optimization and automation, recycling, and mobile life with its industry leadership, qualified human resource, and extensive logistics network.”

The focus areas of candidate startups are briefly described below:

**Hydrogen Storage and Distribution:**

In terms of carbon neutrality targets, hydrogen is set to become an important energy source. However, storing and distributing hydrogen presents a set of challenges. Aygaz believes that it may facilitate storing and distributing hydrogen in gaseous, liquid or solid form and that highly feasible and scalable technologies would accelerate energy conversion in the future.

**Biofuels:** While LPG is the most environment friendly fossil fuel, new types of fuels derived from biological sources will play a key role in the future in reducing the negative impact of climate change. BioLPG, renewable dimethyl ether, and biomethane are anticipated to replace LPG and other fossil fuels as fuel sources of the future. Aygaz recognizes the importance

of combining its own know-how with startups that develop high-tech solutions to produce, purify, compress, and mix such these gases with the available gases, conducting joint studies, and investing in this area.

**Renewable Energy:** Electricity generated from renewable sources such as wind, solar and geothermal is gaining an increasingly higher share in daily consumption. Renewable energy also offers an important alternative to LPG as energy sources available to the consumers become more diversified. For instance, the customer may generate energy while consuming it. LPG-powered devices and vehicles may now use a blend of new energy sources. Accordingly, startups that follow the changing energy consumption and seize the opportunities in this area will be a good option for investment.

**Recycling:** For Aygaz, recycling is key for two reasons: First, the bottled water brand Pürsu aims to offer environment friendly packaging solutions. Therefore, recycling plastic bottles and using environmentally friendly water bottles are a priority for Aygaz. Secondly, recycling food and organic wastes, the raw material of biofuels, is also important as they will be the raw material of next generation fuels.

**Life on the Go and Outdoor:** Aygaz

**AYGAZ VENTURE INVESTMENT THESIS/ STARTUP FOCUS AREAS**

- Hydrogen Storage and Distribution
- Biofuels
- Renewable Energy
- Recycling
- Life on the Go and Outdoor
- Customer Experience
- Demand Forecasting, Delivery Optimization and Automation



aims to leverage the transportability of LPG to bring it to all segments of society, including underserved communities, and to facilitate its use. As a company with more than 60 years of experience and know-how in delivering energy to the end customer, Aygaz intends to invest in startups that develop different usage scenarios for LPG and solutions that use different energy sources for cooking, heating and vehicle fuel.

**Customer Experience:** Another priority for Aygaz is to use and invest in data-driven digital applications that monitor customer experience through the product order, delivery and payment steps and offer solutions for e-commerce and mobile commerce.

**Demand Forecasting, Delivery Optimization and Automation:** Last mile delivery, disconnected delivery, delivery by drones and robots, route optimization in delivery, automated delivery solutions, demand forecasting,

along with more efficient management and planning of resources will contribute to the efforts of Aygaz to improve the customer experience and drive growth. Therefore, Aygaz aims to use advanced technological solutions in an industry with significant competition as diverse distribution and sales channels continue to emerge.

#### INTELLECTUAL PROPERTY PORTFOLIO MANAGEMENT

Protecting and monitoring intellectual property rights as part of business processes is particularly important to Aygaz. The company manages an intellectual property portfolio, which expands by the year with trademarks and patents registered in domestic and international markets or are at the application stage. On the other hand, the portfolio is also reviewed to address redundant patents that pose efficiency issues. Since its inception, Aygaz has been allocating resources for trademarks, patents, industrial designs, works,

and internet domain name protection and monitoring. The objective of the intellectual property management process at Aygaz is to support both the internal creative talent in light of intellectual property strategies and also to protect R&D, marketing and operational activities in all aspects. The patent portfolio of Aygaz is periodically reviewed and commercial valuation of the patents is carried out. Currently, Aygaz protects 173 brands and 43 patents in 48 countries.

**Since the very beginning, Aygaz has been allocating resources for trademarks, patents, industrial designs, works, and internet domain name protection and monitoring.**

## RESEARCH & DEVELOPMENT

Aygaz R&D Center continued to develop innovative products and important projects were launched through university-industry collaborations in 2024.

Since the very beginning, Aygaz has valued the importance of research and development (R&D) and embraced all types of innovations to enhance its product and service quality and improve business processes. Accordingly, Aygaz established its R&D Center in 2018 to develop new technologies by following the advancements worldwide. Aygaz R&D Center is the first of its kind in the Turkish LPG sector. The R&D Center's mission is to develop, equipment, and processes, reinforcing its industry-leading position and work on alternative fuels and clean energy. In 2024, the R&D Center focused primarily on projects for advancing LPG use, enhancing product quality, and reducing emissions and carbon footprint.

The R&D Center, spread on a total area of 1,437 square meters and operating with a team of 36 dedicated employees, houses an engine and fuel

technologies laboratory, a chemicals and energy laboratory, an automation and design laboratory, an embedded systems laboratory, and a valve, regulator and device laboratory as well as a manufacturing workshop, and prototyping and test lines.

Aygaz submits annual reports regarding the R&D Center to the Ministry of Industry and Technology pursuant to Law No. 5746. All the annual inspections carried out by ministry-appointed commissions and inspectors since the launch of the R&D Center have been successfully completed. With 15 projects in R&D status, Aygaz Research and Development Center completed and submitted its sixth annual report to the Ministry in May 2024.

### UNIVERSITY-INDUSTRY COLLABORATIONS

Aygaz, in partnership with Koç University

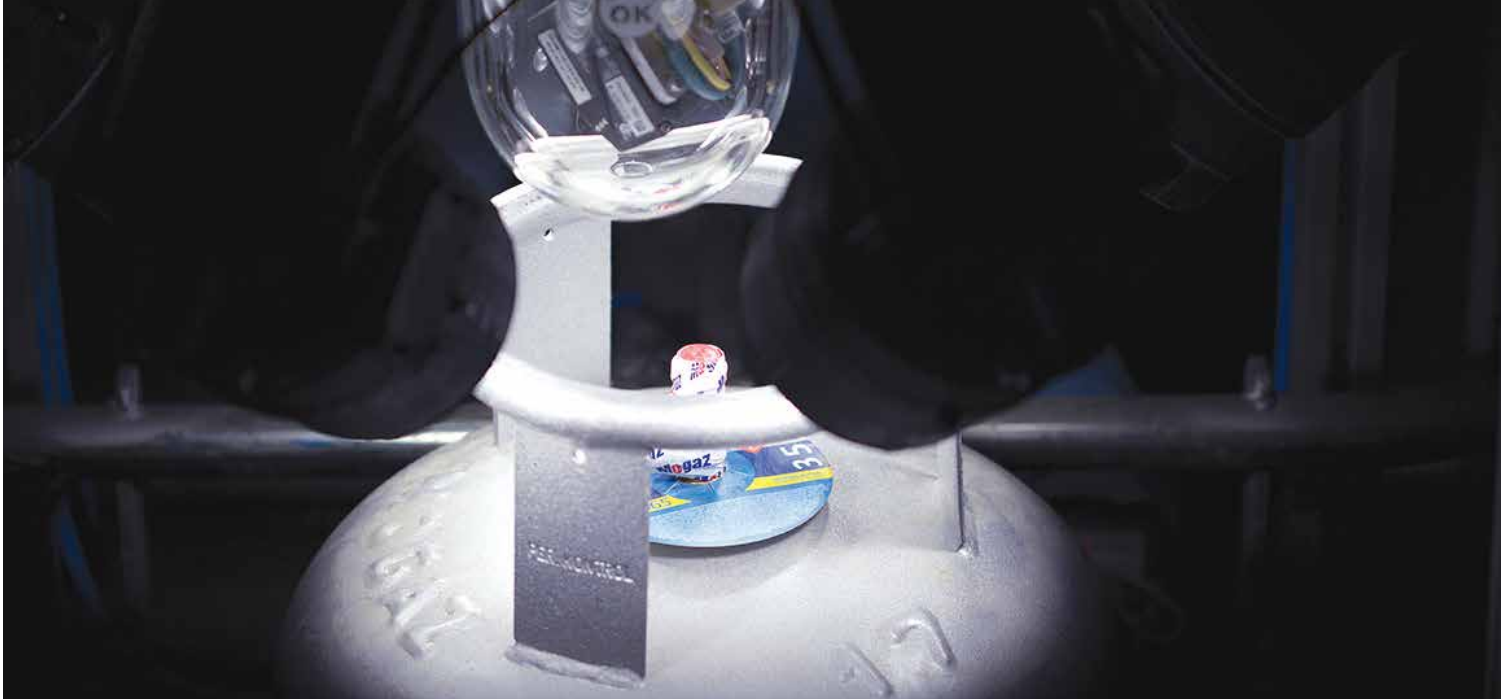
### R&D CENTER IN NUMBERS

Founded in: 2018

**1.437** M<sup>2</sup>  
AREA

**36**  
EMPLOYEES





Hydrogen Technologies Center (KUHyTech), applied to the 1004 Center of Excellence Funding Program in May. Aygaz plans to lead the “DME Production from Methanol and Testing Different Usage Scenarios” project with program funding.

The application of Aygaz, submitted together with İnönü University to the 1505 University-Industry Collaboration Funding Program within the scope of TÜBİTAK TEYDEB for the project “Testing DME Production from Organic Waste with an Innovative Method and Its Commercialization” has been approved by TÜBİTAK. The objective of the cooperation is to develop a process for producing bioDME from organic waste.

The scientific paper titled “Deep adsorptive desulfurization of liquefied petroleum gas over Cu ion-exchanged Y zeolite” prepared as part of the “Low Sulfur LPG” project was published in the prestigious international journal “Separation and Purification Technology.”

The project involved developing zeolite-based high-performance adsorbent for removing sulfur from LPG. This project won first prize in the “Best Product” category at the 2024 Global Technology Conference organized in South Africa by the World Liquid Gas Association (WLGA).

In addition to a poster presentation titled “Alternative Chemicals Used in LPG Odorization” at the 35th National Chemistry Congress at Dicle University in Diyarbakır, we participated in the 17th International Combustion Symposium (INCOS 2024) organized in Bursa with a presentation titled “The Effect of the Olefin Composition in LPG on Autogas Conversion Systems.”

#### PRODUCTS BORN FROM PROJECTS

The Smart Scale, the first IoT device developed by the R&D Center to measure the amount of gas within the cylinders, was commercialized. This innovative and efficient product allows users to monitor the gas level via a mobile app,

streamlining gas consumption and ordering processes.

The Demand-Flow Regulator, developed at the R&D Center to enable low volume carburetor gasoline power generators to run on LPG, holds the potential for use in agriculture and maritime operations. Additionally, an Emergency Disaster Generator prototype was produced to supply electrical energy to search and rescue teams and disaster victims in possible natural disasters such as earthquakes and floods. This project was presented at the WLGA’s GTC event in South Africa.

**The Smart Scale, the first IoT device developed by the R&D Center to measure the amount of gas within the cylinders and to monitor the gas level on a mobile app, has been commercialized.**





THE **ENERGY** OF AYGAZ IS  
THE **ENERGY**  
OF THE WORLD

A light shines at the port.

Doors open, distances shrink, and trust  
finds new foundations.

Experience sparks an energy that  
resonates across geographies.

The energy of Aygaz redefines success,  
transcending borders on every journey.

## SOCIAL RESPONSIBILITY

Aygaz supports various initiatives focused on advancing gender equality, history, environment, education, sports, culture and the arts.



Aygaz is committed to supporting sustainable, long-term projects that contribute to social development and create lasting value for society and the environment. By sponsoring initiatives aligned with the United Nations Sustainable Development Goals, Aygaz invests in the future. Prioritizing the well-being of the regions and communities in which it operates, the company drives environmental, social, and cultural progress through social responsibility efforts.

### CULTURE & ARTS

**İznik Tile Kilns Excavation:** İznik Tile Kilns Excavation, which Aygaz has supported since 2021, is one of the oldest excavation sites – dating to the 1960s – focused on uncovering Middle Age Turkish art and archaeology in Türkiye and also the longest-lasting excavation within a city. The excavation has gained

a well-deserved place in scientific circles with significant findings leading to correcting the falsely defined terms pertaining to Turkish Tile Art. This year, the excavations have been included in the Ministry of Culture and Tourism’s “Legacy for the Future Project.” In 2024, 210 objects were analyzed in full detail. Among the excavated artifacts, 13 pieces were selected by the experts from the İznik Museum and taken into the inventory to be exhibited in the museum. In another leg of the project, the teams worked on three grids in the eastern part of the site. Remnants of core foundations of Ottoman period civil structures, wells, and ceramic waste dump areas were unearthed in this process. The analyses, conducted jointly with Koç University Surface Science and Technology Center (KUYTAM) since the 2018 excavation season, are ongoing.

### SOCIAL RESPONSIBILITY AT AYGAZ

#### CULTURE & ARTS

- İznik Tile Kilns Excavation
- Sagalassos Excavations
- İKSV Theatre Festival Sponsorship
- Books on the History of Ottoman Diplomacy

#### ENVIRONMENT

- “What Will the Weather Be Like Tomorrow?” Workshops

#### EDUCATION

- Aygaz Firefly Education Unit

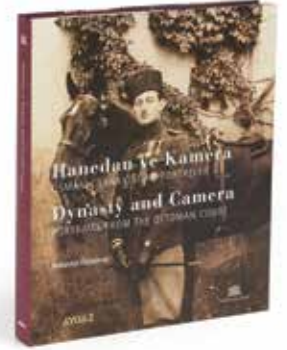
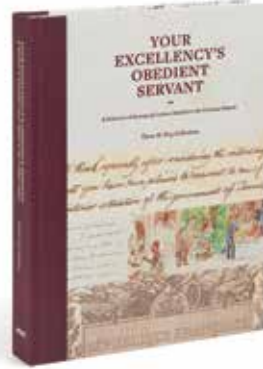
#### GENDER EQUALITY

- W-Energy for Equality Program
- “Yaşı Bile Olmaz” Project

#### SPORTS

- Sports Club Sponsorships





**Aygaz has supported the İznik Tile Kilns Excavation since 2021, and the analyses, conducted jointly with Koç University Surface Science and Technology Center (KUYTAM) are ongoing.**

**Sagalassos Excavations:** Aygaz is supporting the excavations in the ancient city of Sagalassos, located in the Ağlasun district of Burdur and on UNESCO's Tentative List of World Heritage Sites. Aygaz had previously sponsored the restoration of the Antonine Fountain and the structural reinforcement of the Upper Agora between 2005 and 2023. Aygaz now extends this support to the conservation and anastylosis program in the new five-year period of the excavations, along with the restoration of the Agora Gymnasium, the Southeast Street and the Junction Gate. The excavations are carried out in partnership with Koç University, KU Leuven, Vrije Universiteit Brussel, and led by Bilkent University.

**İKSV Theatre Festival Sponsorship:** Aygaz has supported the theater since 2004. In 2024, Aygaz continued its support as the co-sponsor of the İstanbul

Theatre Festival. The 28th edition of the festival featured 19 plays – nine international and ten local productions - attracting nearly 30 thousand viewers. The attendance rate of the festival plays was 100%.

**Books on the History of Ottoman Diplomacy:** History of Ottoman Diplomacy is among the many cultural activities of Aygaz. In this project, documents and information curated from the Ottoman archives are published in book form. With seven more books added in 2024, the total number of published works now stands at 114.

#### ENVIRONMENT

**“What will the weather be like tomorrow?” Project:** This project, launched in 2010 by Aygaz in cooperation with the Regional Environmental Center (REC), is ongoing with support from the Ministry of

Environment, Urbanization and Climate Change. Meanwhile, educational programs related to the project have been offered at the Rahmi M. Koç Museum since 2012. The Climate Change Awareness Workshop hosted in the museum's Discovery Globe was attended by 2,642 students from 84 schools in the January – December 2024 period. To date, 111,963 students from 2,610 schools have attended these workshops.

#### EDUCATION

**Aygaz Firefly Education Unit:** Aygaz has fostered the education of children and young people in partnership with the Education Volunteers Foundation of Türkiye (TEGV) since 2001. In the 2023-2024 period, the Firefly Education Units reached 7,436 students in Gaziantep, Ordu, Malatya, and Osmaniye, delivering quality education with the help of 189 volunteers.



**Under the umbrella of the W-Energy for Equality for youth, three training programs - W-Energy for Technology, W-Energy for Innovation, and W-Energy for Future – were organized during the year.**

### GENDER EQUALITY

Following the campaign for gender equality in technology and innovation launched by Koç Group as part of the UN Women's Generation Equality Forum, Aygaz announced its five-year targets in this field last March. Accordingly, Aygaz has committed to reach 100 thousand girls and women from different age groups through education, mentoring and scholarship projects, and within the organization, to increase the ratio of women in technology and innovation to 35% and female managers to 21% by building new networks and setting criteria to transform the ecosystem.

At Aygaz, the ratio of female employees in technology and innovation increased from 13.5% to 24%, and female managers from 13% to 21% in 2024. Furthermore, women constituted 25% of the employees involved in the intrapreneurship projects in 2024. In the 2023-2024 academic year, 100% of the TEV scholarships were granted to female students in STEM. The goal is to keep the ratio of female students at a minimum of 50% in the internship programs in technology and innovation. Meanwhile, 84% of the interns participating in the 2024 Summer Internship Program were

female students. In 2024, the company engaged with over 1,500 university students to attract female talent in this field.

As part of the efforts to raise gender equality awareness, Aygaz hosted the launch event of the Women in Global LPG Network's Türkiye Branch organized by the World Liquid Gas Association.

As a brand serving all, Aygaz adopts the Equality for Generations approach and develops social projects, including various projects designed for girls aged 8-11, young women including high school and university students and recent graduates, as well as a target audience of women over middle age.

### W-Energy for Equality Program:

Three training programs, created under the umbrella of the W-Energy for Equality for youth, went live during the year. The programs consist of three phases: W-Energy for Technology, W-Energy for Innovation, and W-Energy for Future. In the W-Energy for Technology program, launched in partnership with Global AI Hub, the participants earned internationally recognized certificates after improving their digital skills in



webinars, bootcamps, self-paced and live training courses, prepared with support from global technology leaders. The program reached 40,668 young female participants through a total of 222 hours of training in 2024. Young women who completed the program became eligible to apply for the W-Energy for Innovation program with the certificates they earned.

In the W-Energy for Innovation Program, carried out in partnership with Learneco, the participants found the opportunity to develop their entrepreneurial skills with the Basic Entrepreneurship and Advanced Entrepreneur Training Courses and prepared for the hackathon. The program reached 3,650 women in total in 2024.

Through the mentoring training and the mentor-mentee meetings as part of the W-Energy for Future Program, 81 mentors were trained and meetings were held with 790 mentees. Overall, the training program reached 38,374 young women in 2024. The W-Energy for Kids Program, designed for children aged 8-11, was launched in 2023 in collaboration with the Rahmi M. Koç Museum. An interactive education program for children visiting the museum also started in 2023. In 2024, the education program titled "Inventive Women – Guess What" hosted 784 students from 24 schools. Inventions

frequently used in daily life and discovered by female inventors form the content of the training. This educational program teaches children that technology and innovation are actually a part of daily life and that everyone, regardless of gender, can be successful inventors.

**“Yaşı Bile Olmaz” Project:** Volunteer trainers consisting of Aygaz employees and Learneco trainers provide basic digital literacy training to individuals aged 40 and over as part of this project, bearing the title loosely meaning, age is just a number. In total, 312 participants from five provinces joined the project, which was launched in the last quarter of 2024.

Additionally, technology trainings started as part of the W-Energy for Equality Program to improve the technological skills of middle-aged women, the group that has the most difficulty keeping up with digital transformation.

## SPORTS

**Sports Club Sponsorships:** Sports is another social field that Aygaz continued to support in 2024. Since 2013, Aygaz with its Mogaz brand has sponsored the Beşiktaş Handball Team. This sponsorship by a private sector company as a first in the handball discipline has continued under the Aygaz brand since the 2019 season. Pürsu became the

official water supplier of the club in the 2024-2025 season. As the support extended to other sports disciplines, Aygaz became a sponsor of the Fenerbahçe Sports Club Professional Football A Team, with Pürsu as the official water supplier in the 2024-2025 season. In addition to handball and football, Aygaz has sponsored Tofaş Basketball Team since the 2019-2020 season.



## LEGAL DISCLOSURES

### TRADE NAME, TRADE REGISTRY NUMBER, CONTACT DETAILS OF THE HEAD OFFICE AND BRANCHES

The Company is registered at the İstanbul Trade Registry with number 80651/23170 (Mersis No. 0-1190-0510-2700141) and contact information for its head office and branches is available at [www.aygaz.com.tr](http://www.aygaz.com.tr).

### CAPITAL AND SHAREHOLDING STRUCTURE

Issued capital of the Company is TL 219,800,767, all of which has been pledged and paid in full. Issued capital is divided into 21,980,076,700 registered shares at 1 Kr nominal value per share. The Company's capital does not include any privileged shares.

The shareholding structure as of December 31, 2024 is shown in the table below:

Shareholder's Title	Share Amount (TL)	Share (%)	Voting Rights	Voting Rights (%)
<b>Koç Group</b>	<b>112,569,173.27</b>	<b>51.21</b>	<b>11,256,917,327</b>	<b>51.21</b>
Koç Holding A.Ş.	89,424,844.65	40.68	8,942,484,465	40.68
Temel Ticaret ve Yatırım A.Ş.*	12,692,827.96	5.77	1,269,282,796	5.77
Koç Family	10,451,500.67	4.76	1,045,150,067	4.76
<b>Other</b>	<b>107,231,593.73</b>	<b>48.79</b>	<b>10,723,159,373</b>	<b>48.79</b>
Liquid Petroleum Gas Development Company (LPGDC)	53,884,641.77	24.52	5,388,464,177	24.52
Free Float Halka **	53,346,951.96	24.27	5,334,695,196	24.27
<b>Total</b>	<b>219,800,767.00</b>	<b>100.00</b>	<b>21,980,076,700</b>	<b>100.00</b>

\* The majority shares of Temel Ticaret ve Yatırım A.Ş. belong to members of the Koç Family. Koç Family Members: Rahmi M. Koç, Semahat S. Arsel, M. Ömer Koç, Ali Y. Koç, İpek Kıracı, Caroline N. Koç, Esra Koç and Aylin Koç.

\*\* Free-float in the amount of TL 1,996,553.90 (ratio to capital 0.91%) belong to Hilal Madeni Eşya Ticaret Sanayi ve Yatırım A.Ş., which is wholly owned by LPGDC.

### INFORMATION ON EXTRAORDINARY GENERAL ASSEMBLY MEETINGS, IF ANY, WITHIN THE REPORTING PERIOD

An Extraordinary General Assembly was not held within the reporting year.

### ORGANIZATIONAL CHANGES WITHIN THE YEAR

The current organization chart of Aygaz is shown on page 101 of the annual report. Following the retirement of Fikret Coşar, Assistant General Manager – Sales, on December 31, 2024, United Aygaz LPG Ltd. General Manager Ahmet Ercüment Polat was appointed to the vacant position effective January 1, 2025. ADG General Manager Didem Kalkan Erdem was appointed as Marketing Director effective January 1, 2025. She will continue to serve as General Manager of ADG. Gökhan Burak Gürbüz was appointed as Production Director.

### LAWSUITS AND SANCTIONS

There are no lawsuits filed against the Company that may materially affect its financial position and activities and there are no administrative or legal sanctions imposed on the Company or the members of its governing body for violation of any legal provision.

### PUBLIC AUDITS AND SPECIAL AUDITS

No public or special audits have been conducted regarding the reporting period.

### INFORMATION ON ADMINISTRATIVE OR JUDICIAL SANCTIONS IMPOSED ON THE COMPANY AND MEMBERS OF ITS GOVERNING BODY DUE TO NONCOMPLIANCE WITH LEGISLATIVE PROVISIONS

No administrative or judicial sanctions have been imposed on the Company or

members of the governing body due to practices in violation of legislation within the reporting period.

### INFORMATION ON LEGISLATIVE CHANGES THAT MAY MATERIALLY AFFECT THE COMPANY'S OPERATIONS

No legislative changes that could materially affect the Company's operations have occurred during the reporting period.

### CONFLICTS OF INTEREST BETWEEN THE COMPANY AND PROVIDERS OF SERVICES INCLUDING INVESTMENT CONSULTANCY AND RATING, AND INFORMATION ABOUT THE MEASURES TAKEN BY THE COMPANY TO AVOID SUCH CONFLICTS OF INTEREST

There were no conflicts of interest with providers of consultancy and rating services.

### **SUBSIDIARIES REPORT PREPARED PER ARTICLE 199 OF THE TURKISH COMMERCIAL CODE**

Pursuant to Article 199 of the Turkish Commercial Code 6102, which entered into force on July 1, 2012, Aygaz A.Ş. Board of Directors is obligated to issue within the first quarter of the current year a report on the relations of the Company with its controlling shareholder and the subsidiaries of the controlling shareholder in the previous year and include the conclusion of such a report in its annual report. The necessary explanations regarding the transactions are included in note 32 to the financial statements.

The report dated March 5, 2025, prepared by Aygaz A.Ş. Board of Directors, states: "It has been concluded that, with respect to all the transactions of Aygaz A.Ş. with the controlling shareholder, ultimate controlling shareholder and the subsidiaries of the controlling shareholder in 2024, in each transaction a proper counter-gain was obtained according to the circumstances and conditions known by us when the transaction was carried out or the measure was taken or avoided and that there is no measure taken or avoided that can cause the Company to incur any losses and that there is no transaction or measure that necessitates balancing within this framework."

### **DEBT INSTRUMENTS**

The Board of Directors resolved on December 3, 2024 to issue debt instruments with a total nominal value up to TL 3,000,000,000 (Three billion Turkish Lira) after the Capital Markets Board's approval of the issuance, within the period that issuance limit is valid and to do the sale one or several times domestically by way of selling

to qualified investors and/or private placement excluding public offering, and to authorize the Company management to determine the terms and conditions of the issuance and to execute the issuance transactions. The necessary application was filed on December 12, 2024 with the Capital Markets Board, which approved the application with resolution no 7/255 dated February 7, 2025.

### **CREDIT RATING**

JCR Avrasya Derecelendirme A.Ş. (JCR Eurasia Rating) has evaluated the credit ratings and outlooks of Aygaz on June 13, 2024 and determined the Company's Long- Term National Rating as "AA (Tr)" and outlook as "Stable," Short-Term National Rating as "J1+ (Tr)" and outlook as "Stable," Long-Term International Rating (foreign currency rating) as "BB" and outlook as "Stable," and Long- Term International Rating (local currency rating) as "BB" and outlook as "Stable." Aygaz A.Ş. continues to be listed in the BIST (Borsa İstanbul) Sustainability Index.

### **INDEPENDENT AUDIT FIRM**

Taking into consideration the opinion of the Audit Committee, our Board of Directors resolved on February 11, 2025 to nominate Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., to audit our Company's financial reports for the year 2025 accounting period and to fulfill all other obligations required for the auditors by Turkish Commercial Code no. 6102 and Capital Markets Law no. 6362 and applicable regulations and to submit the selection to the General Assembly for approval.

### **EMPLOYEE AND WORKER MOVEMENTS AND COLLECTIVE LABOR AGREEMENT PRACTICES**

A Collective Group Labor Agreement has been signed between the Turkish Employers Association of Metal Industries (MESS), the employers' union in the metal

industries in which the Company is a member, and the Turkish Metal Workers Union on January 17, 2024 to be valid for the period from September 1, 2023 to August 31, 2025, covering the workers at the Gebze plant.

A Collective Labor Agreement, covering the seafaring employees, was signed on May 12, 2023 with the Turkish Seamen's Union to be valid for the period from January 1, 2023 to December 31, 2024. Negotiations are ongoing for the next term of the Agreement.

Our employees are regularly and periodically provided with social rights in accordance with the law. Total provisions for seniority pay at the end of employment and leave obligations stand at TL 255,543 (2023: TL 356,472).

### **DONATIONS AND GRANTS**

At the Ordinary General Assembly Meeting in 2024, information was provided under a separate agenda item about the donations and grants paid in 2023 and the donation upper limit for 2024 was set at 0.4% (four thousandth) of the previous year's revenues. No change has been made to the ongoing donation practices. Aygaz Donations and Sponsorship Policy has been approved by the general assembly and published on the corporate website. Donations made in 2024 amounted to TL 22,818,443.11. The upper limit for donations in 2025 will be determined by the general assembly.

### **GUIDANCE**

Our 2025 sales volume forecast:  
Cylinder gas : 220 thousand - 230 thousand tons  
Autogas : 755 thousand - 785 thousand tons

Our 2025 market share forecast  
Cylinder gas: 41% - 43%  
Autogas: 21.5% - 22.5%

# CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE DECLARATION

Aygaz A.Ş. recognizes the benefits and importance of Corporate Governance Principles for companies and capital markets. In addition to achieving full compliance with the mandatory principles of the Corporate Governance Communiqué No: II-17.1, in effect in 2024, Aygaz A.Ş. has complied with a majority of the non-mandatory principles. Even though the Company aims to fully comply with the non-mandatory Corporate Governance Principles, full compliance has yet to be achieved due to the difficulties regarding implementation of some principles, the current debate on both domestic and international platforms toward their adoption and some principles failing to align with the existing structure of the market and the Company. With work in progress regarding the principles that have yet to be implemented, adoption of these principles will be duly considered upon completion of the administrative, legal and technical infrastructure work that would contribute to the Company's effective management.

The non-mandatory Corporate Governance Principles, which have yet to be complied with, are listed below. More information is provided in the relevant sections of the annual report.

- Principle 1.3.10 - Donations made by the company are described in a separate item on the general assembly agenda and the details of the donations with the highest amounts are included in the General Assembly information document. The remaining amount, not detailed in the information document, consists of various donations, which are not of material significance for investors. The upper limit for donations in 2025 will be determined by General Assembly.

- Principle 1.5.2 - Minority rights are not granted for shareholders holding less than one twentieth of the share capital according to the articles of association, and rights are granted to minority shareholders within the framework of general regulatory provisions in line with general practices. The company does not foresee any changes regarding this matter in the near future.

- Principle 4.4.2 - A minimum period has not been defined to communicate the information and documentation about the agenda topics to the Board members, while the timing of providing information to the Board members is determined based on the topics and processes on the Board agenda and the members are informed reasonably in advance. Even though an urgent need to define such a period is not present, given the effective functioning of the Board, this topic will be addressed in the times to come.

- Principle 4.4.5 - Board meetings take place based on customary practices of many years; however, a written internal procedure has not yet been implemented within the organization. Considering the effective functioning of the Board, an urgent need to address this issue is not present, while the Company has plans to revisit this topic in the times to come.

- Principle 4.4.7 - Considering that the Board members contribute significantly to the Board with their business experience and industry knowledge, they are not restricted in terms of assuming external duties. The résumé of each Board member and their external engagements are provided in the annual report. Given the effective functioning of the Board, no changes to the current practice are anticipated in the near future since no negative consequence has been observed in terms of corporate governance.

- Principle 4.5.5 - Committee appointments are decided by taking into consideration the relevant Board members' expertise and experience in accordance with applicable regulations, while some Board members serve on multiple committees. However, the said members facilitate communication and increase the opportunities for cooperation between committees handling related subjects, and given the effective functioning of the current committee structure, an imminent change is not anticipated.

- Principle 4.6.5. - Remunerations paid to the Board members and senior executives with administrative responsibilities are provided in the notes to the financial statements and in the General Assembly and disclosed to the public as a total figure. Given the importance of this matter in terms of the privacy of personal data, market trends are followed with plans to act in line with widely adopted practices.

Aygaz has not been exposed to any conflicts of interest due to lack of full compliance with the non-mandatory principles. The Corporate Governance activities in 2024 have been compliant with the Capital Markets Law, which includes Capital Markets Board regulations on corporate governance principles and the communiqués pursuant to this law. Prior to the general assembly meeting, independent board members were nominated and publicly disclosed, and the general assembly meeting was organized with due process for the election. At the Ordinary General Assembly Meeting in 2024, members of the Board of Directors were elected, and in the ensuing process the Board committees, which currently function effectively, were formed in accordance with regulations. Remuneration policy was determined for Board members and senior executives and presented to the shareholders at the general assembly meeting. Through the information document prepared for the General Assembly, information mandated by the principles, such as privileged shares, voting rights, organizational changes, résumés of the nominees for Board membership, remuneration policy for the Board of Directors and senior executives as well as all reports and information that must be drafted and disclosed about related parties were made available for investors three weeks prior to the General Assembly meeting. The corporate website and the annual report were also reviewed and necessary changes were made toward full compliance with the principles. Necessary work will be carried out for full compliance with the principles by considering legislative developments and implementations in the upcoming period.

Aygaz A.Ş. demonstrates its commitment to managing corporate governance as a continuous and dynamic process by receiving Corporate Governance Rating scores and remaining in the BIST Corporate Governance Index. Saha Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş., operating under license from the Capital Markets Board (CMB) to conduct corporate governance rating activities in Türkiye, upgraded the Company's score from 9.66 to 9.67 on June 14, 2024.

Main Topics.....	2023 Score	2024 Score
Shareholders.....	95.90	95.90
Public Disclosure and Transparency .....	97.25	97.28
Stakeholders.....	99.51	99.51
Board of Directors.....	95.31	95.76
Total .....	96.57	96.74

Since the General Assembly meeting of 2005, Corporate Governance Compliance Reports have been prepared and published on the company's corporate web site ([www.aygaz.com.tr](http://www.aygaz.com.tr)) and within the annual reports. The 2024 Corporate Governance Compliance Report (URF) and Corporate Governance Information Form (KYBF), prepared in accordance with the CMB resolution no. 2/49 dated January 10, 2019 and approved by Aygaz A.Ş. Board of Directors, are presented under the Other Disclosures (pages 208 - 220) section of the annual report, and the related documents can also be found in the corporate governance page of Aygaz A.Ş. on the Public Disclosure Platform ([www.kap.org.tr](http://www.kap.org.tr)).

# SUSTAINABILITY PRINCIPLES COMPLIANCE DECLARATION

Aygaz follows the best sustainability practices closely, including those laid out in the CMB's Sustainability Principles Compliance Framework and strives to adopt the generally accepted best practices in this field to the extent possible. Many of the sustainability topics Aygaz addresses correspond to the principles stated in the "Sustainability Principles Compliance Framework," introduced by the CMB in 2020 and updated to apply to reporting starting from 2022. Accordingly, Aygaz A.Ş. has achieved compliance with the majority of the principles stated in the non-mandatory Sustainability Principles Compliance Framework, introduced by the CMB on a "comply or explain" basis. However, full compliance with all the principles has not been achieved yet due to the challenges in the implementation of some of these principles, uncertainties in the national and international arena, certain principles not fully aligning with the current structure of the company, and the fact that some compliance principles will be determined according to the findings of ongoing studies. Once the review of the global practices that may contribute to the company's goal of creating sustainable value is finalized, the company aims to complete the technical infrastructure developments and work toward implementing the principles lacking full compliance through the Sustainability Department.

Aygaz's sustainability practices that align with the principles in the CMB's Sustainability Principles Compliance Framework are described in detail in the Sustainability section of the Annual Report and the key principles lacking full compliance are explained below. The Company monitors the impact on environmental and social risk management due to the lack of full compliance with the non-mandatory principles and addresses them as part of sustainability efforts.

- Aygaz has published its Integrated Management Systems Policy, which includes the environmental, sustainability, stakeholder, and occupational safety aspects in line with Environmental, Social, and Corporate Governance (ESG) practices, and Code of Ethics. ESG policies and targets are defined and updated regularly within the framework of the Integrated Management Systems Policy. Aygaz disclosed its greenhouse gas emissions targets, aiming to reduce Scope 1-2 emissions by 50% by 2030 and reaching Net Zero by 2050. Aygaz also disclosed its target of 50% reduction in hazardous waste and 40% reduction in clean water consumption by 2030 in its 2023 Sustainability Report. Following the campaign for gender equality in technology and innovation launched by Koç Group as part of the UN Women's Generation Equality Forum, Aygaz announced its relevant five-year targets in 2022. Accordingly, Aygaz has committed to reaching 100 thousand girls and women across different age groups through education, mentoring and scholarship projects and increasing the ratio of women in technology and innovation to 35% and female managers to 21% within the organization by building new networks and setting criteria to transform the ecosystem. Since publishing the "Board of Directors Diversity Policy," representation of women on the Aygaz Board of Directors rose to 25%. As part of UN Women Generation Equality Forum and the efforts to advance gender equality in technology and innovation, Aygaz offered nearly 85 thousand young female talents development opportunities in their entrepreneurial journeys.
- Aygaz monitors key environmental, social, and governance indicators regularly and discloses them publicly. However, due to lack of comparable and verifiable data, local or international industry benchmarks are not available. In light of the global and sectoral trends, the material sustainability topics of Aygaz were identified by seeking the opinions of senior executives, strategic decisions, stakeholders, and reviewing external trend analyses, and updated through a double materiality assessment in 2023. The topics with the highest materiality that will create value for both Aygaz and stakeholders were identified as Talent Development, Retention and Engagement, Transition to a Low-Carbon Economy, and Employee Health and Safety. On the other hand, Aygaz continues to work on these issues as part of the Carbon Transition Program, launched by Koç Holding for equality in technology and innovation targeting net zero by 2050 under the global leadership of the UN Women Generation Equality Forum.
- At Aygaz, the Sustainability Department, established in late 2023, oversees the management and implementation of ESG policies in cooperation with the relevant functions. The Corporate Risk Management processes are reported to the Risk Management Committee, under the Board of Directors, and the relevant activities are disclosed in the Risk Management section of the Annual Report. Work is in progress to disclose the Working Group's activities and policy publicly.
- Aygaz is currently working on publicly disclosing its implementation and action plans in line with short- and long-term ESG targets.

- Key environmental, social, and governance (ESG) performance indicators are monitored regularly. Since 2008, Aygaz has regularly published its ESG data in the annual sustainability reports. Due to their limited environmental and social impact, the indicators other than greenhouse gas emission data have not been verified yet. As the standards and practices evolve, the company will consider comprehensive data assurances.
- The Sustainability Department and the relevant functions checking data are responsible for following and monitoring the sustainability work at Aygaz. The Sustainability Department reports the sustainability issues to the General Manager, who in turn may escalate them to the Board of Directors as needed.
- Aygaz discloses the incentives it offers, including those related to achieving the targets, under Human Resources in the Annual Report. Employees who demonstrate commitment to Occupational Health and Safety, Environment, and Process Safety principles and procedures, act sensitively and take actions to promote corporate sensitivity and effectiveness are rewarded. Through the Bright Stars rewards program of the Human Resources Department, various rewards and incentives are offered.
- Aygaz monitors how environmental topics are integrated into business targets and strategies through internal indicators and plans to disclose its performance in this area publicly in the times to come.
- Aygaz identifies the risks and opportunities for different climate scenarios by following the Carbon Transition Program that Koç Holding has implemented and calculates Scope 1, Scope 2, and Scope 3 greenhouse gas emissions, which are assured by an independent third party in accordance with ISO 14064-1. Data related to Scope 3 (other indirect) greenhouse gas emissions was disclosed for the first time in the 2023 sustainability report. Aygaz also announced its greenhouse gas emissions targets, aiming to reduce Scope 1-2 emissions by 50% by 2030 and reaching Net Zero by 2050.
- Currently, Aygaz is not part of any carbon pricing system since the regulatory processes on this topic have not yet been finalized in Türkiye. The Sustainability Department continues to work on internal carbon pricing and carbon credits.

The Sustainability Principles Compliance Report, prepared in accordance with the formats determined by the CMB's decision no. 34/977 dated 23.06.2022 and approved by the Board of Directors, is included in the annex of the annual report (pages 221-227). The relevant documents can also be accessed through the company's page on the Public Disclosure Platform (<https://www.kap.org.tr/tr/sirket-bilgileri/ozet/873-aygaz-a-s>).

The report that will be prepared in accordance with the Turkish Sustainability Reporting Standards pursuant to the Public Oversight, Accounting and Auditing Standards Authority's decision dated 29.12.2023 will also be disclosed publicly within the statutory timeframe.

# EXPLANATIONS REGARDING CORPORATE GOVERNANCE

## 2.1. INVESTOR RELATIONS DEPARTMENT

At Aygaz, Investor Relations Department's duties set out by article 11 of the Corporate Governance Communiqué have been assigned to the Corporate Finance and Strategy Department under the leadership of Assistant General Manager (Finance) The department, led by Corporate Finance and Investor Relations Manager Kozan Nabi Çiftçi and also consisting of Capital Markets Activities Advanced License holder Dalya Hasanca and Corporate Governance and Financial Operations Leader Billur Aslan, can be contacted by email at [yatirimciliskileri@aygaz.com.tr](mailto:yatirimciliskileri@aygaz.com.tr) or [investorrelations@aygaz.com.tr](mailto:investorrelations@aygaz.com.tr) or by phone at +90 212 354 15 15 / extensions 1764-1667-1659 for information requests.

The Investor Relations Report covering all the activities of the Department throughout the year has been submitted to the Corporate Governance Committee and Board of Directors.

## 2.2. EXERCISE OF SHAREHOLDERS' RIGHT TO OBTAIN INFORMATION

The Investor Relations section on the corporate website is regularly updated to offer shareholders easier usability and access to more information.

All information except those qualifying as trade secrets are disclosed to shareholders, who are not subjected to any discrimination regarding the exercise of their right to obtain and review information.

Even though the Articles of Association do not contain any provision regarding an individual's right to request a special auditor, pursuant to Article 438 of the Turkish Commercial Code each shareholder may request the General Assembly to clarify certain events – even if they are not included in the agenda – by way of a special audit, if doing so is necessary for exercising shareholders' rights, provided that the right to obtain information or review has been previously exercised. To date, shareholders have not put in such a request. Furthermore, the company's activities are periodically audited by an independent audit firm appointed by the General Assembly.

## 2.4. VOTING RIGHTS AND MINORITY RIGHTS

Privileged voting rights are not granted to the company's shareholders. There is no other entity with reciprocal shareholding with Aygaz. Minority rights are represented at the General Assembly directly or by proxy. The company's Articles of Association contain no provision on the cumulative voting method. Minority rights are not granted for shareholders holding less than one twentieth of the share capital according to the Articles of Association, and rights are granted pursuant to general legislative provisions.

## 2.5. DIVIDEND RIGHTS

There are no privileges regarding the sharing of the company's profits. Dividends are distributed in accordance with and at the intervals stipulated by applicable legislation. The dividend policy currently in effect was revised at the company's Board of Directors meeting on March 5, 2014 and took its present form: Dividend Policy was presented to the shareholders at the General Assembly meeting on April 1, 2024. The Company paid in cash a gross total dividend of TL 1,505,635,253,95 in 2024.

## 2.6. TRANSFER OF SHARES

Article 8 - Transfer of Shares - of the Articles of Association, stipulates that only the individuals registered in the share book conforming with the records of the Central Registry Agency will be considered and treated as holders of shares or holders of rights of usufruct on shares. Transfer of the company's publicly traded registered shares are governed by and subject to the applicable regulations of the Capital Markets Board.

## 4.1. INFORMING STAKEHOLDERS

The company's stakeholders are informed regularly on matters that concern them, while the employees are briefed during internal communication meetings. Field employees at the Aygaz Gebze Plant and seamen working on vessels are members of trade unions organized in related lines of work. These workers are informed through union representatives. Regional or nation-wide dealer meetings are held every year.

On the other hand, comprehensive communications are also carried out through the company's corporate website, newsletters, technical publications and the company magazine, "Aygaz Dünyası." Designed to strengthen communication with dealers, the Dealer Portal is also used effectively.

The stakeholders may use the links and call the phone line provided on the corporate website and intranet to report any infringements of legislations and ethics violations to the company management or Internal Audit Department to be duly escalated to the Audit Committee.

## 4.2. STAKEHOLDER PARTICIPATION IN MANAGEMENT

In stakeholder meetings, attendees find the opportunity to express their requests and suggestions, which are then addressed by the management. Furthermore, the Individual Suggestion System and email pools established within the Company provide an opportunity to submit new ideas, and owners of the implemented ideas are rewarded. Suggestions can be submitted through the corporate website and intranet.

## 5.1. COMPOSITION AND ELECTION OF THE BOARD OF DIRECTORS

At Aygaz, the Board of Directors is composed of eight members in total with one Chairman, one Vice Chairman and six members, including three independent directors. As of 2024, the Board has two female members. All members were elected to the Board of Directors at the General Assembly meeting on April 1, 2024 to serve until the Ordinary General Assembly Meeting to be held to review the financial results for 2024. Résumés of the Board Members and the General Manager are included in the annual report.

The table below provides brief information about the non-executive members in the Board of Directors in accordance with the CMB's Corporate Governance Principles.

Full Name of the Board Member	Independence Status	Duties on the Board and Committees	External Duties
Rahmi M. Koç	Non-independent	Chairman of the Board and Executive Committee	Honorary President - Koç Holding A.Ş. and Board member at various Koç Group Companies
Ömer M. Koç	Non-independent	Vice Chairman, Executive Committee member	Chairman - Koç Holding A.Ş. and Board member at various Koç Group Companies
Alexandre F. J. Picciotto	Non-independent	Board member, Executive Committee member	General Manager – Orfim, and Board member at various companies
Levent Çakıroğlu	Non-independent	Board member, Risk Management Committee member	CEO and Board member - Koç Holding A.Ş., Board member at various Koç Group Companies
Yağız Eyüboğlu	Non-independent	Board member, Corporate Governance Committee member	Energy Group President - Koç Holding A.Ş. and Board member at various Koç Group Companies
M.M. Gülay Barbarosoğlu	Independent	Board member, Risk Management Committee chair, Audit Committee member	
Neslihan Tonbul	Independent	Board member, Corporate Governance Committee chair	
Muharrem Hilmi Kayhan	Independent	Board member, Audit Committee chair	

The duties of the Chairman and the General Manager are performed by different individuals. While Board members are expected to dedicate the time required for the company's affairs, there are no limitations imposed on them about assuming external duties. The résumés of the members and their external engagements are presented to the shareholders prior to General Assembly.

At Aygaz, the Corporate Governance Committee assumes the duties of the Nomination Committee. In 2024, three independent candidates were nominated to the Corporate Governance Committee. All three independent director candidates submitted their résumés and declarations of independence, which were evaluated by the Corporate Governance Committee and the Board of Directors during their respective meetings on February 1, 2024 and found to meet the criteria specified in Corporate Governance Principles. The candidates were approved and selected by the General Assembly on April 1, 2024. As of the 2024 operating period, no situations arose that would compromise their independence status.

## 5.2. OPERATING PRINCIPLES OF THE BOARD OF DIRECTORS

The agenda of the Board of Directors meetings is determined according to the company's needs upon evaluation of activities. The General Manager and the Chief Financial Officer inform and maintain communication with the Board of Directors. The Board of Directors, which convenes to address strategic issues, physically convened 15 times in 2024 and passed 34 resolutions in total, including those that fall under the scope of paragraph 4 of Article 390 of the Turkish Commercial Code.

Board Members have no weighted voting privileges and/or veto power. Other than the powers vested in the General Assembly by the Turkish Commercial Code, the Board of Directors is authorized to make decisions related to the affairs of the Company. Powers and responsibilities of the Board Members and executives are governed by the circular of signature drafted according to the relevant provisions of the company's Articles of Association.

Board Members do not carry out transactions with the company or take part in any competitor entities.

## 5.4. RISK MANAGEMENT AND INTERNAL CONTROL MECHANISM

The Board of Directors is responsible for ensuring healthy functioning of the internal control system and internal audits. The relevant activities are coordinated by the General Manager and overseen by the committees under the Board of Directors. Necessary information is submitted to the Board of Directors, which reviews the efficiency of risk management systems.

Furthermore, an independent audit firm conducts periodic audits, and results of these audits are reported to the Board of Directors. Corporate Risk Management (CRM) is carried out by a team formed with participation of various departments under the leadership of Chief Finance Officer (CFO) and monitored by the Risk Management Committee.

## 5.5. THE COMPANY'S STRATEGIC GOALS

Along with the company's vision and mission, its strategic goals have also been defined and presented to all stakeholders through various channels. The annual targets determined and set out for the management of the company by the Board of Directors in accordance with these are communicated across all levels. Both the Board of Directors and relevant committees are periodically briefed regarding the realization of the set targets and developments.

## 5.6. FINANCIAL BENEFITS

The Company's Remuneration Policy for the Members of the Board of Directors and Senior Executives was approved at the Ordinary General Assembly Meeting on March 31, 2014. This policy, disclosed to the public through the annual report and corporate web site and most recently approved by the shareholders at the Ordinary General Assembly on April 1, 2024, is also on the agenda of the Ordinary General Assembly Meeting that will be held on March 27, 2025 to review the 2024 activities and presented to the shareholders. The total payment made to Members of the Board of Directors and Senior Executives within the framework of the Remuneration Policy is reviewed by the Corporate Governance Committee and the Board of Directors every year. The payments made to the Members of the Board of Directors and Senior Executives are disclosed in a total amount to the public through financial statement notes in accordance with general practices. There are no transactions that may lead to conflicts of interest such as loans, utilization of credit and provision of guarantees for the benefit of our Board Members or Executives.

# INVESTOR RELATIONS

The Investor Relations department at Aygaz engages in activities to elevate the company's value and promote the company to attract new and potential investors.

In its activities, the Investor Relations department focuses on elevating the company's value for the existing shareholders and aims to attract new and potential investors by promoting the company. Aygaz adopts a corporate approach to investor relations in global standards.

### INFORMATION ACTIVITIES

Building long-lasting relationships with the investors and ensuring accurate and up-to-date information flow are key for investor relations. Accordingly, the Investor Relations department hosted an event with senior executives in

attendance to meet with fund managers and analysts in 2024. The department also held 100+ meetings, including one-on-one meetings and teleconferences, with current and potential investors to share the company's current vision and goals and address the latest topics on the agenda. The department responded to the written and verbal questions from domestic and foreign shareholders and analysts and streamed four webcasts for the quarterly earnings releases.

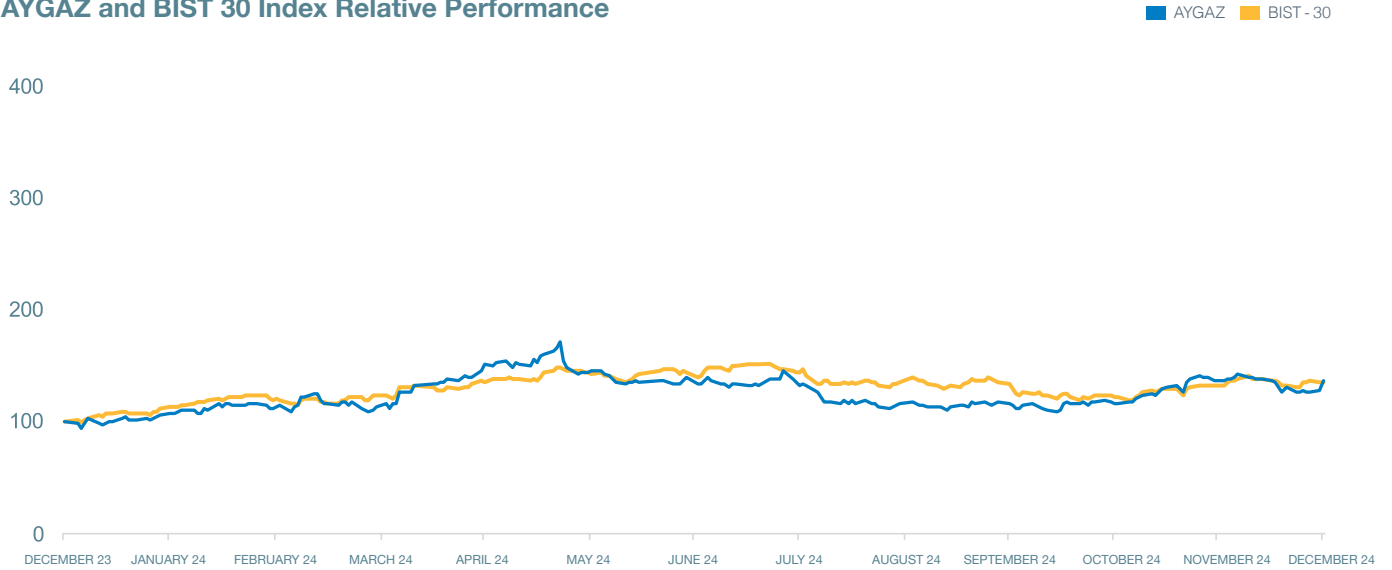
In 2024, most of the inquiries received from the investors and analysts were about the new investments of Aygaz,

## SHARE INFORMATION

BIST Code	: AYGAZ
Bloomberg Code	: AYGAZ.TI
Reuters Code	: AYGAZ.IS
IPO Date	: 13.01.1988
Free Float Rate	: 24.27%
Share of Foreign Investors in Free Float	: 57%



## AYGAZ and BIST 30 Index Relative Performance



including United Aygaz LPG Ltd., the joint venture in Bangladesh, and market and profitability guidance regarding the LPG business line, Aygaz stock value, dividend payments, and outlook.

### STOCK PERFORMANCE

In 2024, Borsa İstanbul (BIST) saw considerable rises.

The market value of the Aygaz rose from TL 28.4 billion as of year-end 2023 to TL 38.9 billion levels as of year-end 2024, with an increase of 37% on TL basis. In the same period, the returns of BIST 100 and BIST 30 were 33% and 36%, respectively. Aygaz stocks were traded at lowest TL 121.43 and highest TL 221.40 during the year. Aygaz closed the year with a market cap of nearly USD 1.1 billion.

### DIVIDEND DISTRIBUTION

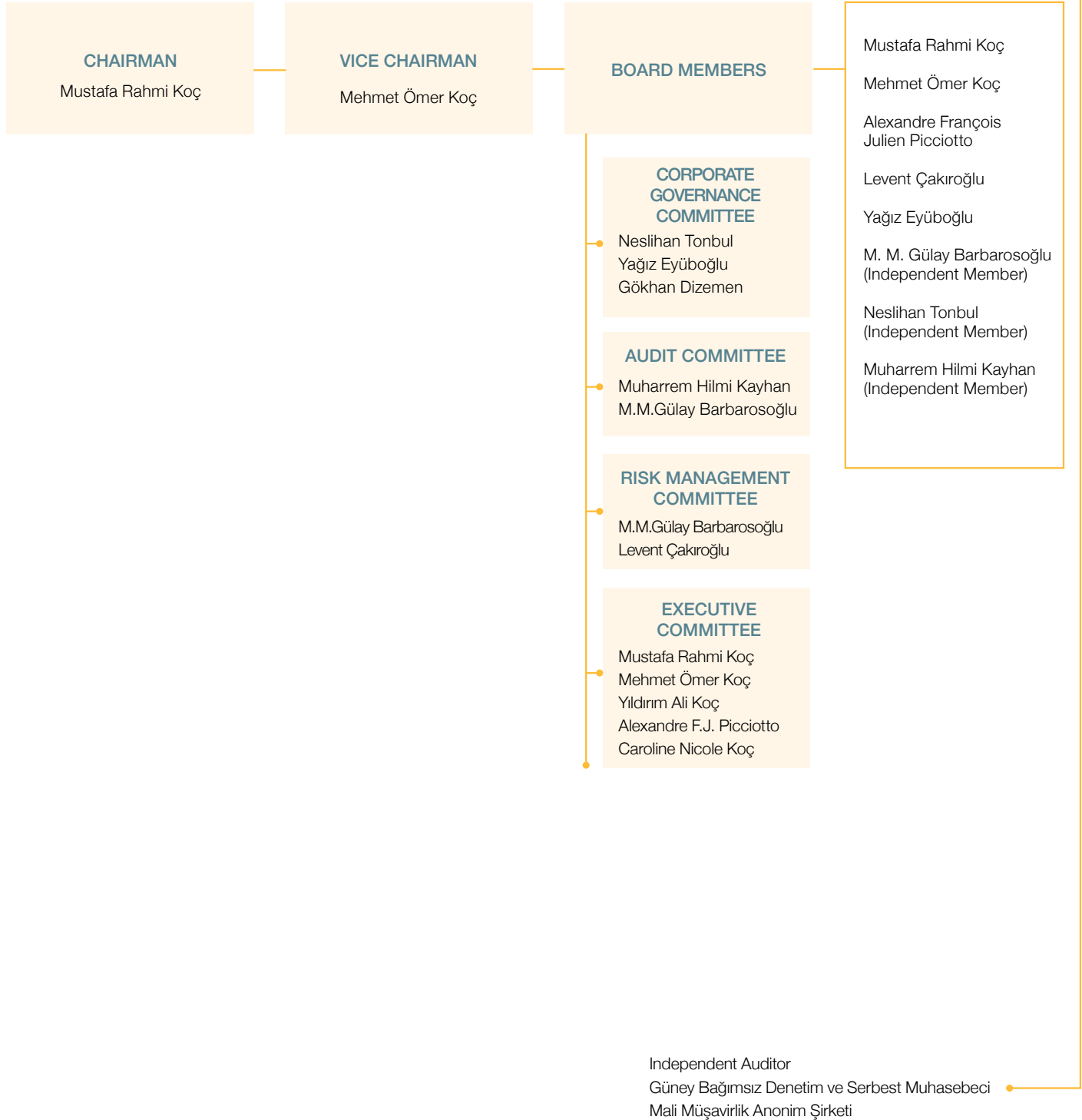
In line with the dividend policy and to the extent allowed by applicable regulations and financial resources, minimum 50% of the distributable profit, calculated in accordance with Capital Markets regulations is distributed in cash and/or bonus shares. The factors taken into account in calculating the annual dividend amount include long-term company strategies, investment and financing policies, and profitability and cash position.

Including TL 2,758 million as dividend to be submitted to the General Assembly for approval in 2024, the total dividends paid out in the last five years will reach TL 4,784 million.

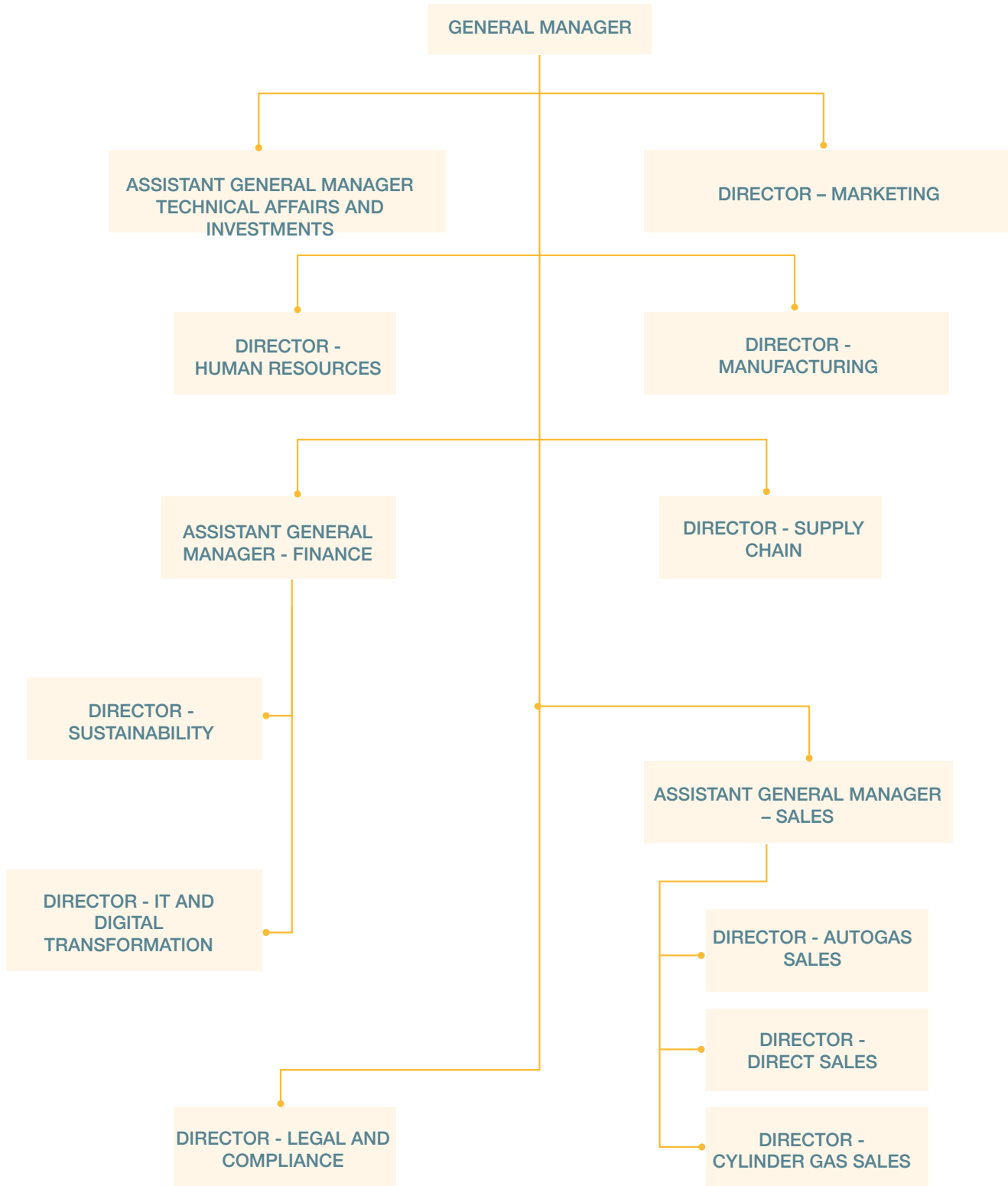
### AYGAZ STOCK AND INVESTOR COMPOSITION

Currently, 24.27% of Aygaz shares are traded on Borsa İstanbul. As of 2024, foreign investors account for 57% of the free floating shares of Aygaz, above the BIST 100 ratio. This is a sign of the trust that Aygaz has elicited from foreign investors, both for its investor relations activities and its corporate governance efforts.

## STRUCTURE OF THE BOARD OF DIRECTORS



# ORGANIZATIONAL CHART



# BOARD OF DIRECTORS / RÉSUMÉS

## MUSTAFA RAHMI KOÇ

### Chairman

After studying Business Administration at Johns Hopkins University (USA), Rahmi M. Koç started his career in 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 at other Koç Group companies. His responsibilities in various capacities and titled at numerous institutions and organizations include: Vice Chairman of the Board of Trustees of the Vehbi Koç Foundation, Honorary Chairman of the Board of Trustees of the Koç University, Founder and Chairman of the Board of the Rahmi M. Koç Museum and Cultural Foundation, Chairman of the Board of the VKV 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 Industry and Business Association (TÜSİAD), Member of the Advisory Board of the Turkish Employers Association (TİSK), Co-Chairman of the Business Advisory Council for South East Europe, Honorary Trustee of the Metropolitan Museum of Art and Founding Chairman of the Global Relations Forum. Mr. Koç has been awarded Honorary Doctorate degrees by Johns Hopkins University (Baltimore-Maryland), Eskişehir Anadolu University, İzmir Ege University, Ankara Bilkent University, Ovidius University of Constanta and Aydın Adnan Menderes University. Rahmi M. Koç has been recognized with distinguished awards, medals and honors including "Outstanding Service Award" by the President of Turkish Republic, "Grosses Verdienst Kreuz" by the German Government, 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" by the French Government, "Responsible Capitalism Lifetime Achievement Award" by the international affairs organization FIRST and Medal by Foreign Policy Association (FPA). Rahmi M. Koç, together with the Koç Family, has received the Hadrian Award granted by the World Monuments Fund, Carnegie Medal of Philanthropy, BNP Paribas Philanthropy Award and "Outstanding Service Award in Decorative Arts" at the 16th "Iris Foundation Awards." He has previously served as President of the International Chamber of Commerce, President of the Turkish Greek Business Council, Member of the Allianz Aktiengesellschaft International Advisory Board, Member of the JP Morgan International Council and Member of the International Advisory Board of the US Council on Foreign Relations. He continues to serve as the Chairman of Aygaz A.Ş. since 1996.

## ÖMER M. KOÇ

### Vice Chairman

Ömer M. Koç received his BA in Ancient Greek from Columbia College, Columbia University (USA) in 1985. He worked at Kofisa Trading for one year and completed his MBA at Columbia University Business School 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, and Vice President and President of the Energy Group. He became Member of the Board of Directors in 2004 and Vice Chairman in May 2008. Since February 2016, he has served as the Chairman of the Board of Directors of Koç Holding. Other appointments of Ömer M. Koç include Vice President of the Turkish Industry and Business Association (TÜSİAD) High Advisory Council, Chairman of the Board of Trustees of Turkish Educational Foundation, Chairman of the Board of Directors of Geyre Foundation, Chairman of Tofaş, Tüpraş and Yapı Kredi Kültür Sanat Yatırıncılık, Chairman of IKSIV (Istanbul Foundation For Culture and Arts) Board of Trustees, and Board Member at various other Koç Group companies. Ömer M. Koç has served on the Aygaz A.Ş. Board of Directors as a member since 1996 and Vice Chairman since 2001.

## ALEXANDRE FRANÇOIS JULIEN PICCIOTTO

### Member

Alexandre Picciotto is one of the grandsons of Hillel Picciotto, who co-founded Aygaz with Vehbi Koç in 1961. After graduating from Ecole Supérieure de Gestion (Paris) in 1990, he started his career in Orfim, the investment company of his family in Paris, France. He managed different subsidiaries operating in various fields, including real estate and movie industry (1990-2003). In 2003, he was appointed General Manager at Liquid Petroleum Gas Development Company, the Picciotto family-owned company, which is a shareholder of Aygaz. He was then appointed General Manager at Orfim in 2008 and President in 2021. Alexandre Picciotto is also member of the Board of Directors at various companies in both Türkiye and France. He has served on the Aygaz Board of Directors since July 2012.

## LEVENT ÇAKIROĞLU

### Member

Levent Çakiroğlu 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 from 1991 to 1997. He was appointed as Assistant Manager of Financial Crimes Investigation Board in 1997 and 1998, meanwhile he taught as a Part Time Instructor at Bilkent University. Çakiroğlu, joined Koç Group in 1998 as Koç Holding Financial Group Coordinator. He was the General Manager of Koçtaş from 2002 until 2007 and the CEO of Migros from 2007 to 2008. He was appointed as the CEO of Arçelik in 2008 and also became the President of the Durable Goods Group of Koç Holding in April 2010. Çakiroğlu has served as the CEO of Koç Holding since April 2015 and a Member of the Board of Directors of Koç Holding since April 2016. Levent Çakiroğlu is also Chairman of the Board of Directors of Arçelik- LG and Türk Traktör, the Vice Chairman of Yapı Kredi Boards of Directors, and Member of the Board of Directors at various Koç Holding companies. Çakiroğlu has served on the Aygaz Board of Directors since 2015.

## YAĞIZ EYÜBOĞLU

### Member

Yağız Eyüboğlu graduated from Boğaziçi University with a BA in Economics in 1991. He went on to earn an MBA from Koç University in 1996. Yağız Eyüboğlu began his professional career as a Management Trainee at Arçelik in 1991. Starting in 1993, he worked at Koç Holding for more than 10 years, as Auditor, Senior Internal Auditor, Assistant Financial Coordinator and Financial Coordinator, respectively. Between 2004 and 2009, he served as CFO of Arçelik; CEO and Board Member of Beko Elektronik; Assistant to the President of the Foreign Trade and Tourism Group at Koç Holding; and Human Resources Director at Koç Holding. From 2009 to October 2015, he was the General Manager of Aygaz. In October 2015, he was appointed Deputy President of the Energy Group at Koç Holding and since April 2016 he has served as President of Energy Group. Yağız Eyüboğlu currently serves as a Board Member in various Koç Group companies and sectoral non-governmental organizations. He recently served as the President of World LPG Association (WPGA), the Chair of TISK Turkish Confederation of Employer Associations, and the Chair of the Board of Trustees of the Turkish Family Health and Planning Foundation (TAPV). Yağız Eyüboğlu has served on the Aygaz Board of Directors since 2016.

## PROFESSOR M. M. GÜLAY BARBAROSOĞLU, PH.D.

### Independent Member

After graduating from Robert College in 1974, M. M. Gülay Barbarosoğlu earned her bachelor's degree in industrial engineering in 1978 and her Ph.D. in the same department at Boğaziçi University in 1985, and became a full professor of industrial engineering in 2000. Professor Gülay Barbarosoğlu designed and delivered lectures on mathematical programming and optimization, logistics, operations and production planning, and decision-making theories. Professor Barbarosoğlu served as the Rector (2012 – 2016) and Vice Rector - Research (2008 – 2012) at Boğaziçi University, where she also took on various administrative roles. In addition to her role as the Director at Kandilli Observatory and Research Institute (KRDAE) (2002 - 2006), she also served as the Director at Center for Disaster Management (CENDIM), and the Department Head of Industrial Engineering and Financial Engineering Program. As part of her international appointments, including national representative at NATO Research and Technology Organization (2002 - 2010), Vice Chair of the Association of European Operational Research Societies (EURO) (2003 - 2007), and Board member at the European Universities Association between (2013 -2017), Professor Barbarosoğlu worked in close collaboration with various European universities, governmental and nongovernmental organizations. Professor Barbarosoğlu is a founding member of EURO Organizational Planning European Study Group and a member of the Management Sciences Institute (INFORMS), American Production and Inventory Control Society (APICS), and International Industrial Engineering and Production Management (IEPM). As a proponent of civil society activities, Professor Barbarosoğlu has actively worked to establish Neighborhood Disaster Volunteers (MAG), where she served as a Board member and Chairwoman. Professor Gülay Barbarosoğlu retired from Boğaziçi University in December 2016. She is currently the Founder's Representative at Hisar School and a member of the Board of Trustees at Özyeğin University. She has served on the Aygaz Board of Directors since 2024.

## NESLİHAN TONBUL

### Independent Member

Neslihan Tonbul holds a bachelor's degree in economics and political science from Rutgers University (1981) and graduate degrees in developmental economics and international relations from the Fletcher School of Law and Diplomacy (1983) at Tufts University. She started her professional career in 1983 at the Irving Trust Company in New York and went on to serve in senior management roles at various international financial institutions, including The Bank of New York and BNY Mellon's offices in New York City, London, and Istanbul, lastly as the Regional Manager for the Middle East, Africa, Eastern Europe and Türkiye until 2008. Tonbul, who has sat on the boards of several leading Turkish corporations and organizations since 2008, currently serves as an independent board member at Tofaş, TAT Gıda, Petkim, Alarko Holding, and Vakıfbank International AG. After training at Harvard Business School, Tonbul specialized in the management of family businesses at Boston-based Cambridge Family Enterprise Group. Neslihan Tonbul has been teaching "Managing Family Enterprises" and "Impact Investments and Sustainability" at Koç University's College of Administrative Sciences and Economics since 2017. She has served as a senior consultant for New Zealand Trade and Enterprise since 2014. She is fluent in English, French and Azeri. She has served on the Aygaz Board of Directors since 2024.

## MUHARREM HİLMİ KAYHAN

### Independent Member

Muharrem Kayhan attended St. Joseph French School and Robert College in high school and later earned an engineering degree in textiles (1976) from the University of Manchester (UK) and an MBA (1978) from Cornell University (USA). Muharrem Kayhan is currently the Vice Chairman at Söktaş and its subsidiaries, operating in the textiles and agriculture sectors. He has served on the boards of the Aegean Exporters' Union, Turkish Textile Employers' Union, and Aegean Chamber of Industry. After his term as Chairman of the Board of Directors (1997-1999), he was elected as the Chairman of the Advisory Council in January 2001 at TÜSİAD, where he is the Honorary Chairman since 2005. Muharrem Kayhan serves on the Board of Trustees at Robert College, the İzmir Culture, Art and Education Foundation, and Bizim Okul Foundation. He is the recipient of the Turkish National Assembly Distinguished Service Award (2009). He has represented Spain as Honorary Consul in İzmir since 2003. Muharrem Kayhan has previously served as an Independent Board Member at Koç Holding and Tüpraş A.Ş. Mr. Kayhan has a keen interest in antiquity and numismatics. He has served on the Aygaz Board of Directors since 2024.

# EXECUTIVE MANAGEMENT / RÉSUMÉS

## MELİH POYRAZ

### General Manager

Melih Poyraz holds a bachelor's degree in Business Administration from Boğaziçi University (2001), an LL.M. in Economics Law from Galatasaray University (2011), an MBA from MIT Sloan School of Management (2012), and a JD (Juris Doctor) degree from Northwestern University School of Law (2014). He is also a Board Certified Lawyer registered with the Illinois State Bar Association (USA) since 2014. Melih Poyraz started his professional career as a consultant at Ernst & Young (2001) and later worked as a tax inspector for the Turkish Ministry of Finance (2004 – 2014). He joined Koç Group in 2014 as the Corporate Risk Management Director at Arçelik. He went on to serve as Coordinator – CEO Office (2015 – 2021) and then as Strategy and Business Development Director (2021 – 2023) at Koç Holding A.Ş. Melih Poyraz was appointed General Manager at Aygaz, effective April 2023. In addition to serving as the President of LPG Assembly of the Union of Chambers and Commodity Exchanges of Türkiye, Poyraz is also a Board member at World Liquid Gas Association (WLGA).

## GÖKHAN DİZEMEN

### Assistant General Manager - Finance

Gökhan Dizemen's professional career started in 2002 as an Associate and later Senior Associate at Pricewaterhouse Coopers and continued as Assistant Manager in 2006. After serving as Finance Manager at Societe Generale Consumer Finance in 2007, he joined Koç Holding A.Ş. where he worked as Finance Manager (2008-2010) and Finance Coordinator (2011-2018). After his role as Chief Financial Officer at Tüpraş Trading Ltd. (2018-2020), Gökhan Dizemen has served as Assistant General Manager - Finance at Aygaz A.Ş. since 2021.

## AYŞE ABAMOR BİLGİN

### Assistant General Manager - Technical Affairs and Investments

Ayşe Abamor Bilgin began her career in 1998 as a Management Trainee at Aygaz A.Ş. After her appointment as Supply Manager in 2005, Ayşe Abamor Bilgin served as LPG Supply and Trade Manager (2008-2012). After her role as Director – Supply Chain (2012-2020), she has served as Assistant General Manager - Technical Affairs and Investments since January 2021 in charge of Aygaz facilities' operations and the R&D Center.

## AHMET ERCÜMENT POLAT

### Assistant General Manager – Sales

Ercüment Polat graduated from the Military Academy with a degree in Mechanical Engineering and completed Executive MBA (EMBA) programs at Marmara University in 1999 and at Koç University in 2003. He served in various ranks as a professional officer in the Turkish Armed Forces (1989 – 1994). Ercüment Polat began his career in the private sector in 1995 as a Sales Engineer at Aygaz, and served as Regional Sales Representative and Autogas and Bulk Gas Regional Sales Manager, respectively. Polat, who served as Branch Manager at Akpa A.Ş., a subsidiary of Aygaz, in 2004, assumed the role of General Manager from 2008 to 2010. After his role as Marketing Director at Aygaz (2010 – 2018), Ercüment Polat was appointed as Director - Cylinder Gas Sales in 2018. In February 2021, Ercüment Polat was appointed as the CEO of United Aygaz LPG Ltd, a joint venture of Aygaz in Bangladesh, and as Assistant General Manager - Sales at Aygaz Türkiye at the beginning of 2025.

## ŞENOL ZAFER POLAT

### Director - Cylinder Gas Sales

Şenol Zafer Polat began his career in 1994 as a Construction Site Control Engineer at Termas A.Ş. and joined Aygaz in 1996 as a Project Marketing Engineer. From 1997 to 2010, he served as Cylinder Gas, Autogas and Bulk Gas Sales Manager for the Thrace, İstanbul and Marmara regions, and later as Central Anatolia Regional Sales Manager. From 2010 to 2016, he served as Aegean Region Cylinder Gas Sales Manager, first at Mogaz, then Aygaz. In 2016, Mr. Polat began to serve as Planning and Business Development Manager for Cylinder Gas, and in June 2018 June as Director - Autogas Sales. He was appointed Director – Cylinder Gas Sales in February 2021.

**HAKAN ÖNTÜRK****Director - Autogas Sales**

Hakan Öntürk began his career in 1994 as an Industrial Engineer at Z Management Consultancy and joined Aygaz A.Ş. as Çukurova Region Cylinder Gas Sales Supervisor in 2000. His next appointments included Çukurova Region Bulk Gas and Autogas Sales Supervisor (2002-2006), Marmara Region Bulk Gas and Autogas Sales (2006-2013), Northern Marmara Autogas Sales Manager and then Aegean Region Autogas Sales Manager (2013-2018). After serving as Marmara Region (North) Autogas Sales Manager from 2018, Hakan Öntürk was appointed Director – Autogas Sales in February 2021.

**ELİFCAN YAZGAN****Director - Supply Chain**

Elifcan Yazgan started her professional career in 2007 as LPG Supply Planning Specialist at Aygaz A.Ş. and went on to serve as LPG Supply and Trade Specialist (2013-2015), Operation and Process Development Manager (2015-2017) and most recently as Business Development Manager (2017-2020). Elifcan Yazgan was appointed Director - Supply Chain as of January 2021.

**ESRA TOPKOÇ****Director - Human Resources**

Esra Topkoç started her career at Aygaz A.Ş. in 1998 as a Human Resources Specialist. She was appointed as Human Resources Supervisor in 2006, and served as Human Resources Manager from 2009 to 2020. Topkoç has been appointed as Director – Human Resources as of January 2022.

**GÖKHAN BURAK GÜRBÜZ****Gebze Plant – Factory Director**

Gökhan Burak Gürbüz earned a bachelor's degree in Mechanical Engineering from Yıldız Technical University and a master's degree from Istanbul Technical University. He completed the Executive MBA program at Koç University in 2011. Joining Aygaz in 2003, Gürbüz served as Production Management Supervisor (2003-2004), Gas Appliances Marketing Supervisor, Domestic Sales Supervisor, and International Sales Supervisor, respectively (2004-2008). After serving as Gas Appliances Sales Manager (2008-2018) and later as Factory Manager at Gebze Plant until 2021, when he was promoted to Factory Director.

**DİDEM KALKAN ERDEM****Director – Marketing**

Didem Kalkan Erdem holds bachelor's and master's degrees in Industrial Engineering from Istanbul Technical University. Didem Kalkan Erdem joined Aygaz as a Management Trainee in 1996, and then served as the Bulk Gas Marketing Supervisor (1997-2001). She later worked as the Sales and Marketing Manager and Sales Manager, respectively, at Aygaz Doğal Gaz, founded in 2001 under the name Koç Statoil Gaz and a subsidiary of Aygaz since 2009. In 2019, she assumed the position of General Manager at Aygaz Doğal Gaz, where she is currently a Board member. Didem Kalkan Erdem has been appointed as the Marketing Director at Aygaz as of 2025.

## RISK MANAGEMENT AND INTERNAL AUDIT

Risk management at Aygaz is based on corporate governance principles and executed with a holistic approach in integration with the company strategies and targets.

Risk management at Aygaz is based on corporate governance principles and executed with a holistic approach in integration with the company strategies and targets. Necessary strategies and actions are determined with a view to effective corporate risk management, while potential risks and opportunities are taken into account for Aygaz to reach its targets.

Aygaz manages the corporate risk process in integration with the company strategies and targets by spreading risk awareness across the organization to identify various risk scenarios that may arise within the company, the probability of their occurrence, and the scale of impact in the event that they occur. Aygaz aims to maximize the value created for its shareholders and other stakeholders by managing corporate risks with a holistic, systematic and proactive approach. To maintain and increase market value, the company also aims to identify and manage risks and seize opportunities at the same time. With effective corporate risk management in place, developing shared perspectives and strategies across the company remains a focus point. Accordingly, strategies are reviewed with updated processes and action plans, and systematic policies are created. The potential risks and scenarios determined during the corporate risk management activities are addressed while solutions are sought for updating and prioritizing the company's risk inventory and mitigating or eliminating the risks. The updated risks and action plans are consolidated and the internal stakeholders are informed while the

departments review their own risk assessments to raise awareness about corporate risk management.

Aygaz has reviewed the internal operating procedures and roadmap and updated its plans to assess whether systemic integration aligns with the business processes and to create alternative methods for regular monitoring.

A risk management approach that considers balanced growth and return is applied at Aygaz in accordance with international standards and practices, as well as policies approved and strategic targets set by the Board of Directors, which takes into account feedback from relevant departments, starting with the Risk Management Committee and Executive Committee. Given the financial, operational and legal risks encountered due to the nature of the industry, risks are managed -within the framework of corporate risk management- with a systematic and proactive approach integrated with constantly updated risk assessments across the Company. Making this practice a part of the corporate culture and implementing it throughout the Company is essential in terms of business operations. Through effective risk monitoring, these risks are prioritized according to their probabilities and possible impacts and managed accurately.

### MANAGING THE RISKS

Financial risks arising from uncertainties and fluctuations, particularly in the foreign exchange rates, interest rates, liquidity, and commodity prices, are identified,

evaluated, and relevant instruments are used to mitigate risks as needed.

Foreign exchange risks originate from purchases in foreign currencies regarding business activities or foreign currency loans utilized for liquidity purposes. The interest rate risk affects rate-sensitive assets and liabilities. The negative effects of interest rate risk are eliminated by balancing financial debts in terms of fixed/ variable interest rates and short term/long term maturities. The company follows a policy of managing long-term liabilities with fixed interest rates and also preserving a flexible structure and hedging the potential interest rate risks through derivative instruments.

Liquidity risk is managed by closely monitoring the current cash position and projected cash flows and ensuring maturity match between assets and liabilities. Net working capital is carefully monitored to preserve short-term liquidity, and sufficient levels of cash and cash-like assets are maintained against potential capital market fluctuations. The market developments are followed closely and average credit maturities are maintained at specific levels by utilizing different financing options. Available cash and non-cash credit lines are held with the banks.

Given its broad range of activities, Aygaz's receivables are spread across different industries and geographical regions that encompass numerous dealers and customers. Concentrating on a specific field or a customer is avoided. Commercial receivables are

monitored closely with regular reporting and assessments, taking care to keep customer credit risk exposure arising from commercial receivables within approved limits.

Collaterals (letters of credit, pledges and other such instruments) are required to mitigate collection risks. These are monitored systematically, while the risks are checked on transaction basis. Payments are received via banking systems. Moreover, using various payment systems facilitates collection and mitigates the risks.

In terms of capital risk, the company's objective is to carry out its business activities with the most efficient capital structure that minimizes the cost of capital while creating return for its shareholders. The most significant indicators taken into account for this purpose are the ratios of Net Financial Debt/EBITDA, Total Financial Debts/Equity, Current Ratio and Liquidity Ratio, as well as the maturity structure of Financial Debts and Net Working Capital. With all these indicators maintained within the required limits, Aygaz achieves the capital structure and debt capacity to conduct its business soundly. The Board of Directors is informed through internal reports, which are prepared by the management and presented to the Risk Management Committee periodically.

The operational, legal and strategic risks are assessed by relevant departments, while the Board of Directors oversees the senior management's decisions through this committee. The Board of Directors also receives information about corporate risk management activities within the scope of strategic

planning and management processes through senior management and the Risk Management Committee. Operational risks are monitored by the relevant functions and reported to the senior management at regular intervals. For protection against any losses that may arise due to operational or other risks, various insurances are in place including coverages for subsidiaries. All transferable risks are assigned to third parties with insurance policies. Similarly, various other instruments have been introduced including a cyber risk insurance policy to mitigate the effect and probability of cyberattacks. Through the Information Security Policy, Aygaz aims to guarantee business continuity by ensuring that the information assets used in the business processes are secure and protected. The company also applies the Integrated Management Systems Policy in alignment with sustainability principles.

Legislative changes are monitored by all relevant functions, starting with the Legal and Compliance Department, while the company provides information and training programs and carries out sustainability and compliance activities to avoid legal risks.

#### **INTERNAL CONTROL SYSTEM AND INTERNAL AUDIT**

Aygaz has an effective Internal Control System to provide sufficient assurance regarding the efficiency of operations and the financial reporting system's compliance with applicable regulations. The Internal Control System refers to all controls such as standard definitions included in financial transactions, reporting and workflows, job descriptions, authorization/ approval system, policies, and written procedures.

The Internal Control System is regularly assessed and audited by the Internal Audit Department, which performs its duties under the supervision of the General Manager.

The mission of the Internal Audit Department is to present risk-based recommendations, projections and determinations with objective assurance to the General Manager, thereby protecting and enhancing organizational value. The Internal Audit Department audits the company's head office and terminals, plants and distribution facilities across Türkiye through routine and/ or necessary financial and operational inspections. The department analyzes processes in line with the audit plan, reviews the results of the audit activities conducted for issues that have room for improvement or are considered risky, addresses the complaints and other issues communicated to the company through various channels, and reports its findings to the senior management. The department also continues to support the Aygaz subsidiaries' efforts to design their relevant processes and plays an active role in implementing the planned activities.

The Internal Audit Department submits regular reports to the Aygaz Audit Committee and Koç Holding Audit Group during the year. The audit activities and the results of the audits are presented to the committee.

# INDEPENDENT AUDITOR’S REPORT ON THE EARLY RISK IDENTIFICATION SYSTEM AND COMMITTEE (CONVENIENCE TRANSLATION)

To the Board of Directors of Aygaz Anonim Şirketi

We have audited the early risk identification system and committee established by Aygaz Anonim Şirketi (the “Company”).

## Board of Directors’ Responsibility

Pursuant to subparagraph 1 of Article 378 of Turkish Commercial Code (“TCC”) No. 6102; Board of Directors is required to form an expert committee, and to run and to develop the necessary system for the purposes of early identification of causes that jeopardize the existence, development and continuity of the company; applying the necessary measures and remedies in this regard; and managing the related risks.

## Auditor’s Responsibility

Our responsibility is to reach a conclusion on the early risk identification system and committee based on our audit. Our audit was conducted in accordance with TCC, “Principles on Independent Auditor’s Report on the Early Risk Identification System and Committee” issued by the Public Oversight Accounting and Auditing Standards Authority and ethical requirements. Those principles require us to identify whether the Company established the early risk identification system and committee or not and, if established requires us to assess whether the system and committee is operating or not within the framework of Article 378 of TCC. Our audit does not include evaluating the adequacy of the operations carried out by the management of the Company in order to manage these risks.

## Information on the Early Risk Identification System and Committee

The Company established the early risk identification system and committee and it is comprised of 2 members. The Committee has submitted the relevant reports for the period 1 January- 31 December 2024 to the Board of Directors that had been prepared for the purpose of early identification of risks that jeopardize the existence of the Company and its development, applying necessary measures and remedies in this regard, and managing the risks.

## Conclusion

Based on our audit, it has been concluded that Aygaz Anonim Şirketi’s early risk identification system and committee is sufficient, in all material respects, in accordance with Article 378 of TCC.

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

Seçkin Özdemir  
Independent Auditor

17 February 2025  
İstanbul, Türkiye

# EVALUATION OF BOARD COMMITTEES' OPERATING PRINCIPLES AND EFFECTIVENESS

The Board of Directors has decided on May 7, 2024 with resolution no. 2024-13 to appoint the following Board members to the respective Board committees, established pursuant to the provisions of the Capital Markets Board's Corporate Governance Communiqué no. II-17.1 ("Communiqué"):

- Muharrem Hilmi Kayhan as the chair and Müzeyyen Münire Gülay Barbarosoğlu as the member of the Audit Committee, which consists of two members.
- Neslihan Tonbul as the chair and Yağız Eyüboğlu and Gökhan Dizemen as members of the Corporate Governance Committee, which consists of three members, and the Corporate Governance Committee to continue to fulfill the duties of the Nomination Committee and Remuneration Committee, stipulated in the Communiqué.
- Dr Müzeyyen Münire Gülay Barbarosoğlu as chair and Levent Çakıroğlu as member of the Risk Management Committee, which consists of two members.
- Mustafa Rahmi Koç, Mehmet Ömer Koç, Yıldırım Ali Koç, Alexandre François Julien Picciotto, and Caroline Nicole Koç as members of the Executive Committee, which consists of five members and the Committee to appoint a Chair from among its members.

Pursuant to the published Corporate Governance Principles, the Investor Relations Department is required to report directly to the General Manager or Assistant General Manager and the

said manager to be a member of the Corporate Governance Committee. Accordingly, the Board of Directors has resolved on December 25, 2020 that Gökhan Dizemen, the Assistant General Manager – Finance perform the duties specified in article 11 of the Corporate Governance Communiqué no. II-17.1, published and implemented by the Capital Markets Board on January 3, 2014 and also serve as a member of the Corporate Governance Committee.

In 2024, all Board committees fulfilled their duties and responsibilities in accordance with the Corporate Governance Principles and their own bylaws, convened in line with their annual meeting schedules, and submitted their reports about their activities and the results of the meetings within the year to the Board of Directors. All the Committee members attended all the meetings. The Board of Directors is of the opinion that the work of the Board Committees has delivered the expected benefits.

## AUDIT COMMITTEE - WORKING PRINCIPLES AND ACTIVITIES

The Audit Committee was formed pursuant to the Board of Directors' resolution on April 9, 2003 to monitor the functioning of the accounting and reporting systems of the Company in accordance with the applicable laws and regulations, public disclosure of financial information, and functioning and effectiveness of the independent audit and internal control systems. The Audit Committee convened seven times in 2024.

In principle, the Board of Directors oversees the financial control and audit

activities through the Audit Committee. As part of its duties, the Audit Committee examines and evaluates the reports provided by the Budget Reporting and Control Department, established to review, audit and report the efficiency of the processes in detail from a financial angle, communicates the necessary instructions to the Company management, informs the Board of Directors and seeks its approval when needed. The Committee's decisions are recommendations by nature and the Board of Directors passes the final resolutions on these matters.

## AUDIT COMMITTEE - DUTIES, RESPONSIBILITIES AND WORKING PRINCIPLES

Audit Committee's duties:

- Nominating the independent audit firm, determining the scope of the services that the independent audit firm would provide, initiating the independent audit process by drafting the independent audit agreement, and overseeing the work of the independent audit firm at every stage.
- Assessing the independent auditor in terms of independence criteria, evaluating the declaration of independence and the additional services that may be obtained from the independent audit firm.
- Evaluating the findings communicated to the Committee by the independent audit firm as a result of their independent audit, the material issues related to the company's accounting policy and practices, the alternative practices and public disclosure options according to the CMB's accounting standards and accounting

principles, previously communicated to the Company management by the independent auditor; their possible outcomes and implementation proposal, and the materially significant correspondence with the company management.

- Reviewing and resolving the complaints regarding the company's accounting, reporting and internal control systems and independent audit processes; overseeing the system established to evaluate the company employees' anonymous reporting of the accounting, reporting, internal control, and independent audit issues.
- Submitting its written evaluations to the Board of Directors together with the opinions of the relevant executives and independent auditors regarding the accuracy and factualness of the annual and interim financial statements to be disclosed to the public in terms of conformity with the accounting principles followed by the Company.
- Fulfilling other duties that may be assigned to the committee pursuant to CMB regulations and the Turkish Commercial Code.

Working Principles of the Audit Committee are available on the corporate website.

<https://kurumsal.aygaz.com.tr/uploads/yatirimci-iliskileri/komiteler/denetim-komitesi-calisma-esaslari-2024.pdf>

#### **Audit Committee's Activities in 2024:**

- Submitted its written evaluations to the Board of Directors together with the opinions of the relevant executives and independent auditors regarding the accuracy and factualness of the annual and interim financial statements in terms of conformity with the accounting principles followed by the company.
- Submitted its written evaluations to the Board of Directors regarding the accuracy and adequacy of the descriptions in the annual report in terms of truthfully reflecting the

company's progress and performance along with the material risks and uncertainties that may be faced.

- Oversaw the entire independent audit process, including the nomination and selection of the independent audit firm, determining the scope of the services that the independent audit firm would provide, drafting of the independent audit agreement, and initiating the independent audit process.
- Examined the work program, results, and recommendations of the independent audit firm.
- Monitored the effectiveness of the internal audit system, and reviewed the program and the work results and recommendations of the Internal Audit Department, and the related practices and outcomes.

#### **CORPORATE GOVERNANCE COMMITTEE - WORKING PRINCIPLES AND ACTIVITIES**

The Corporate Governance Committee was formed pursuant to the Board of Directors' resolution on March 15, 2010 to monitor the company's compliance with the Corporate Governance Principles, carry out the necessary development work and offer recommendations to the Board of Directors to improve corporate governance practices. Accordingly, the Committee identifies whether the Principles are implemented, and if not, the reasons and conflicts of interest due to lack of full compliance with these principles, and submits its recommendations to the Board of Directors to improve Corporate Governance practices. The Corporate Governance Committee is also tasked with the duties of the Nomination Committee and Remuneration Committee, stipulated in the Communiqué. The Corporate Governance Committee, which meets as often as required by its duties, convened five times in 2024.

#### **CORPORATE GOVERNANCE COMMITTEE – DUTIES, RESPONSIBILITIES AND WORKING PRINCIPLES**

Corporate Governance Committee' duties:

- Offering recommendations to the Board of Directors to improve corporate governance practices by determining whether the Principles are implemented, and if not, the reasons and conflicts of interest due to lack of full compliance with these principles.
- Overseeing the activities of the investor relations department.
- Assessing the accuracy and alignment of the information contained in the Corporate Governance Principles Compliance Report with the information provided to the Committee by reviewing the Report to be disclosed to the public.
- Ensuring that the Corporate Governance Principles are adopted and implemented within the organization and submitting recommendations to the Board of Directors to improve the level of compliance by analyzing the topics that are not implemented.
- Following the global corporate governance practices and submitting recommendations to the Board of Directors to implement the appropriate practices within the organization.

The Corporate Governance Committee is also tasked with the duties of the nomination and remuneration committees, stipulated in the CMB regulations. Accordingly, the duties of the Committee are as follows:

- Assessing the system designed to nominate, evaluate and train members to the Board of Directors and senior executives, and working to determine the relevant policies and strategies.
- Evaluating the nominations for independent Board membership by considering whether the candidates meet the independence criteria and submitting its assessment to the Board of Directors for approval.

- In case an independent membership position in the Board of Directors is vacated, evaluating candidates to serve until the next General Assembly meeting to ensure that the requirement for minimum number of independent members and submitting its assessments in writing to the Board of Directors.
- Regularly evaluating the Board of Directors in terms of structure and efficiency and submitting recommendations to the Board of Directors for potential changes.
- Evaluating the systems designed to determine the approaches, principles and practices for the performance assessment and career planning of the Board members and senior executives.
- Evaluating and monitoring the proposals regarding the principles of remuneration for Board members and senior executives by considering the company's long-term goals.
- Determining the criteria for measuring the performance of the company and the Board members in relation to their respective performances.
- Submitting proposals to the Board of Directors regarding the remuneration of Board members and senior executives by considering the level of meeting the set criteria.

The Working Principles of the Corporate Governance Committee are available on the corporate website.

<https://kurumsal.aygaz.com.tr/uploads/yatirimci-iliskileri/komiteler/kurumsalyonetim-komitesicalisma-esaslari-2024.pdf>

#### **Corporate Governance Committee's Activities in 2024:**

- Evaluated all nominations for independent membership, including the candidates proposed by the management and investors, by considering whether these candidates meet the independence criteria and submitted its assessment to the Board of Directors for approval.
- Ensured that the candidates for

independent memberships in the Board of Directors provided a written declaration stating their independence in accordance with the criteria stipulated in the applicable regulation and the company's Articles of Association at the time of the nomination.

- Ensured that the final list of independent candidates was disclosed publicly simultaneously with the announcement of the General Assembly meeting.
- Oversaw the activities of the Investor Relations Department, reviewed the report on the Department's activities and informed the Board of Directors accordingly.
- Assessed the accuracy and consistency of the information contained in the Corporate Governance Principles Compliance Report, Corporate Governance Information Form, and the Sustainability Principles Compliance Outline to be disclosed to the public with the information available to the Committee.
- Evaluated the corporate governance rating report of the Company and the actions to take in the development areas specified in this report.
- Assessed the system designed to nominate, evaluate and train Board members and senior executives with administrative responsibilities.
- Evaluated the Board of Directors in terms of structure and efficiency.
- Evaluated the principles, criteria and practices to be used in determining remuneration for the Board members and senior executives with administrative responsibilities by considering the company's long-term goals.
- Worked on the benefits provided to the Board members and senior executives.

#### **RISK MANAGEMENT COMMITTEE - WORKING PRINCIPLES AND ACTIVITIES**

The Risk Management Committee

was formed pursuant to the Board of Directors' resolution dated July 15, 2020 to evaluate the existing and potential strategic, operational, financial and legal risks that may endanger the existence, development and continuity of the Company, manage and report these risks in accordance with the Company's corporate risk taking profile, and implement the necessary measures to mitigate the identified risks. The Risk Management Committee convened eight times within the year.

#### **RISK MANAGEMENT COMMITTEE'S DUTIES, RESPONSIBILITIES AND WORKING PRINCIPLES**

Risk Management Committee's duties:

- Reviewing the Enterprise Risk Management (ERM) system, which specifies the principles for identifying, evaluating and monitoring the current and potential risk factors that may hinder the achievement of the company's goals and managing the relevant risks in accordance with the company's risk taking profile at least once a year.
- Evaluating the risk reports prepared according to the risk measurement criteria defined by the company.
- Assessing the risk management and internal control systems and processes.
- Evaluating the technical bankruptcy risk defined in the TCC based on the Company's financial reports, which have been independently audited and approved by the Audit Committee and the Board of Directors, and generating suggestions for measures when needed.
- Fulfilling other duties that may be assigned to the committee pursuant to CMB regulations and the Turkish Commercial Code.

The Working Principles of the Risk Management Committee are available on the corporate website.

<https://kurumsal.aygaz.com.tr/uploads/yatirimci-iliskileri/komiteler/risk-yonetimi-komitesi-calisma-esaslari-2024.pdf>

### Risk Management Committee's Activities in 2024:

- Reviewed the current and potential risk factors in terms of the execution of the Enterprise Risk Management function and submitted recommendations for improvement.
- Identified the risks to be controlled and managed, delegated or completely eliminated within the company.
- Ensured that the opportunities to increase the profitability of the company and the effectiveness of its operations are identified and the necessary activities are carried out to seize such opportunities, and supported the Board of Directors in determining the Company strategy accurately by considering potential risks and opportunities.
- Evaluated the Company's IT practices in accordance with the obligations imposed on publicly traded companies by the CMB's Information Systems Communiqué No. VII-128.9.
- Ensured that the risk management systems are reviewed at least once a year and that the relevant departments responsible for managing the risks work in compliance with the committee's decisions.

In its report dated February 17, 2025, Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik concluded that the early risk detection system and Risk Management Committee at Aygaz A.Ş. were adequate in all material aspects as specified in article 378 of the TCC.

### EXECUTIVE COMMITTEE AND WORKING PRINCIPLES

The Executive Committee was established on May 04, 2012 to propose recommendations and suggestions to the Board of Directors to improve the its efficiency through effective coordination with the administrative structure, and to introduce enhancements in the investment and business development

in areas in line with strategic goals. The Executive Committee convened twelve times during the year.

### EXECUTIVE COMMITTEE'S DUTIES, RESPONSIBILITIES AND WORKING PRINCIPLES

Executive Committee's duties:

- Ensuring that all the preparations, analyses and evaluations are completed in terms of the material issues' impact on activities, financial aspect, legal status, and compliance with strategic priorities before they are brought to the Board of Directors for approval by all the members.
- Ensuring that the resolutions of the General Assembly or the Board of Directors are communicated to the company management in accordance with the applicable directives and policies, and that they are deployed across the organization.
- Controlling whether the company's operations are carried out in accordance with the Board of Directors' resolutions and annual business plans.
- Following the economic, social and political developments in the sectors in which the company operates to assess their impact and determining strategies to increase competitiveness.
- Identifying opportunities by monitoring the industry dynamics in line with the determined strategies.
- Monitoring the strengths and weaknesses of the company through internal analyses, and opportunities and threats through external analyses.
- Exploring internal and external growth opportunities to enable the company to achieve its strategic goals.
- Overseeing how the company's business programs are created and monitoring the functioning of the system that would enable making the necessary revisions based on the external developments and using these as key performance indicators for the business program.

- Following how the strategies and projects accepted by the Board of Directors are managed.
- Evaluating materially significant legal developments and how they may impact operations.

The Working Principles of the Executive Committee are available on the corporate website.

<https://kurumsal.aygaz.com.tr/uploads/yatirimci-iliskileri/komiteler/yurutme-komitesi-calisma-esaslari-2024.pdf>

### Executive Committee's Activities in 2024:

- Reviewed whether the company's operations were carried out in accordance with the Board of Directors' resolutions and business plans.
- Followed the economic, social and political developments in the sectors in which the company operates and assessed their impact, determined relevant strategies, and provided guidance to the company management about the threats, opportunities and potential productivity areas by monitoring the industry dynamics.
- Followed the growth opportunities that could enable the company to achieve its strategic goals.
- Observed how the company's business programs are created and monitored the functioning of the system that would enable making the necessary revisions based on the external developments and using these as key performance indicators for the business program.
- Oversaw the activities to diversify the company's financing opportunities.
- Followed how the strategies and projects accepted by the Board of Directors were managed.

# INDEPENDENT BOARD MEMBERS' DECLARATIONS OF INDEPENDENCE

## DECLARATION OF INDEPENDENCE

January 27, 2025

Within the framework of the criteria determined in the Corporate Governance Communiqué No. II-17.1 announced at the Aygaz A.Ş (Company) Board of Directors, the Company Articles of Association, and the Capital Markets Board, I hereby declare that I am a candidate to serve as an "Independent Member," and in this context, I further declare that:

- a) I have assumed no major duty or responsibility or been employed in a management position in the last five years or acquired more than 5% of capital or voting rights or privileged shares either by myself or with others and have established no major commercial relations of any significant kind with the Company, the partnerships that have management control of the Company, or the shareholders that have management control in the Company or are of major influence in the Company, neither with legal persons in which these shareholders have management control, and there is no relationship between the above-mentioned and myself, my spouse or my blood relatives or relatives by marriage to the second degree;
- b) In the last five years, I have not been a partner (5% or more) or assumed major duties or responsibilities or been employed in a management position or as a member of the board of directors of any Company from or to which the Company purchases or sells or has assigned the purchasing or selling of services or products within the framework of signed agreements, particularly with auditing companies (tax auditing, legal auditing, internal auditing, included), rating or consultancy companies;
- c) I have the necessary professional education, knowledge and experience to assume and execute the duties I am responsible for as an independent member of the board of directors;
- d) Provided it is within the laws to which I must abide, I will not work full-time in public enterprises and organizations after being appointed member, save for a university faculty member position;
- e) I am considered a resident of Turkey according to Income Tax Law (GVK) No. 193 dated December 31, 1960 and December 19, 1960;
- f) I possess the strong ethical standards, professional reputation and experience that will allow me to freely make decisions and contribute positively to Company operations, maintain my impartiality in conflicts of interest between the Company and its shareholders, and consider the rights of stakeholders in the Company;
- g) I will dedicate the time necessary to follow up on the workings of Company operations and fully perform the duties that I have assumed with regard to Company matters;
- h) I have not performed the duties of member of the board of directors of the Company for more than six years within the last decade;
- i) I have never before assumed the duty of independent member of the board of directors in the Company or in more than three of the companies in which management control belongs to the partners in which the Company has management control or in a total of more than five publicly-traded companies;
- j) I have not been registered or announced in the name of the legal person that has been appointed as member of the Board of Directors.

M.M. Gülay Barbarosoğlu

Neslihan Tonbul

Muharrem Hilmi Kayhan

**RESPONSIBILITY STATEMENT FOR FINANCIAL STATEMENTS****RESPONSIBILITY STATEMENT PURSUANT TO  
CAPITAL MARKETS BOARD COMMUNIQUÉ II-  
14.1 ARTICLE 9 ON PRINCIPLES OF FINANCIAL  
REPORTING IN CAPITAL MARKETS**

The Board of Director's Resolution on the Approval of Financial Statements

Resolution Date: February 17, 2025

Resolution Number: 2025-06

Regarding the consolidated financial statements for the period from 01.01.2024 to 31.12.2024, which were prepared by the company and independently audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in compliance with Turkish Financial Reporting Standards (TFRS) and formats determined by the Capital Markets Board (CMB) in accordance with the CMB's "Communiqué on Principles of Financial Reporting in Capital Markets" ("Communiqué") II.14.1, and pursuant to the resolution dated 28.12.2023 on the implementation of inflation accounting, including the consolidated statement of financial position, income statement, comprehensive income statement, statement of cash flow and statement of changes to equity as well as notes to year-end financial statements ("Financial Statements" as a whole), we hereby declare our responsibility for the following:

- We have examined the financial statements.
- Within the frame of information we hold in our fields of duty and responsibility in the company, the financial statements do not contain any untrue statement on material events or any deficiency, which may make them misleading as of the date of statement.
- Within the frame of information we hold in our fields of duty and responsibility in the company, the financial statements prepared pursuant to the Communiqué, together with those covered by consolidation, if any, fairly reflect the truth relating to assets, liabilities, financial statements, profits and losses of the company.

Sincerely,

February 17, 2025

AYGAZ ANONİM ŞİRKETİ



Muharrem Hilmi Kayhan  
Chairman  
Audit Committee



M.M. Gülay Barbarosoğlu  
Member  
Audit Committee



Gökhan Dizemen  
Assistant General Manager  
(Finance)

# STATEMENT OF RESPONSIBILITY FOR THE ANNUAL REPORT

The Board of Director's Resolution on the Approval of Annual Report  
Resolution Date: March 5, 2025  
Resolution Number: 2025-09

The 2024 Annual Report, which was prepared by the company and independently audited by Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. in compliance with the Turkish Commercial Code and Capital Markets Board's "Communiqué on Principles of Financial Reporting in Capital Markets" ("Communiqué") II.14.1 is hereby presented.

Within the frame of information we hold in our fields of duty and responsibility in the company, we have examined the Annual Report, which is prepared by the company and which includes the Corporate Governance Compliance Report and Corporate Governance Information Note and the disclosures according to CMB's Sustainability Principles Compliance Framework.

In line with the CMB regulations, we hereby declare our responsibility for the following:

- We have examined the Annual Report;
- Within the frame of information we hold in our fields of duty and responsibility in the company, the Annual Report does not contain any untrue statement on material events or any deficiency, which may make it misleading as of the date of statement; and
- Within the frame of information we hold in our fields of duty and responsibility in the company, the Annual Report prepared pursuant to the Communiqué fairly reflects the progress and performance of the business, and along with those covered by consolidation, the financial standing of the entity, together with material risks and uncertainties encountered by the company.

Sincerely,

AYGAZ ANONİM ŞİRKETİ

March 05, 2025



Muharrem Hilmi Kayhan  
Chairman  
Audit Committee



M.M. Gülay Barbarosoğlu  
Member  
Audit Committee



Gökhan Dizemen  
Assistant General Manager  
(Finance)



# AYGAZ ANONİM ŞİRKETİ

1 JANUARY - 31 DECEMBER 2024  
CONSOLIDATED FINANCIAL STATEMENTS  
TOGETHER WITH INDEPENDENT AUDITOR'S  
REPORT

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

# INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Aygaz Anonim Şirketi

## A) Report on the Audit of the Consolidated Financial Statements

### 1) Opinion

We have audited the consolidated financial statements of Aygaz Anonim Şirketi (“the Company”) and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2024, 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 Opinion

We conducted our audit in accordance with the Independent Auditing Standards (“InAS”) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Türkiye (“POA”) and adopted within the framework of Capital Markets Board (“CMB”) regulations. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (“Code of Ethics”) as issued by the POA and other ethical principles included in CMB legislation, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 3) Other Matter

The consolidated financial statements of the Group were prepared in accordance with the TFRS published by the POA as of December 31, 2023, were audited by another audit firm whose independent auditor’s report thereon dated March 4, 2024 expressed an unqualified opinion.

### 4) Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Key Audit Matter</b>	<b>How the Key Audit Matter Addressed in the Audit</b>
<p><b>Revenue recognition</b></p> <p>Revenue is measured as the amount received or receivable in exchange for goods or services rendered, net of discounts and returns.</p> <p>Revenue is one of the most significant indicators in the Group's performance evaluation. It plays a crucial role in assessing the outcomes of strategies implemented during the year and tracking performance. Given its importance in the consolidated statement of profit or loss and other comprehensive income for period ended January 1 - December 31, 2024, revenue has been identified as a key audit matter.</p> <p>The Group's accounting policies and disclosures related to revenue recognition and amounts are presented in Notes 2.5 and 23.</p>	<p>The following procedures have been performed in relation to the audit of revenue:</p> <ul style="list-style-type: none"> <li>- Understanding the revenue processes,</li> <li>- Identifying controls related to sales processes and performing tests on the design of these controls,</li> <li>- Assessing the compliance of the Group's revenue recognition policies with TFRS,</li> <li>- Applying analytical procedures to evaluate whether the revenue recorded in the financial statements is at expected levels,</li> <li>- Performing sample-based tests on sales invoices and matching them with dispatch notes,</li> <li>- Testing whether control over the products in the sampled invoices has been transferred to the customer,</li> <li>- Selecting samples from shipment documents and reconciling them with accounting records and related invoices to test the completeness of revenue,</li> <li>- Obtaining confirmation letters from customers for selected trade receivable balances and verifying the responses against accounting records.</li> </ul>

<b>Key Audit Matter</b>	<b>How the Key Audit Matter Addressed in the Audit</b>
<p><b>Investments accounted under equity-method</b></p> <p>The investments classified as associates within the Group are measured using the equity method in accordance with TAS 28, and any increases or decreases in value are recognized in the consolidated statement of profit or loss and other comprehensive income in the period in which they occur.</p> <p>As of December 31, 2024, the Group's investments accounted for using the equity method are carried at a value of 38.218.880 thousand TL in the consolidated statement of financial position, with a recognized share of 1.701.373 thousand TL from the net profits of the current period.</p> <p>These investments represent 62% of the Group's total assets in the consolidated statement of financial position, while their share in the current period's profit accounts for 63% of the profit before tax in the consolidated statement of profit or loss. Given the significance of these amounts and the recoverability of the investments, this matter has been identified as a key audit matter.</p> <p>Further details on investments accounted for using the equity method are disclosed in Note 12.</p>	<p>During our audit, the following procedures were performed concerning investments accounted for using the equity method:</p> <ul style="list-style-type: none"> <li>- Auditing the financial statements of equity-accounted investments to ensure compliance with TFRS,</li> <li>- Reviewing movements in the equity of the relevant associates and reconciling the Group's share of net assets,</li> <li>- Assessing whether there are any events or conditions that may indicate potential impairment of equity-accounted investments,</li> <li>- Evaluating the appropriateness and adequacy of the disclosures related to equity-accounted investments in the consolidated financial statement notes in accordance with TFRS.</li> </ul>

<b>Key Audit Matter</b>	<b>How the Key Audit Matter Addressed in the Audit</b>
<p><b>Application of the hyperinflationary accounting</b></p> <p>As stated in Note 2.1 to the consolidated financial statements, the Group has started to apply “TAS 29 Financial Reporting in Hyperinflation Economies” since the functional currency of the Company (“Turkish Lira”) is the currency of a hyperinflationary economy as of December 31, 2024.</p> <p>In accordance with TAS 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 TAS 29, the Group utilized the Türkiye 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 TAS 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"> <li>- Meeting with the management responsible for financial reporting and reviewing the principles taken into account during the implementation of TAS 29, the determination of non-monetary accounts and the tests performed on the designed TAS 29 models,</li> <li>- Testing the inputs and indices used to ensure the completeness and accuracy of the calculations,</li> <li>- Checking the restatements of corresponding figures as required by TAS 29,</li> <li>- Assessing the adequacy of the information provided in inflation adjusted financial statements for compliance with TAS 29.</li> </ul>

### 5) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, 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.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

### 6) Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

In an independent audit, our responsibilities as the auditors are:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole 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 standards on auditing as issued by the Capital Markets Board of Türkiye and InAS 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 consolidated financial statements.

As part of an audit in accordance with standards on auditing as issued by the Capital Markets Board of Türkiye and InAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 Group's 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 Group 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 consolidated 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 or 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.

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 governance 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) Auditors' report on Risk Management System and Committee prepared in accordance with paragraph 4 of Article 398 of Turkish Commercial Code ("TCC") 6102 is submitted to the Board of Directors of the Company on February 17, 2025.
- 2) In accordance with paragraph 4 of Article 402 of the TCC, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities for the period January 1 - December 31, 2024 and financial statements are not in compliance with laws and provisions of the Company's articles of association in relation to financial reporting.
- 3) In accordance with paragraph 4 of Article 402 of the TCC, the Board of Directors submitted to us the necessary explanations and provided required documents within the context of audit.

The name of the engagement partner who supervised and concluded this audit is Seçkin Özdemir.

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

Seçkin Özdemir, SMMM  
Partner

February 17, 2025  
İstanbul, Türkiye

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**AYGAZ ANONİM ŞİRKETİ****CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

	Notes	Audited 31 December 2024	Audited 31 December 2023
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	3.844.031	4.871.616
Financial investments		-	212.621
Trade receivables		4.097.403	5.795.684
- Trade receivables from related parties	32	618.794	434.447
- Trade receivables from third parties	8	3.478.609	5.361.237
Other receivables		16.476	9.946
- Other receivables from third parties	9	16.476	9.946
Inventories	11	2.477.622	2.865.757
Prepaid expenses	20	118.224	164.783
Assets related to current year tax	31	46.826	2.729
Other current assets	19	206.764	721.518
<b>Total current assets</b>		<b>10.807.346</b>	<b>14.644.654</b>
<b>Non-current assets</b>			
Financial investments	5	4.179.945	3.852.520
Trade receivables		46.168	23.202
- Trade receivables from third parties	8	46.168	23.202
Other receivables		2.648	5.805
- Other receivables from third parties	9	2.648	5.805
Investments accounted under equity method	12	38.182.380	40.323.401
Property, plant and equipment	13	8.269.085	6.327.322
Right-of-use assets	15	47.613	618.723
Intangible assets		258.213	348.196
- Other intangible assets	14	258.213	348.196
Prepaid expenses	20	32.409	60.613
Deferred tax asset	31	24.228	482.180
<b>Total non-current assets</b>		<b>51.042.689</b>	<b>52.041.962</b>
<b>Total assets</b>		<b>61.850.035</b>	<b>66.686.616</b>

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

## AYGAZ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

	Notes	Audited 31 December 2024	Audited 31 December 2023
<b>LIABILITIES AND EQUITY</b>			
<b>Short-term liabilities</b>			
Short-term financial borrowings	6	1.287.712	1.432.248
Current portion of long-term financial borrowings	6	50.126	1.638.811
Trade payables		4.541.641	7.555.773
- Trade payables to related parties	32	794.033	1.509.699
- Trade payables to third parties	8	3.747.608	6.046.074
Liabilities for employee benefits	10	401.019	384.292
Other payables		10.764	10.779
- Other payables to related parties	32	2.101	2.144
- Other payables to third parties	9	8.663	8.635
Derivative financial instruments	7	-	1.483
Deferred income	21	72.145	71.508
Current income tax liabilities	31	34.192	117.620
Short-term provisions		861.235	1.118.610
- Other provisions	18	861.235	1.118.610
Other current liabilities	19	668.312	714.246
<b>Total short-term liabilities</b>		<b>7.927.146</b>	<b>13.045.370</b>
<b>Long-term liabilities</b>			
Long-term financial borrowings	6	662.743	134.550
Other payables		277.351	307.904
- Trade payables to third parties	9	277.351	307.904
Long-term provisions		255.543	356.472
- Long-term provisions for employee benefits	17	255.543	356.472
Deferred tax liabilities	31	454.624	110.327
<b>Total long-term liabilities</b>		<b>1.650.261</b>	<b>909.253</b>
<b>Total liabilities</b>		<b>9.577.407</b>	<b>13.954.623</b>
<b>Equity</b>			
Share capital	22	219.801	219.801
Adjustment to share capital	22	5.892.519	5.892.519
Other comprehensive income or expenses not to be reclassified to profit or loss		1.263.715	1.072.403
Gains (losses) on the revaluation and/or reclassification		1.290.979	1.139.708
- Gains (losses) remeasurement from defined benefit plans		(159.739)	(124.024)
- Gains (losses) on financial assets measured at fair value through other comprehensive income	22	1.450.718	1.263.732
Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss		(27.264)	(67.305)
Other comprehensive income or expenses to be reclassified to profit or loss		(864.736)	(433.509)
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss		(864.736)	(433.509)
Restricted reserves	22	4.440.519	4.258.838
Retained earnings		39.198.189	32.614.688
Net profit for the period		2.122.621	8.596.186
Equity attributable to equity holders of the parent		52.272.628	52.220.926
Non-controlling interest		-	511.067
<b>Total equity</b>		<b>52.272.628</b>	<b>52.731.993</b>
<b>Total equity and liabilities</b>		<b>61.850.035</b>	<b>66.686.616</b>

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

**AYGAZ ANONİM ŞİRKETİ**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

		<b>Audited</b>	<b>Audited</b>
	<b>Notes</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Revenue	23	81.773.124	93.607.612
Cost of sales (-)	23	(74.899.125)	(86.442.381)
<b>Gross profit</b>		<b>6.873.999</b>	<b>7.165.231</b>
General administrative expenses (-)	24	(2.631.381)	(3.091.359)
Marketing expenses (-)	24	(3.595.675)	(3.529.423)
Research and development expenses (-)	24	(24.019)	(39.685)
Other operating income	26	2.045.452	2.295.937
Other operating expenses (-)	26	(1.793.027)	(2.495.426)
<b>Operating profit</b>		<b>875.349</b>	<b>305.275</b>
Income from investment activities	27	256.465	465.045
Loss from investment activities (-)	27	(147.901)	(26.216)
Profit (losses) from investments accounted under equity method	12	1.664.873	7.347.525
<b>Operating profit before financial income (expense)</b>		<b>2.648.786</b>	<b>8.091.629</b>
Financial income	28	1.274.839	1.862.037
Financial expense (-)	28	(853.372)	(2.529.159)
Net monetary position gains (losses)	29	(425.561)	467.066
<b>Profit from continuing operations before tax</b>		<b>2.644.692</b>	<b>7.891.573</b>
<b>Tax income (expense), continuing operations</b>			
Current tax expense for the period (-)	31	(250.863)	(570.257)
Deferred tax income (expense)	31	(742.953)	678.213
<b>Profit for the period</b>		<b>1.650.876</b>	<b>7.999.529</b>
<b>Distribution of profit for the period</b>			
Non-controlling interest		(471.745)	(596.657)
<b>Equity holders of the parent</b>		<b>2.122.621</b>	<b>8.596.186</b>
<b>Earnings per share (TRY)</b>	<b>30</b>	<b>9,6570</b>	<b>39,1089</b>
<b>Diluted earnings per share (TRY)</b>	<b>30</b>	<b>9,6570</b>	<b>39,1089</b>

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

## AYGAZ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE  
INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

	Audited	Audited
	1 January - 31 December 2024	1 January - 31 December 2023
Notes		
<b>Profit (loss) for the period</b>	<b>1.650.876</b>	<b>7.999.529</b>
<b>Other comprehensive income</b>		
<b>Not to be reclassified to profit or loss</b>	<b>191.312</b>	<b>18.841</b>
Gains (losses) re-measurement on defined benefit plans	(47.405)	(12.223)
Gains (losses) on financial assets measured at <i>fair value through other comprehensive income</i>		
- <i>Gains (losses) on financial assets measured at fair value through other comprehensive income</i>	327.716	15.572
- <i>Gains (losses) from re-measurement on defined benefit plans of investments using equity method</i>	40.041	9.458
Taxes relating to other comprehensive income not to be reclassified to profit (loss)		
- <i>Gains (losses) re-measurement on defined benefit plan, tax effect</i>	31 11.690	6.812
- <i>Gains (losses) on financial assets measured at fair value through other comprehensive income, tax effect</i>	31 (140.730)	(778)
<b>To be reclassified to profit or loss</b>	<b>(431.227)</b>	<b>(118.261)</b>
Currency translation differences	-	94.801
Gains (losses) on cash flow hedges		
- <i>Gains (losses) on cash flow hedges</i>	-	7.995
Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss		
- <i>Gains (losses) from cash flow hedges of investments using equity method</i>	237.821	343.379
- <i>Gains (losses) from currency translation differences of investments using equity method</i>	(669.048)	(565.531)
Taxes relating to other comprehensive income to be reclassified to profit (loss)		
- <i>Gains (losses) on cash flow hedges, tax effect</i>	31 -	1.095
<b>Other comprehensive income (expense) (after taxation)</b>	<b>(239.915)</b>	<b>(99.420)</b>
<b>Total other comprehensive income</b>	<b>1.410.961</b>	<b>7.900.109</b>
<b>Distribution of total comprehensive income</b>		
- Non-controlling interest	(471.745)	(596.657)
- Equity holders of the parent	1.882.706	8.496.766

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

**AYGAZ ANONİM ŞİRKETİ**

**CONSOLIDATED STATEMENT OF OTHER COMPERHENSIVE INCOME AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

	Notes	Other comprehensive income or expenses not to be reclassified to profit or loss				Other comprehensive income or expenses to be reclassified to profit or loss			Accumulated profit						
		Share capital	Adjustment to share capital	Gains (losses) on re-measurement of defined benefit plans	Gains (losses) on financial assets measured at fair value through other comprehensive income*	Share of other comprehensive income of investments accounted for using equity method that will not be reclassified to profit or loss	Currency translation differences	Gains (losses) on cash flow hedges	Share of other comprehensive income of investments accounted for using equity method that will be reclassified to profit or loss	Restricted reserves	Retained earnings	Net profit for the period	Equity attributable to equity holders of the parent	Non-controlling interest	Total equity
<b>Audited</b>															
As of 1 January 2023		219.801	5.892.519	(118.613)	1.248.938	(76.763)	(94.801)	(9.090)	(211.357)	4.294.492	23.145.669	9.887.249	44.178.044	378.473	44.556.517
Transfers		-	-	-	-	-	-	-	-	(35.654)	9.922.903	(9.887.249)	-	-	-
Increase in capital		-	-	-	-	-	-	-	-	-	-	-	-	729.251	729.251
Total comprehensive income (expense)		-	-	(5.411)	14.794	9.458	94.801	9.090	(222.152)	-	-	8.596.186	8.496.766	(596.657)	7.900.109
Net income		-	-	-	-	-	-	-	-	-	-	8.596.186	8.596.186	(596.657)	7.999.529
Other comprehensive income (expense)		-	-	(5.411)	14.794	9.458	94.801	9.090	(222.152)	-	-	-	(59.420)	-	(59.420)
Dividend paid		-	-	-	-	-	-	-	-	-	(453.884)	-	(453.884)	-	(453.884)
As of 31 December 2023		219.801	5.892.519	(124.024)	1.263.732	(67.305)	-	-	(433.509)	4.258.838	32.614.688	8.596.186	52.220.926	511.067	52.731.993
<b>Audited</b>															
As of 1 January 2024		219.801	5.892.519	(124.024)	1.263.732	(67.305)	-	-	(433.509)	4.258.838	32.614.688	8.596.186	52.220.926	511.067	52.731.993
Transfers		-	-	-	-	-	-	-	-	181.681	8.414.505	(8.596.186)	-	-	-
Increase in capital		-	-	-	-	-	-	-	-	-	-	-	-	301.748	301.748
Total comprehensive income (expense)		-	-	(35.715)	186.986	40.041	-	-	(431.227)	-	-	2.122.621	1.882.706	(471.745)	1.410.961
Net income		-	-	-	-	-	-	-	-	-	-	2.122.621	2.122.621	(471.745)	1.650.876
Other comprehensive income (expense)		-	-	(35.715)	186.986	40.041	-	-	(431.227)	-	-	-	(239.915)	-	(239.915)
Increase/decrease resulting from changes in ownership percentages leading to loss of control		-	-	-	-	-	-	-	-	-	-	-	-	(341.070)	(341.070)
Dividend paid	22	-	-	-	-	-	-	-	-	-	(1.831.004)	-	(1.831.004)	-	(1.831.004)
As of 31 December 2024		219.801	5.892.519	(159.739)	1.450.718	(27.264)	-	-	(864.736)	4.440.519	39.198.189	2.122.621	52.272.628	-	52.272.628

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

## AYGAZ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENT OF CASH  
FLOWS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

	Notes	Audited 1 January - 31 December 2024	Audited 1 January - 31 December 2023
<b>Cash flows from operating activities</b>		<b>407.132</b>	<b>2.772.963</b>
<b>Net income (loss)</b>		<b>1.650.876</b>	<b>7.999.529</b>
<b>Adjustments related with the reconciliation of net profit (loss) for the period</b>		<b>(111.065)</b>	<b>(6.820.326)</b>
Adjustments for depreciation and amortization	3, 13, 14, 15	1.129.596	1.177.423
Adjustments for impairment reversal		(26.445)	(11.093)
Adjustments for provisions		(197.016)	(254.162)
Adjustments for dividend (income)	27	(189.120)	(266.509)
Adjustments for interest income	28	(951.630)	(780.315)
Adjustments for interest expense	28	246.410	979.626
Adjustments for unrealized foreign translation differences		232.248	831.334
Adjustments for fair value (gains) losses on derivative financial instruments		(1.483)	214.589
Adjustments for undistributed profits of investments accounted under equity method	12	(1.664.873)	(7.347.525)
Adjustments for tax expense	31	993.816	(107.956)
Adjustments for (gains) on disposal of non-current assets	27	(34.523)	(70.390)
Adjustments related to losses from the disposal of subsidiaries or joint ventures	12	115.079	-
Other adjustments for reconciliation of profit (loss)		1.783	(762)
Net monetary position (gain) / loss		235.093	(1.184.586)
<b>Changes in working capital</b>		<b>(636.943)</b>	<b>2.239.296</b>
Change in blocked deposits		(289)	180.791
Adjustments for decrease in trade receivables		1.396.242	60.925
Adjustments for decrease in other operating receivables		225.570	759.829
Adjustments for decrease in inventories		388.135	2.690.712
Decrease in prepaid expenses		56.999	79.030
Adjustments for (decrease) in trade payables		(2.697.428)	(1.984.222)
Increase in liabilities for employee benefits		29.962	74.892
Adjustments for increase (decrease) in other operating payables		(36.771)	323.891
Increase in deferred income		637	53.448
<b>Cash flows from operating activities</b>		<b>902.868</b>	<b>3.418.499</b>
Payments related to provisions for employee benefits	17	(136.747)	(209.920)
Tax (payments)		(358.989)	(435.616)
<b>Cash flows from investing activities</b>		<b>1.251.158</b>	<b>3.620.443</b>
Cash outflows related to sales resulting in the loss of control over subsidiaries		(177.753)	-
Cash outflows from the purchase of interests or capital increase of investments in associates or joint ventures	12	(256.736)	(501.547)
Cash inflows from the sale of property, plant and equipment and intangible assets		122.064	270.316
Cash outflows from the purchase of property, plant and equipment and intangible assets	13, 14	(3.113.065)	(1.113.835)
Dividends received	12, 27	4.162.279	4.363.376
Other cash inflows (outflows)			
- Decrease (increase) in financial investments		212.621	(127.118)
- Contributions of non-controlling interests to capital increases		301.748	729.251
<b>Cash flows from financing activities</b>		<b>(1.505.383)</b>	<b>(4.323.540)</b>
Proceeds from borrowings	6	2.193.587	2.827.027
Repayments of borrowings	6	(2.451.043)	(6.170.992)
Payments of lease liabilities	6	(107.991)	(174.534)
Dividends paid		(1.830.388)	(454.072)
Interest paid		(278.942)	(1.126.393)
Interest received		969.394	775.424
<b>Net increase (decrease) in cash and cash equivalents before currency translation differences</b>		<b>152.907</b>	<b>2.069.866</b>
<b>Effect of currency translation differences</b>		<b>183.402</b>	<b>221.872</b>
<b>Effect of monetary gain / (loss) on cash and cash equivalents</b>		<b>(1.364.183)</b>	<b>(1.585.013)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(1.027.874)</b>	<b>706.725</b>
<b>Cash and cash equivalents at the beginning of the period</b>	4	<b>4.867.604</b>	<b>4.160.879</b>
<b>Cash and cash equivalents at the end of the period</b>	4	<b>3.839.730</b>	<b>4.867.604</b>

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

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 1 - ORGANIZATION AND OPERATIONS OF THE COMPANY**

The main activity of Aygaz Anonim Şirketi (the "Company" or "Aygaz") is the purchase of liquid petroleum gas (LPG) in bulk from domestic refineries and the overseas market and delivery to retailers for distribution to customers. The Company manufactures LPG cylinders, LPG tanks, regulators and other supplementary materials which support the Company's main business and which are necessary equipment for the end-user. The Company is controlled by Koç Holding A.Ş. the parent company, Koç Family and the companies owned by Koç Family.

The Company is registered at the Capital Markets Board of Türkiye ("CMB") and as of 31 December 2024, 24,27% of its shares have been quoted at Borsa İstanbul.

The address of the registered office of the Company is as follows:

Büyükdere Cad. No: 145/1 Aygaz Han, Zincirlikuyu, 34394 / İstanbul

Total end of period and average number of personnel employed by categories in Aygaz and its subsidiaries (together with referred to as the "Group") are as follows:

	<b>End of period</b>		<b>Average</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Monthly paid	695	1.012	853	1.005
Hourly paid	561	646	616	654
<b>Total number of personnel</b>	<b>1.256</b>	<b>1.658</b>	<b>1.469</b>	<b>1.659</b>

**Subsidiaries**

Akpa Dayanıklı Tüketim LPG ve Akaryakıt Ürünleri Pazarlama Anonim Şirketi ("Akpa") is mainly engaged in sales of cylinders through either its own organisation or dealers, retail and wholesale of LPG, fuel and lubricants through autogas stations.

Main activity of Aygaz Doğal Gaz Toptan Satış A.Ş. and Aygaz Doğal Gaz İletim A.Ş. (together "Aygaz Doğal Gaz") is to purchase natural gas from domestic and/or overseas suppliers, selling natural gas to domestic and/or overseas customers and make related arrangements for the modulation, storing of natural gas and building necessary facilities.

Within July 2010, the Company has restructured its shipping operations under new legal entities, and established Anadoluhisarı Tankercilik A.Ş. ("Anadolu Hisarı"), Kandilli Tankercilik A.Ş. ("Kandilli"), Kuleli Tankercilik A.Ş. ("Kuleli") and Kuzguncuk Tankercilik A.Ş. ("Kuzguncuk") with an effective ownership interest of 100%. The main activities of these companies are to purchase, build or rent vessels and to operate them in domestic and/or overseas transportation of crude oil, petroleum products, liquid petroleum gas, natural gas and solid, liquid and liquefied products. Kuleli Tankercilik A.Ş. sold the vessel named "Kuleli" which was among its assets and used in the transportation of liquid petroleum gas, and purchased 100% shares of Bal Kaynak Su İthalat İhracat Sanayi ve Ticaret A.Ş. ("Bal Kaynak") on 14 March 2019. On 29 November 2024, the LPG vessel named Bebek was purchased and included in the assets of the newly established Bebek Shipping S.A. ("Bebek"), which is 100% owned by the Company's subsidiary Kuleli. In this context, with the decision of the Board of Directors dated 7 November 2024, Kuleli's capital was increased from TRY 148.000 thousand to TRY 2.200.000 thousand.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 1 - ORGANIZATION AND OPERATIONS OF THE COMPANY (CONTINUED)

Subsidiaries	Place of incorporation and operation	Ownership interest (%)		Voting power right	Principal activity
		31 December 2024	31 December 2023		
Anadoluhisarı	Türkiye	100	100	100	Shipping
Kandilli	Türkiye	100	100	100	Shipping
Kuzguncuk	Türkiye	100	100	100	Shipping
Kuleli	Türkiye	100	100	100	Shipping
Akpa	Türkiye	100	100	100	Marketing
Aygaz Doğal Gaz Toptan Satış	Türkiye	100	100	100	Natural gas
Aygaz Doğal Gaz İletim	Türkiye	100	100	100	Natural gas
Bal Kaynak	Türkiye	100	100	100	Bottled water
Bebek	Panama	100	-	100	Shipping

## Investments in associates

In December 2005, Enerji Yatırımları A.Ş. ("EYAŞ") was established to acquire 51% block shares of Türkiye Petrol Rafinerileri A.Ş. ("TÜPRAŞ"), to participate in Tüpraş's management and its operational decisions as well as to establish and operate in oil refinery related sectors in Türkiye As of 31 December 2024, EYAŞ's ownership in Tüpraş has been 46,40%.

Sendeo Dağıtım Hizmetleri A.Ş. ("Sendeo") (Former title: Aygaz Aykargo Dağıtım Hizmetleri A.Ş. ("Aykargo") started its cargo transportation/distribution activities in 2020 as an in-house entrepreneurship project. All prerequisites mentioned in the statement regarding the operations of Sendeo and Ekol Ekspres Kargo A.Ş. ("Kolay Gelsin"), which was announced to the public on 11 January 2024, to be carried out under the brand name "Kolay Gelsin" under the equal partnership of Sendeo partners and Ahmet Musul in principle, were completed as of 28 June 2024 and the company merger transactions were registered by the Trade Registry Office on 9 October 2024. In this context, as of 31 December 2024, the share ratios in Sendeo's capital are Ahmet Musul 50%, the Company 27,50% and Koç Holding 22,50% (Note: 12).

Investments in associates	Place of incorporation and operation	Ownership interest (%)		Voting power right	Voting power right	Principal activity
		31 December 2024	31 December 2023			
EYAŞ	Türkiye	20,00	20,00	20,00	20,00	Energy
Sendeo	Türkiye	27,50	55,00	27,50	55,00	Cargo transportation/distribution

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 1 - ORGANIZATION AND OPERATIONS OF THE COMPANY (CONTINUED)****Joint ventures**

Opet Aygaz Gayrimenkul A.Ş. was established on 20 September 2013 as a joint venture with 50% equal shares by the Company and Opet Petrolcülük A.Ş., which is the Company's business partner, operating in distribution of fuel products. Its main activity is to establish, purchase, operate and rent fuel and LPG stations.

In line with Group's growth strategy abroad, in order to operate in LPG supply, filling and distribution in the Bangladesh market, on 5 March 2019 the Share Purchase Agreement ('Contract') and Partnership Agreement was signed between the Company and United Enterprises & Co. Ltd. With Contract it was decided that 50% of the shares of United LPG Ltd, the subsidiary of United Enterprises & Co. Ltd, which has a pre-license for LPG filling facility but no current operations yet, will be acquired. With the occurrence of preconditions determined on the agreement, the share transfer transaction was completed in 20 January 2021, and the name of the Joint Venture Company became United Aygaz LPG Ltd ("United Aygaz") on 14 February 2023. A total capital increase of approximately 24 million USD was made to United Aygaz in 2023, and a total of approximately 14 million USD capital increase was made in 2024, both of which were paid in cash by the shareholders.

Joint Ventures	Place of incorporation and operation	Ownership interest (%)			Principal activity
		31 December 2024	31 December 2023	Voting power right	
OAGM	Türkiye	50,00	50,00	50,00	Real Estate
United Aygaz	Bangladesh	50,00	50,00	50,00	LPG supply, filling and distribution

**Approval of consolidated financial statements:**

The consolidated financial tables for the period ended on 31 December 2024 are approved on the Board of Directors meeting held on 17 February 2025 to be published. The respective consolidated financial tables will be finalized after the approval in the General Assembly.

(Amounts expressed in thousands of Turkish Lira (“TRY”) in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

### 2.1 Financial reporting standards

The consolidated financial statements of the Group have been prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards, (“TAS/IFRS”) and interpretations as adopted in line with international standards by the Public Oversight Accounting and Auditing Standards Authority of Türkiye (“POA”) in line with the communiqué numbered II-14.1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by the Capital Markets Board of Türkiye (“CMB”) on 13 June 2013 which is published on Official Gazette numbered 28676. TMS is consist of TAS, IFRS annexes and comments on them. IFRS are updated in harmony with the changes and updates in International Financial and Accounting Standards (“IFRS”) by the communiqués announced by the POA. The Group’s consolidated financial statements are presented in terms of Turkish Lira “TRY” which is the functional and presentation currency of the Company and its subsidiaries. The consolidated financial statements are presented in accordance with “Announcement regarding with TAS Taxonomy” which was published on 3 July 2024 by POA and the format and mandatory information recommended by CMB.

The consolidated financial statements have been prepared in thousand Turkish Lira (“TRY”) based on historical cost, except for financial assets and liabilities measured at fair value. Each entity within the Group presents its financial statements in the functional currency, which corresponds to the primary economic environment in which it operates. The financial position and results of operations of each entity are expressed in TRY, which is the functional currency of the Company and the reporting currency for the consolidated financial statements.

### Comparatives and restatement of prior periods’ financial statements

The consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in the financial position and performance. Comparative figures are reclassified, where necessary, to adapt to changes in presentation in the current period consolidated financial statements and the significant changes are explained.

Except for the change specified in the following paragraphs, Group has applied consistent accounting policies in the preparation of consolidated financial statements presented, and the Group does not have any other significant changes in accounting policy and accounting estimates in the current period.

In the consolidated cash flow statement as of 31 December 2023, the dividend income from EYAŞ amounting to TRY 4.096.867 thousand, shown under ‘Cash Flows from Operating Activities’, has been classified as ‘Cash Flows from Investing Activities’.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2.1 Financial reporting standards (Continued)****Financial reporting in hyperinflationary economy**

With the announcements made by the Public Oversight Accounting and Auditing Standards Authority (POA) on 23 November 2023, entities applying TFRS have started to apply inflation accounting in accordance with TAS 29 Financial Reporting in Hyperinflation Economies as of financial statements for the annual reporting period ending on or after 31 December 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the relevant standard, the financial statements prepared based on a currency of a high inflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date. Comparative information for the prior period financial statements is also expressed in the current measurement unit at the end of the reporting period for comparison purposes. Therefore, the Group has presented its consolidated financial statements as of 31 December 2023, on the basis of purchasing power as at 31 December 2024.

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

On the application of TAS 29, the entity used the conversion factor derived from the Customer Price Indexes (CPI) published by Turkey Statistical Institute according to directions given by POA. The CPI for current and previous year periods and corresponding conversion factors are as follows:

<b>Year End</b>	<b>Index</b>	<b>Conversion Factor</b>	<b>Three-year Compound Inflation Rate</b>
31 December 2024	2.684,55	1,00000	291%
31 December 2023	1.859,38	1,44379	268%
31 December 2022	1.128,45	2,37897	156%

The main elements of the Group's adjustment for financial reporting purposes in high-inflation economies are as follows:

- Current period consolidated financial statements prepared in TRY are expressed with the purchasing power at the balance sheet date and the amounts from previous reporting periods are also expressed by adjusting according to the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are currently expressed in current purchasing power at the balance sheet date.
- Non-monetary assets and liabilities and equity items that are not expressed in current purchasing power at the balance sheet date have been corrected using the relevant correction coefficients.
- All items in the statement of comprehensive income, except those that affect the statement of comprehensive income of non-monetary items in the balance sheet, are indexed with coefficients calculated over the periods when the income and expense accounts are first reflected in the financial statements.
- Effect of inflation on the Group's net monetary asset position in the current period is recorded in the monetary gains / (losses) account in the consolidated income statement.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2.2 Consolidation principles

- a) Consolidated financial statements incorporate the financial statements of the Company, its subsidiaries and affiliates and joint ventures, which have been prepared in accordance with guidelines defined in the items (b) to (h). The financial statements of the companies included in the consolidation have been prepared as of the date of the consolidated financial statements and are based on the statutory records with adjustments and reclassifications for the purpose of presentation in conformity TAS/IFRS promulgated by the POA as set out in the communiqué numbered II-14.1, and Group accounting and disclosure policies.
- b) Subsidiaries are the companies controlled by Aygaz when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.
- c) Subsidiaries are fully consolidated from the date of acquisition, being the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. In case it is necessary, accounting policies are changed for subsidiaries in order to align with Group accounting policies.

Balance sheets and income statements of subsidiaries have been fully included into consolidation and the book values and equities of such subsidiaries which are owned by the Company, have been netted off. All inter-group transactions, balances, income and expenses are eliminated on consolidation. Book values of the shares owned by the Company and related dividends have been netted off from related equity and income statement accounts.

- d) Investments in associates have been accounted using the equity method. These are institutions in which the Company has a voting power between 20% and 50% or in which the Company has a significant influence even though it does not have a controlling power.

Unrealized gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. The Group ceases to account the associate using the equity method if it loses the significant influence or the net investment in the associate becomes nil, unless it has entered to a liability or a commitment. Subsequent to the date of the caesura of the significant influence, the investment is carried either at fair value when the fair value can be measured reliably, otherwise at cost.

- e) Financial assets, in which the Group has a total voting power of 20% or even though it has a voting power above 20% but does not have a significant influence, or which are immaterial for the consolidated financial statements, or such assets which are not traded in an organized market or whose fair values cannot be measured reliably, are presented with cost values, after deducting the impairment, if any.

Available for sale financial assets, in which the Group does not have a total voting power of 20% or does not have a significant influence and which have quoted market values in active markets and whose fair values can be reliably measured, are presented at fair values in the consolidated financial statements.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2.2 Consolidation principles (Continued)**

- f) The non-controlling share in the net assets and operating results of subsidiaries for the year are separately classified as non-controlling interest in the consolidated statements of financial position and consolidated statements of profit or loss.
- g) A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The investments in its associates and joint ventures are accounted for using the equity method.
- h) Under the equity method, the Group's investments in its associates and joint venture are initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associates or joint ventures is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

The statement of profit or loss reflects the results of the operations of the Group's associates or joint ventures. Any change in other comprehensive income of those investees is presented as a part of the Group's other comprehensive income. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognises the loss as 'Share of profit/loss of an associate or a joint venture' in the statement of profit or loss.

**2.3 New and revised Türkiye Financial Reporting Standards**

The accounting policies adopted in preparation of the consolidated financial statements as of 31 December 2024 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of 1 January 2024 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

**a) The new standards, amendments and interpretations which are effective as of 1 January 2024 are as follows:**

- Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities
- Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback
- Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

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

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### New and revised Türkiye Financial Reporting Standards (Continued)

#### **b) 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;

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

- Amendments to TAS 21 - Lack of exchangeability
- TFRS 17 - The new Standard for insurance contracts

The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

#### **c) The amendments which are effective immediately upon issuance**

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

The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

#### **d) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)**

The following two amendments to IFRS 9 and IFRS 7 and Annual Improvements to IFRS Accounting Standards as well as IFRS 18 and IFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

- Amendments to TFRS 9 and TFRS 7 – Classification and measurement of financial instruments
- Amendments to TFRS 9 and TFRS 7 - Contracts Referencing Nature-dependent Electricity- TFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

- TFRS 19 – Subsidiaries without Public Accountability: Disclosures

The standard is not applicable to the Group.

### 2.4 Offsetting

Financial assets and liabilities are offset and reported in the net amount when there is a legally enforceable right or when there is an intention to settle the assets and liabilities on a net basis or realize the assets and settle the liabilities simultaneously.

### 2.5 Revenue recognition

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers. Returns, discounts and provisions are reduced from the related amount.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2. Basis of presentation of consolidated financial statements (continued)**

Group recognises revenue based on the following five principles:

- (a) Identification of customer contracts,
- (b) Identification of performance obligations,
- (c) Determination of the transaction price in the contracts,
- (d) Allocation of transaction price to the performance obligations,
- (e) Recognition of revenue when the performance obligations are satisfied.

Group recognises revenue from its customer when all off the the following criteria are met:

- (a) The parties have approved the contract (written or orally or in accordance with other customer business practices) and are committed to perform their respective obligations,
- (b) Group can identify the right of parties related to goods and services,
- (c) Group can identify the payment terms of goods and services to be transferred,
- (d) The contract has commercial substance,
- (e) It is probable that Group will collect the consideration to which it will be entitled in exchange for the goods and services that will be transferred to the customer. In evaluating whether collectability of a consideration is probable, the entity shall consider only the customer's ability and intention to pay the consideration when it is due.

Revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the entity and when the revenue amount, the completion level of the transaction as of the reporting date and the cost required for the completion of the transaction can be measured reliably.

The assumptions for the reliability of revenue recognition after the agreement of third parties are as follows:

- Contractual rights of each parties under sanction according to the agreement,
- Service fee,
- Payment terms and conditions.

The accounting policy of Special Consumption Tax (SCT) on imported LPG which is required to be paid after the declaration made to the Republic of Türkiye, Ministry of Finance is applied to be included in revenues and cost of goods sold (Gross profit and net income is not impacted by this record). For the period 1 January - 31 December 2024, SCT on imported LPG included in revenues and the cost of goods sold is amounting to TRY 12.514.752 thousand (1 January-31 December 2023: TRY 9.681.513 thousand).

**Dividend and interest revenue:**

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. Dividend revenue from investments is recognised when the shareholders' rights to receive payment have been established.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2. Basis of presentation of consolidated financial statements (continued)

#### 2.6 Inventories

Inventories are valued at the lower of cost or net realizable value. Cost is calculated with first in first out method for LPG and with weighted average method for other inventories. Cost of inventories include all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Conversion costs of inventories define as costs directly related to production, such as direct labour costs. These expenses also include systematically distributed amounts from fixed and variable costs in factory overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and estimated costs to make the sale.

#### 2.7 Leases

##### The Group – as a lessee

Initially the Group assesses whether the contract is or contains lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, The Group considers whether:

- a) The contract involved the use of an identified asset – this may be specified explicitly or implicitly.
- b) The asset should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified.
- c) The Group has the right to obtain substantially all of the economic benefits from the use of an asset throughout the period of use; and
- d) The Group has the right to direct use of the asset. The Group concludes to have the right of use, when;
  - It is predetermined how and for what purpose the Group will use the asset.
  - The Group has the right to direct use of asset if either:
    - i. The Group has the right to operate (or to have the right to direct others to operate) the asset over its useful life and the lessor does not have the rights to change the terms to operate or;
    - ii. The Group designed the asset (or the specific features) in a way that predetermines how and for what purpose it is used

The Group reflects the right of use asset and leasing liabilities to their financials at the date leasing contract is commenced.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2. Basis of presentation of consolidated financial statements (continued)**Right of use asset

Initially the right of use asset is recognized at cost and comprise of:

- a) Amount of the initial measurement of the lease liability,
- b) Any lease payments made at or before the commencement date, less any lease incentives received,
- c) Any initial direct costs incurred by the Group and
- d) An estimate of costs to be incurred by the lessee for restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

The Group re-measures the right of use asset:

- a) After netting-off depreciation and reducing impairment losses from right of use asset,
- b) Adjusted for certain re-measurements of the lease liability recognized at the present value.

The Group applies TAS 16, "Property, Plant and Equipment" to amortize the right of use asset and to assess for any impairment.

TAS 36, "Impairment of Assets" is applied to determine whether the right of use assets has been impaired and recognize any impairment losses identified.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Lease liabilities are discounted to present value by using the interest rate implicit in the lease if readily determined or with the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- a) Fixed payments, including in-substance fixed payments,
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as the commencement date,
- c) The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewable period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain to terminate early.

After initial recognition, the lease liability is measured by:

- a) Increasing the carrying amount to reflect interest on lease liability,
- b) Reducing the carrying amount to reflect the lease payments made and
- c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2. Basis of presentation of consolidated financial statements (continued)

#### Extension and termination options

In determining the lease liability, the Group considers the extension and termination options. The majority of extension and termination options held are exercisable both by the group and by the respective lessor. Extension options are included in the lease term if the lease is reasonably certain to be extended. The group re-measures the lease term, if a significant event or a significant change in circumstances occurs which affects the initial assessment.

#### Variable lease payments

Group's lease contracts also include variable lease payments which are not in the scope of TFRS 16. Variable lease payments are recognised in profit or loss in the related period. Variable lease payments as of 31 December 2024 is amount of TRY 16.060 thousand (31 December 2023: TRY 10.092 thousand).

#### Exemptions and simplifications

Short-term lease payments and payments for leases of low-value assets like IT equipments (mainly printers, laptops and mobile phones etc.) are not included in the measurement of the lease liabilities in the scope of TFRS 16. Lease payments of these contracts are continued to be recognised in profit or loss in the related period.

#### **The Group - as a lessor**

The Group's leases as a lessor is operating leases. In operating leases, leased assets are reclassified to investment property, fixed assets or other current assets in consolidated financial statements and rental income recognised straight line basis over the lease period.

### **2.8 Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Legal fees are included into costs. Depreciation of these assets begins when the assets are ready for their intended use.

With the exception of land and construction in progress, the costs of property, plant and equipment are subject to depreciation using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2. Basis of presentation of consolidated financial statements (continued)**

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

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Economic useful lives of property, plant and equipment are as follows:

	<b>Useful lives</b>
Buildings	25-50 years
Land improvements	10-25 years
LPG Cylinders	10 years
Plant, machinery and equipment	3-25 years
Vessels	10-20 years
Vehicles	3-15 years
Furnitures and fixtures	3-50 years
Leasehold improvements	4-10 years

**2.9 Intangible assets**Intangible assets acquired separately

Intangible assets acquired separately are reported at cost less accumulated amortization and accumulated impairment losses. Amortization is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Trade rights and licenses

Acquired trade rights and licenses are shown at historical cost. Trade rights 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 in 4 - 15 years.

Computer software

Acquired computer software licences 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 in 3 - 5 years.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2. Basis of presentation of consolidated financial statements (continued)

#### 2.10 Impairment of assets

An impairment test is applied when the recovery for the book value of the redeemable assets is impossible. An impairment loss is recognised 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 and 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.

#### 2.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recorded directly to profit and loss statement when incurred.

#### 2.12 Financial instruments

##### 2.12.1 Financial instruments

###### Reclassification and re-measurement

Financial assets are classified into the following specified categories: financial assets as "at fair value at amortised cost", "at fair value through profit or loss (FVTPL)", "at fair value through other comprehensive income". The classification is made considering the purpose of acquisition of financial asset and its expected cash flows, at the time of acquisition.

###### Financial assets carried at amortised cost

Financial assets measured at amortised cost", are the financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount standing, not have an active market and non-derivatives financial assets. "Cash and cash equivalents", "Trade receivables" are classified as financial assets measured at amortised cost using the effective interest method.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2. Basis of presentation of consolidated financial statements (continued)**Impairment of financial assets

Group has applied simplified approach and used impairment matrix for the calculation of impairment on its receivables carried at amortized cost, since they do not comprise of any significant finance component. In accordance with this method, if any provision provided to the trade receivables as a result of a specific events, Group measures expected credit loss from these receivables by the life-time expected credit loss. The calculation of expected credit loss is performed based on the past experience of the Group and its expectations for the future indications.

Trade receivables

The Group has chosen "practical expedient" explained in TFRS 9 for the calculation of the impairment of trade receivables (with maturities less than one year) that do not contain a significant financing component and accounted at amortized cost. Accordingly, the Group measured the loss allowance for trade receivables at an amount equal to lifetime expected credit losses when trade receivables are not impaired for any reasons. The Group uses a provision matrix in the calculation of expected credit losses. Provision rate is calculated based on the overdue days of trade receivables and the rates are revised each reporting period if necessary. The change in expected credit losses is recognised in operational expense/income in consolidated income statement. For each reporting period, the recalculation is made and revaluated.

Financial assets measured at fair value

Assets that are held by the management for collection of contractual cash flows and for selling the financial assets are measured at their fair value. If the management do not plan to dispose these assets in 12 months after the balance sheet date, they are classified as non-current assets. Group makes a unchangeable choice for the equity instruments during the initial recognition and elect profit or loss or other comprehensive income for the presentation of fair value gain and loss.

i) Financial assets measured at fair value through profit or loss

Financial assets carried at fair value through profit or loss comprise of "derivative instruments" in the statement of financial position. Derivative instruments are recognized as asset when the fair value of the instrument is positive, as liability when the fair value of the instrument is negative. Group's financial instruments at fair value through profit or loss consist of commodity future transactions.

ii) Financial assets measured at fair value through other comprehensive income

Financial assets carried at fair value through other comprehensive income comprise of "financial assets" in the statement of financial position. When the financial assets carried at fair value through other comprehensive income are sold, fair value gain or loss classified in other comprehensive income is classified to retained earnings.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2. Basis of presentation of consolidated financial statements (continued)

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, credit card receivables from banks 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 not subject to a significant risk of changes in value. In case where cash and cash equivalents do not go through an impairment for specific reason, the Group makes impairment calculation using the expected credit loss model. In the calculation of the expected credit loss, the past credit loss experience together with the Group's forecasts for the future are also taken into consideration.

#### **2.12.2 Derivative financial instruments and hedge accounting**

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates. The Group uses derivative financial instruments to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions.

These derivative instruments are recorded at fair value at the beginning of the contract and subsequently measured with its fair value. If the fair value is positive, derivatives are classified as financial asset or otherwise financial liability.

Such derivative instruments are generally accounted as trading derivative instruments in consolidated financial statements because they do not have related specifications in terms of hedge accounting. The gains and losses related to the changes in fair values of such financial instruments are shown in the profit or loss statement.

Fair value differences of forward transactions, sourcing from trading contracts in scope of main activities of the Group, are recognised under other real operating income (expense) since they are in scope of main activities of the Group while exchange rate differences, sourcing from forward exchange and exchange of interest rate, are recognised under financing income/(expense).

#### Cash flow hedges

Hedges of exposures to variability in cash flows that are attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect profit and loss are designated as cash flow hedges by the Group.

Changes in the fair value of derivatives, designated as cash flow hedges and qualified as effective, are recognised in equity as "Gains/(losses) on cash flow hedges". Where the forecasted transaction or firm commitment results in the recognition of an asset or of a liability, the gains and losses previously recognised under equity are transferred from equity and included in the initial measurement of the cost of the asset or liability. Otherwise, amounts recognised under equity are transferred to the consolidated income statement in the period in which the hedged firm commitment or forecasted transaction affects the consolidated income statement.

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(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2. Basis of presentation of consolidated financial statements (continued)**

The fair value of forward interest rate swap contracts measured at fair value and associated with equity is calculated with reference to the original forward interest rate of the market interest rates applicable for the remainder of the contract for the relevant currency, and determined by comparing it with the current forward interest rate at the end of the period. Derivate financial instruments are recorded in the balance sheet as assets and liabilities, respectively, depending on whether their fair value is positive or negative.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or losses previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognised in other comprehensive income remains until the forecast transaction or firm commitment affects profit or loss.

**2.12.3 Recognition and de-recognition of financial instruments**

All purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase or to sell the asset. These purchases or sales are purchases or sales generally require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is de-recognised where:

- The rights to receive cash flows from the asset have expired,
- The Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement or
- The Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the assets.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the consolidated financial statements.

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2. Basis of presentation of consolidated financial statements (continued)

#### 2.13 Business combinations

Before 1 January 2010 business combinations carried out by the Group has accounted for using the acquisition method according to before revised TFRS 3, "Business Combinations".

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquirer. The consideration transferred is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, the liabilities incurred by the Group to former owners of the entity and the equity interests issued by the Group. When the agreement with the seller includes a clause that the consideration transferred could be adjusted for future events, the acquisition-date fair value of this contingent consideration is included in the cost of the acquisition. All transaction costs incurred by the Group have been recognised in general administrative expenses.

For each business combination, the Group elects whether it measures the non-controlling interest in the acquirer either at fair value or at the proportionate share of the acquirer's identifiable net assets.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquirer.

Acquisition method requires allocation of the acquisition cost to the assets acquired and liabilities assumed at their fair values on the date of acquisition. Accordingly, acquired assets and liabilities and contingent liabilities assumed are recognised at TFRS 3 fair values on the date of acquisition. Acquired company is consolidated in profit or loss statement starting from the date of acquisition.

#### Partial share sale and purchase transactions settled with minority shareholders

The Group evaluates the share transactions realized with non-controlling interests as transactions within the shareholders. Consequently, the difference between the purchase cost and the net asset purchased from other shareholders are accounted under shareholders equity in "subsidiary share purchase transactions" whereas share sale transactions to parties other than parent company are accounted as "transactions with non-controlling interest".

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2. Basis of presentation of consolidated financial statements (continued)****2.14 Effects of changes in foreign exchange rates**

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 TRY, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements. The functional currency of participations and subsidiaries that are included in the scope of consolidation is TRY.

In preparing the financial statements of the individual entities, transactions in currencies other than TRY (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions.

At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the Central Bank of the Republic of Türkiye (CBRT) rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- Exchange differences on transactions entered in order to hedge certain foreign currency risk,
- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in TRY 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 fluctuated 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 and transferred to the Group's "foreign currency translation difference". Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

**2.15 Earnings per share**

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

In Türkiye, companies can raise their share capital by distributing "Free Shares" to shareholders from retained earnings. In computing earnings per share, such "free 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.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2. Basis of presentation of consolidated financial statements (continued)

#### 2.16 Subsequent events

An explanation for any event between the balance sheet date and the publication date of the balance sheet, which has positive or negative effects on the Group (should any evidence come about events that were prior to the balance sheet date or should new events come about) they will be explained in the relevant footnote.

The Group restates its financial statements if subsequent events which require restatement arise.

#### 2.17 Provisions, contingent liabilities, contingent assets

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and are disclosed as contingent assets or liabilities.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

#### 2.18 Related parties

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) Has control or joint control over the reporting entity,
  - (ii) Has significant influence over the reporting entity,
  - (iii) Is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (i) Entity and Company are members of the same Group,
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member),
  - (iii) Both entities are joint ventures of the same third party,
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity,
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity,
  - (vi) The entity is controlled or jointly controlled by a person identified in (a),
  - (vii) A person identified in (a) (ii) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

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(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2. Basis of presentation of consolidated financial statements (continued)**

In accordance with the purposes of consolidated financial statements, shareholders, important management personnel and members of Board of Directors, their families and companies controlled by them or depend upon them, the affiliates and partnerships and Koç Holding Group companies are accepted and presented as related parties.

**2.19 Segmental information**

The Group management assumes three operating segments to evaluate performance and source utilization decisions. These segments are lpg and gas, cargo transportation and distribution, petroleum products and electricity. These operating segments are managed separately as the risk and return of these segments are affected by different economic conditions and geographical locations. The Group Management believes that financial results prepared according to TFRS are the best approach to evaluate performance of these operating segments.

**2.20 Taxation and deferred tax**

Turkish Tax Legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Income tax expense represents the sum of the corporate tax and deferred tax.

Corporate tax

The corporate tax is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years 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 by the balance sheet date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which is used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised 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 recognised 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.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2.20 Taxation and deferred tax (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the fore-seeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the fore-seeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

The Company recognizes deferred tax asset for all deductible temporary differences arising from investments in subsidiaries, to the extent that, and only to the extent that, it is probable that:

- The temporary difference will reverse in the foreseeable future and
- Taxable profit will be available against which the temporary difference can be utilized.

The Company recognizes deferred tax liability for all taxable temporary differences associated with investments in subsidiaries except to the extent that both of the following conditions are satisfied:

- The parent is able to control the timing of the reversal of the temporary difference and
- It is probable that the temporary difference will not reverse in the foreseeable future.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

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**NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****2. Basis of presentation of consolidated financial statements (continued)****2.21 Employment benefits**Defined benefit plan:

Employment termination benefits, as required by the Turkish Labour Law and the laws applicable in the countries where the subsidiaries operate, represent the estimated present value of the total reserve of the future probable obligation of the Group arising in case of the retirement of the employees, termination of employment without due cause, be retired or death upon the completion of a minimum one year service. Provision which is allocated by using defined benefit pension's current value is calculated by using prescribed liability method. All actuarial profits and losses are recognised in consolidated statements of income. The provision made for present value of determined social relief is calculated by the prescribed liability method. All actuarial profits and losses are accounted in the shareholder's equity as other comprehensive income.

Defined contribution plan:

Group, has to compensate the Social Security Contribution of the employees. As long as this is compensated, there is no any other obligation for the Company. Social Security Contributions are classified as personnel expenses as of the accrual date.

**2.22 Statement of cash flows**

In statement of cash flow, cash flows are classified according to operating, investment and finance activities.

**2.23 Share capital and dividends**

Common shares are classified as equity. Dividends on common shares are recognised in retained earnings in the period in which they are approved and declared.

**2.24 Going concern**

Group Management do not forecast an important risk for the the business' sustainability, and consolidated financial tables have been prepared upon the assumption that the business will continue to operate in the foreseeable future.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 2 – BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

### 2. Basis of presentation of consolidated financial statements (continued)

#### 2.25 Research and development expenses

Research expenditure is recognised as an expense as incurred. Costs, except for listed below are classified as development expenditures and recognised as expense as incurred.

- If the cost related to the products can be defined and only if the cost can be measured reliably,
- If the technological feasibility can be measured,
- If the good will be sold or will be used within the company,
- If there's a potential market or can be proved that it is used within the company,
- If necessary technological, financial and other resources can be provided to complete the Project.

Other development expenditures are recognised as expense as incurred.

Development costs previously recognised as expense cannot be capitalized in a subsequent period. Development costs that have been capitalized are amortized from the commencement of the commercial production of the product on a straight-line basis. As of 31 December 2024, the Group has no capitalized research and development expenses (31 December 2023: None).

#### 2.26 Critical accounting estimates and assumptions

The critical accounting estimates and assumptions which have material impact on the consolidated financial statements are as follows:

- a) Property, plant and equipment and intangible fixed assets are subject to depreciation according to their useful lives (Note 13, 14). Estimations of such useful lives are based on the expectations of Group management.
- b) The Group Management uses market values for quoted equity items traded in active markets, while determining fair values of financial asset measured at fair value through other comprehensive income. For other available for sale financial assets, fair values are determined in line with generally accepted valuation principles using current economic data, trends in the market and expectations.
- c) There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business and significant judgment is required in determining the provision for income taxes. The Group recognizes tax liabilities for anticipated tax issues based on estimates of whether additional taxes will be due and recognizes tax assets for the carry forward tax losses and unused investment tax credits to the extent that the realization of the related tax benefit through the future taxable profits is probable (Note 31). Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 3 – SEGMENT INFORMATION**

The segmental operations are specified according to the internal reports reviewed regularly by the authority entitled to making decision for the Group's operations.

The Group's decision-making authority has started to monitor its activities in the cargo transportation and distribution separately by taking into consideration its significant share in the consolidated financial results, in order to accurately evaluate the resources to be allocated to the departments and the performance of the departments. In addition, the Group has decided to present the activities of EYAŞ company, which are accounted for using the equity method, separately from LPG and Natural gas activities, which are the main business lines of the Group.

The Group Management evaluates financial results and performance based of TFRS financial statements. Therefore, TFRS financial statements are the basis of segmental reporting. The Group evaluates the performance of its segments based on gross profit, operating profit and profit from continuing operations before tax.

Operational segments which have been prepared in accordance with the reportable segments for the year ended 31 December 2024 are as follows:

	<b>31 December 2024</b>				
	<b>LPG and Gas</b>	<b>Cargo transportation and Distribution</b>	<b>Petroleum products and Electricity</b>	<b>Consolidation adjustments</b>	<b>Consolidated</b>
Total assets	23.698.545	-	35.512.924	2.638.566	61.850.035
Total liabilities	9.577.407	-	-	-	9.577.407
Investments accounted under equity method	2.556.360	113.096	35.512.924	-	38.182.380
	<b>1 January - 31 December 2024</b>				
	<b>LPG and Gas</b>	<b>Cargo transportation and Distribution</b>	<b>Petroleum products and Electricity</b>	<b>Consolidation adjustments</b>	<b>Consolidated</b>
Sales revenue (net)	80.874.061	902.469	-	(3.406)	81.773.124
Gross profit	7.153.938	(279.939)	-	-	6.873.999
Operating profit (loss) (*)	1.316.128	(689.798)	-	(3.406)	622.924
Operating profit (loss)	1.412.749	(527.282)	-	(10.118)	875.349
Net monetary position gains (losses)	(422.679)	(2.882)	-	-	(425.561)
Profit (loss) from continuing operations before tax	1.636.022	(731.657)	1.750.445	(10.118)	2.644.692
Profit (loss) for the period	1.147.490	(1.236.941)	1.750.445	(10.118)	1.650.876
Non-controlling interest	-	(471.745)	-	-	(471.745)
Equity holders of the parent	1.147.490	(765.196)	1.750.445	(10.118)	2.122.621
Profit (losses) from investments accounted under equity method	103.047	(188.619)	1.750.445	-	1.664.873
Amortization and Depreciation (**)	1.013.173	116.423	-	-	1.129.596
Investment expenditures	3.063.213	49.852	-	-	3.113.065

(\*) Excluded other operating income/expense, net.

(\*\*) TRY 140.913 thousand of total amount consist of amortization and depreciation expenses allocated under TFRS 16, 'Leases' (2023: TRY 206.015 thousand).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 3 – SEGMENT INFORMATION (CONTINUED)

Operational segments which have been prepared in accordance with the reportable segments for the year ended 31 December 2023 are as follows:

	31 December 2023				
	LPG and Gas	Cargo transportation and Distribution	Petroleum products and Electricity	Consolidation adjustments	Consolidated
Total assets	24.359.161	2.116.371	37.956.155	2.254.929	66.686.616
Total liabilities	12.988.342	981.119	-	(14.838)	13.954.623
Investments accounted under equity method	2.367.246	-	37.956.155	-	40.323.401
	1 January - 31 December 2023				
	LPG and Gas	Cargo transportation and Distribution	Petroleum products and Electricity	Consolidation adjustments	Consolidated
Sales revenue (net)	92.230.899	1.381.684	-	(4.971)	93.607.612
Gross profit	7.977.514	(812.283)	-	-	7.165.231
Operating profit (loss) (*)	2.155.322	(1.650.591)	-	33	504.764
Operating profit (loss)	1.829.718	(1.521.488)	-	(2.955)	305.275
Net monetary position gains (losses)	488.371	(21.305)	-	-	467.066
Profit (loss) from continuing operations before tax	2.116.698	(1.547.752)	7.330.587	(7.960)	7.891.573
Profit (loss) for the period	2.002.807	(1.325.905)	7.330.587	(7.960)	7.999.529
Non-controlling interest	-	(596.657)	-	-	(596.657)
Equity holders of the parent	2.002.807	(729.248)	7.330.587	(7.960)	8.596.186
Profit (losses) from investments accounted under equity method	16.938	-	7.330.587	-	7.347.525
Amortization and Depreciation	1.053.913	123.510	-	-	1.177.423
Investment expenditures	947.366	166.469	-	-	1.113.835

(\*) Excluded other operating income/expense, net.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

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**NOTE 4 – CASH AND CASH EQUIVALENTS**

	31 December 2024	31 December 2023
Cash on hand	1.245	2.609
Cash at banks	3.771.256	4.852.082
- Time deposits	3.633.998	4.627.425
- Demand deposits	137.258	224.657
Receivables from credit card transactions	71.530	16.925
<b>Total</b>	<b>3.844.031</b>	<b>4.871.616</b>

As of 31 December 2024 the Group's TRY time deposits amounting to TRY 1.574.147 thousand with average maturities of 1 day and interest rates of 48,18%; USD time deposits amounting to USD 58.480 thousand (TRY 2.059.851 thousand) with average maturities of 1 day and interest rate of 3,22% (31 December 2023: The Group's TRY time deposits amounting to TRY 2.339.099 thousand with average maturities of 8 days and interest rates of 42,06%. USD time deposits amounting to USD 53.840 thousand (TRY 2.288.326 thousand) with average maturities of 2 days and interest rate of 3,71%).

The amount of cash and cash equivalents shown in the statement of cash flow as of 31 December 2024 and 2023 are as follows:

	31 December 2024	31 December 2023
Cash and cash equivalents	3.844.031	4.871.616
Less: Blocked deposits (*)	(4.301)	(4.012)
	<b>3.839.730</b>	<b>4.867.604</b>

(\*) The amount consists of the cash collaterals given to Takasbank in accordance with the Central Reconciliation Service to be Conducted in the Organized Wholesale Natural Gas Sales Market and the Principles Regarding This Service Procedure provided by İstanbul Takas ve Saklama Bankası A.Ş.

**NOTE 5 – FINANCIAL ASSETS**

The long-term financial assets of the Group are as follows as of 31 December 2024 and 2023:

	31 December 2024		31 December 2023	
	Participation amount	Participation rate (%)	Participation amount	Participation rate (%)
<b>Financial assets measured at fair value through other comprehensive income</b>				
- Koç Finansal Hizmetler A.Ş.	4.166.311	3,93	3.838.595	3,93
<b>Financial assets measured at fair value through profit or loss</b>				
- Ram Dış Ticaret A.Ş.	8.737	2,50	8.358	2,50
- Tat Gıda Sanayi A.Ş. (*)	-	-	670	0,08
- Other	4.897	-	4.897	-
	<b>4.179.945</b>		<b>3.852.520</b>	

(\*) The sale of Tat Gıda Sanayi A.Ş. ("Tat Gıda") shares was completed as of 19 February 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 6 – FINANCIAL BORROWINGS**

As of 31 December 2024 and 2023 the Group's short-term financial borrowings are as follows:

	31 December 2024	31 December 2023
USD-denominated short-term bank borrowings	1.265.312	-
Factoring liabilities	-	577.516
TL-denominated short-term bank borrowings	-	470.424
Short-term bond issued	-	257.462
Short-term lease liabilities	22.400	126.846
<b>Total short-term financial borrowings</b>	<b>1.287.712</b>	<b>1.432.248</b>
"Short-term portion and interest accruals of USD-denominated long-term bank borrowings"	50.126	1.638.811
<b>Total short-term portion of long-term financial borrowings</b>	<b>50.126</b>	<b>1.638.811</b>

As of 31 December 2024 the details of short-term financial borrowings are as follows:

Currency	Annual average effective interest rate (%)	Original amount	TL amount
USD	5,47	37.117	1.265.312
			<b>1.265.312</b>

As of 31 December 2023, the details of short-term financial borrowings are as follows:

Currency	Annual average effective interest rate (%)	Original amount	TL amount
TL	29,27	470.424	470.424
			<b>470.424</b>

As of 31 December 2024 and 2023 the Group's long-term financial borrowings are as follows:

	31 December 2024	31 December 2023
USD-denominated long-term bank borrowings		
Long-term lease liabilities	8.127	134.550
<b>Total long-term bank borrowings</b>	<b>662.743</b>	<b>134.550</b>

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 6 – FINANCIAL BORROWINGS (CONTINUED)**

As of 31 December 2024 the details of long-term financial borrowings are as follows:

Currency	Annual average effective interest rate (%)	Original amount	TL amount
USD	7,05	20.008	704.742
Short-term portion of long-term loans and interest accruals			(50.126)
			<b>654.616</b>

As of 31 December 2023 the details of long-term financial borrowings are as follows:

Currency	Annual average effective interest rate (%)	Original amount	TL amount
USD	7,52	38.558	1.638.811
Short-term portion of long-term loans and interest accruals			(1.638.811)
			-

The Group's movements of financial borrowings are as follows:

	2024	2023
<b>As of January 1</b>	<b>3.205.609</b>	8.561.783
Proceeds from new financial borrowings	2.193.587	2.827.027
Increase in lease liabilities	28.996	265.065
Repayments of principals	(2.451.043)	(6.170.992)
Payments of lease liabilities	(107.991)	(174.534)
Changes in interest accruals	(32.532)	(146.767)
Monetary (gain) / loss	(1.139.471)	(2.725.977)
Currency translation differences	303.426	770.004
Changes in the scope of consolidation	111.979	-
<b>As of December 31</b>	<b>2.000.581</b>	<b>3.205.609</b>

Covenants

The Group signed a foreign currency loan agreement on 30 December 2024. The loan includes financial covenants on Net Financial Debt/EBITDA ratio and EBITDA/Net interest expense ratio, which will be calculated every 6 months. The Group has fulfilled the terms of the contract as of 31 December 2024.



**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 8 - TRADE RECEIVABLES AND PAYABLES FROM THIRD PARTIES (CONTINUED)**

The Group's movements of doubtful receivables are as follows:

	<b>2024</b>	<b>2023</b>
<b>As of January 1</b>	<b>53.127</b>	64.220
Increases during the period	1.199	17.141
Collections	(6.518)	(679)
Monetary (gain) / loss	(16.330)	(26.797)
Write offs	(4.796)	(758)
<b>As of December 31, 2024</b>	<b>26.682</b>	<b>53.127</b>

Allowance for doubtful receivables has been raised per customer, based on the past experiences of the Company management. Level and composition of risks of trade receivables are explained in Note 33.

The Group's trade payables to third parties as of 31 December 2024 and 2023 are as follows:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Trade payables	3.747.608	6.046.074
<b>Total short-term trade payables</b>	<b>3.747.608</b>	<b>6.046.074</b>

**NOTE 9 – OTHER RECEIVABLES AND PAYABLES FROM THIRD PARTIES**

The Group's other receivables from third parties as of 31 December 2024 and 2023 are as follows:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Guarantees and deposits given	10.736	1.659
Other receivables	5.740	8.287
<b>Total other current receivables</b>	<b>16.476</b>	<b>9.946</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 9 – OTHER RECEIVABLES AND PAYABLES FROM THIRD PARTIES (CONTINUED)**

	31 December 2024	31 December 2023
Guarantees and deposits given	2.648	5.805
<b>Total other non-current receivables</b>	<b>2.648</b>	<b>5.805</b>

As of 31 December 2024 and 2023, other payables to third parties of the Group are as follows:

	31 December 2024	31 December 2023
Deposits and guarantees taken	8.663	8.635
<b>Total other short-term payables</b>	<b>8.663</b>	<b>8.635</b>
	<b>31 December 2024</b>	<b>31 December 2023</b>
Cylinder deposits received	277.351	307.904
<b>Total other long-term payables</b>	<b>277.351</b>	<b>307.904</b>

**NOTE 10 – LIABILITIES FOR EMPLOYEE BENEFITS**

As of 31 December 2024 and 2023, liabilities for employee benefits of the Group are as follows:

	31 December 2024	31 December 2023
Employee's income tax payable	229.507	206.494
Payables to personnel	110.708	89.714
Social security liabilities	60.804	88.084
<b>Total liabilities for employee benefits</b>	<b>401.019</b>	<b>384.292</b>

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 11 – INVENTORIES**

	<b>31 December 2024</b>	<b>31 December 2023</b>
Raw materials	2.278.310	2.606.588
Work in process	15.024	13.683
Finished goods	81.425	74.214
Trade goods	102.863	171.272
	<b>2.477.622</b>	<b>2.865.757</b>

As of 31 December 2024, the inventories comprise of 79.634 tons of LPG (31 December 2023: 107.471 tons). As of 31 December 2024, as a result of the decrease in January 2025 LPG prices, sales prices set aside below costs and a inventory impairment provision of TRY 50.667 thousand was made (31 December 2023: None).

As of 31 December 2024, there are no goods in transit.

**NOTE 12 – EQUITY INVESTMENTS**

The details of carrying values and consolidation rates subject to equity investments are as follows:

	<b>31 December 2024</b>		<b>31 December 2023</b>	
	Participation amount	Participation rate (%)	Participation amount	Participation rate (%)
EYAŞ	35.512.924	20,00	37.956.155	20,00
Sendeo (*)	113.096	27,50	-	-
OAGM	1.802.390	50,00	1.715.807	50,00
United Aygaz	753.970	50,00	651.439	50,00
	<b>38.182.380</b>		40.323.401	

(\*) On 28 June 2024, as part of conducting the operations of Sendeo and Ekol Ekspres Kargo A.Ş. ("Kolay Gelsin") under the 'Kolay Gelsin' brand with an equal partnership principle between Sendeo's partners and Ahmet Musul, the following agreements were executed: a 'Share Purchase and Participation Agreement' between Ahmet Musul and Koç Parties for a cash capital increase amounting to a total value of TRY 382 million (TRY 330 million nominal) in Sendeo with the acquisition of shares representing 50% of Sendeo capital by Ahmet Musul from Koç Holding and the Company for a total of TRY 191 million (TRY 165 million nominal) in proportion to their shares, and the participation of all partners in the new partnership structure in proportion to their shares following the transfer; a 'Share Purchase Agreement' between Sendeo and Ahmet Musul for the acquisition of all shares representing Kolay Gelsin's capital from Ahmet Musul at a total value of TRY 382 million (TRY 330 million nominal); and a 'Shareholders Agreement' between Ahmet Musul and Koç Parties, regulating the rights and obligations of shareholders in Sendeo and Kolay Gelsin based on joint control. All closing transactions and share transfers as stipulated in these agreements have been completed. As a result of this transaction, Sendeo was deconsolidated from the scope of the Group's subsidiaries and accounted for investment in associates under the relevant accounting standard. In condensed consolidated financial statements as of 30 June 2024, Sendeo has been accounted at TRY 301.715 thousand (TRY 260.671 thousand nominal) as an investment valued by the equity method based on the share value within the valuation report prepared on the relevant date. Consequently, a one-time transaction loss of TRY 115.079 thousand (TRY 99.304 thousand nominal) resulting from the loss of control over the share transfer has been recognized under 'loss from investment activities' in the Group's statement of profit and loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 12 – EQUITY INVESTMENTS (CONTINUED)

The movement of equity investments is as follows:

	2024	2023
<b>As of January 1</b>	<b>40.323.401</b>	36.783.890
Shares of profit/(loss)	1.664.873	7.347.525
Shares of other comprehensive income/(loss)	(391.186)	(212.694)
Dividend income	(3.973.159)	(4.096.867)
Increase due to change in control of subsidiaries	301.715	-
Increase in capital of joint venture (*)	256.736	501.547
<b>As of 31 December 2024</b>	<b>38.182.380</b>	<b>40.323.401</b>

(\*) In the Board of Directors' decision dated 16 August 2024, it was decided to increase the capital of United Aygaz by BDT 1.652.000 thousand, and the Company paid BDT 826.000 thousand (approximately USD 7 million) corresponding to its share in cash on 20 August 2024 (Note 1).

Shares of profit (loss) of equity investments:

	1 January - 31 December 2024	1 January - 31 December 2023
EYAŞ	1.750.445	7.330.587
OAGM	86.583	11.477
United Aygaz	16.464	5.461
Sendeo	(188.619)	-
	<b>1.664.873</b>	<b>7.347.525</b>

Shares of other comprehensive gains (losses) of equity investments:

	1 January - 31 December 2024	1 January - 31 December 2023
EYAŞ	(220.517)	414.462
United Aygaz	(170.669)	(627.156)
	<b>(391.186)</b>	<b>(212.694)</b>

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 12 – EQUITY INVESTMENTS (CONTINUED)**

Financial information on Enerji Yatırımları A.Ş., which is accounted in the Group's financial statements according to equity pick-up method is set out below:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Total assets	508.087.254	594.644.528
Total liabilities	(178.921.012)	(236.657.762)
Non-controlling interest	(151.601.622)	(168.205.993)
<b>Net assets</b>	<b>177.564.620</b>	<b>189.780.773</b>
Group's ownership (%)	20,00	20,00
Group's share in associates' net assets	35.512.924	37.956.155
	<b>1 January -</b>	<b>1 January -</b>
	<b>31 December 2024</b>	<b>31 December 2023</b>
Revenue	810.385.588	991.202.993
Profit for the period	8.752.227	36.652.933
<b>Group's share in associates' profit for the period</b>	<b>1.750.445</b>	<b>7.330.587</b>

Financial information on Opet Aygaz Gayrimenkul A.Ş., which is accounted in the Group's financial statements according to equity pick-up method is set out below:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Total assets	3.769.657	3.572.048
Total liabilities	(164.874)	(140.432)
<b>Net assets</b>	<b>3.604.783</b>	<b>3.431.616</b>
Group's ownership (%)	50,00	50,00
Group's share in associates' net assets	1.802.390	1.715.807
	<b>1 January -</b>	<b>1 January -</b>
	<b>31 December 2024</b>	<b>31 December 2023</b>
Revenue	105.544	97.183
Profit for the period	173.166	22.954
<b>Group's share in associates' profit for the period</b>	<b>86.583</b>	<b>11.477</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 12 – EQUITY INVESTMENTS (CONTINUED)

Financial information on United Aygaz, which is accounted in the Group's financial statements according to equity pick-up method is set out below:

	31 December 2024	31 December 2023
Total assets	2.923.743	2.358.212
Total liabilities	(1.415.803)	(1.055.334)
<b>Net assets</b>	<b>1.507.940</b>	<b>1.302.878</b>
Group's ownership (%)	50%	50%
Group's share in associates' net assets	753.970	651.439

	1 January - 31 December 2024	1 January - 31 December 2023
Revenue	3.504.346	1.641.692
Profit for the period	32.928	10.922
Group's share in associates' profit for the period	16.464	5.461

Financial information on Sendeo which is accounted in the Group's financial statements according to equity pick-up method is set out below:

	31 December 2024
Total assets	1.411.940
Total liabilities	(1.000.681)
<b>Net assets</b>	<b>411.260</b>
Group's ownership (%)	27,50
Group's share in associates' net assets	113.096
	<b>1 January - 31 December 2024</b>
Revenue	2.030.988
Profit for the period	(685.887)
Group's share in associates' profit for the period	(188.619)

**AYGAZ ANONİM ŞİRKETİ**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

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**NOTE 13 – PROPERTY, PLANT AND EQUIPMENT**

	Land improvements	Land	Buildings	Plant, machinery, equipment and LPG cylinders	Vehicles and vessels	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
<b>Acquisition cost</b>									
<b>As of 1 January 2024</b>	<b>387.235</b>	<b>2.864.333</b>	<b>1.506.728</b>	<b>33.127.176</b>	<b>3.072.068</b>	<b>1.453.726</b>	<b>620.610</b>	<b>422.879</b>	<b>43.454.755</b>
Additions	-	-	-	169	2.083.872	11.183	803	1.007.492	3.103.519
Transfers (*)	21.779	67.880	68.064	713.614	45.180	191.163	2.247	(950.225)	159.702
Changes in the scope of consolidation	-	-	-	-	(24.887)	(154.087)	(68.559)	(70.394)	(317.927)
Disposals	-	(2.970)	(353)	(381.068)	(20.288)	(99.696)	(29.824)	-	(534.199)
<b>As of 31 December 2024</b>	<b>409.014</b>	<b>2.929.243</b>	<b>1.574.439</b>	<b>33.459.891</b>	<b>5.155.945</b>	<b>1.402.289</b>	<b>525.277</b>	<b>409.752</b>	<b>45.865.850</b>
<b>Accumulated depreciation</b>									
<b>As of 1 January 2024</b>	<b>-</b>	<b>1.833.284</b>	<b>1.251.431</b>	<b>30.384.711</b>	<b>2.020.549</b>	<b>1.080.540</b>	<b>556.918</b>	<b>-</b>	<b>37.127.433</b>
Charge of the period	-	83.975	23.744	523.562	183.821	86.273	10.205	-	911.580
Transfers (*)	-	3.325	10.309	72.482	-	287	-	-	86.403
Changes in the scope of consolidation	-	-	-	-	(11.083)	(44.612)	(26.298)	-	(81.993)
Disposals	-	(2.935)	(91)	(352.589)	(19.030)	(43.396)	(28.617)	-	(446.658)
<b>As of 31 December 2024</b>	<b>-</b>	<b>1.917.649</b>	<b>1.285.393</b>	<b>30.628.166</b>	<b>2.174.257</b>	<b>1.079.092</b>	<b>512.208</b>	<b>-</b>	<b>37.596.765</b>
<b>Net book value</b>	<b>409.014</b>	<b>1.011.594</b>	<b>289.046</b>	<b>2.831.725</b>	<b>2.981.688</b>	<b>323.197</b>	<b>13.069</b>	<b>409.752</b>	<b>8.269.085</b>

(\*) TRY 151.435 thousand under "Construction in progress" under the account property, plant and equipment has been classified to intangible fixed assets. TRY 224.734 thousand of right of use assets has been classified as tangible fixed assets.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 13 – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Land	Land improvements	Buildings	Plant, machinery, equipment and LPG cylinders	Vehicles and vessels	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
Acquisition cost									
As of 1 January 2023	387.235	2.807.483	1.504.926	33.008.481	2.934.853	1.364.968	597.361	385.978	42.991.285
Additions	-	19	-	7.090	95.514	150.638	23.249	736.788	1.013.298
Transfers (*)	-	63.699	6.240	349.439	119.814	53.804	-	(660.225)	(67.229)
Disposals	-	(6.868)	(4.438)	(237.834)	(78.113)	(115.684)	-	(39.662)	(482.599)
As of 31 December 2023	387.235	2.864.333	1.506.728	33.127.176	3.072.068	1.453.726	620.610	422.879	43.454.755
Accumulated depreciation									
As of 1 January 2023	-	1.753.737	1.230.060	30.061.995	1.897.592	1.028.936	541.111	-	36.513.431
Charge of the period	-	83.621	22.760	538.695	143.859	91.930	15.807	-	896.672
Disposals	-	(4.074)	(1.389)	(215.979)	(20.902)	(40.326)	-	-	(282.670)
As of 31 December 2023	-	1.833.284	1.251.431	30.384.711	2.020.549	1.080.540	556.918	-	37.127.433
Net book value	387.235	1.031.049	255.297	2.742.465	1.051.519	373.186	63.692	422.879	6.327.322

(\*) TRY 67.229 thousand under "Construction in progress" under the account property, plant and equipment has been classified to intangible fixed assets.

## AYGAZ ANONİM ŞİRKETİ

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 13 – PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

As of 31 December 2024 and 2023, the details of depreciation expenses are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Cost of sales	657.714	678.347
General administrative expenses	199.925	167.598
Capitalized on cylinders	15.443	12.106
Marketing expenses	38.498	38.621
	<b>911.580</b>	<b>896.672</b>

**NOTE 14 – INTANGIBLE ASSETS**

	Rights
<b>Acquisition costs</b>	
<b>As of 1 January 2024</b>	<b>1.524.096</b>
Additions	9.546
Transfers (*)	151.435
Changes in the scope of consolidation	(237.864)
<b>As of 31 December 2024</b>	<b>1.447.213</b>
<b>Accumulated amortisation</b>	
<b>As of 1 January 2024</b>	<b>1.175.900</b>
Charge for the period	77.103
Disposals	(64.003)
<b>As of 31 December 2024</b>	<b>1.189.000</b>
<b>Net book value</b>	<b>258.213</b>

(\*) TRY 151.435 thousand under "Construction in progress" under the account property, plant and equipment has been classified to intangible fixed assets.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 14 – INTANGIBLE ASSETS (CONTINUED)

	Rights
Acquisition costs	
As of 1 January 2023	1.356.330
Additions	100.537
Transfers(*)	67.229
As of 31 December 2023	1.524.096
Accumulated amortisation	
As of 1 January 2023	1.101.164
Charge for the period	74.736
As of 31 December 2023	1.175.900
Net book value	348.196

(\*) TRY 67.229 thousand under "Construction in progress" under the account property, plant and equipment has been classified to intangible fixed assets.

As of 31 December 2024 and 2023, the details of amortization expenses of intangible assets are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
General administrative expenses	77.103	74.736
	<b>77.103</b>	<b>74.736</b>

## NOTE 15 – RIGHT OF USE ASSETS

	Land	Land improvements	Buildings	Plant, machinery, equipment and LPG cylinders	Vehicles and vessels	Furniture and fixtures	Total
<b>As of 1 January 2024</b>	<b>22.476</b>	<b>21.580</b>	<b>281.587</b>	<b>154.251</b>	<b>138.748</b>	<b>81</b>	<b>618.723</b>
Additions	7.390	1.642	6.054	-	14.395	-	29.481
Transfers (*)	(16.261)	(14.002)	(43.414)	(150.976)	-	(81)	(224.734)
Disposals	-	-	(5.262)	(4.911)	(78.129)	-	(88.302)
Changes in the scope of consolidation	-	-	(187.458)	-	(40.226)	-	(227.684)
Charge for the period	(4.163)	(571)	(53.862)	-	(82.317)	-	(140.913)
Disposals from accumulated depreciation	-	-	4.382	1.636	75.024	-	81.042
<b>As of 31 December 2024</b>	<b>9.442</b>	<b>8.649</b>	<b>2.027</b>	<b>-</b>	<b>27.495</b>	<b>-</b>	<b>47.613</b>
<b>As of 1 January 2023</b>	<b>24.774</b>	<b>21.290</b>	<b>240.247</b>	<b>169.595</b>	<b>98.207</b>	<b>143</b>	<b>554.256</b>
Additions	481	1.451	143.646	-	136.691	-	282.269
Disposals	(2.360)	-	(39.899)	-	(22.953)	-	(65.212)
Charge for the period	(2.778)	(1.161)	(91.114)	(15.344)	(95.556)	(62)	(206.015)
Disposals from accumulated depreciation	2.359	-	28.707	-	22.359	-	53.425
<b>As of 31 December 2023</b>	<b>22.476</b>	<b>21.580</b>	<b>281.587</b>	<b>154.251</b>	<b>138.748</b>	<b>81</b>	<b>618.723</b>

(\*) TRY 224.734 thousand of right of use assets has been classified as tangible fixed assets.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 15 – RIGHT OF USE ASSETS (CONTINUED)**

As of 31 December 2024 and 2023, the details of depreciation expenses related to the right of use assets are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Cost of sales	49.788	106.569
General administrative expenses	49.162	66.406
Marketing expenses	41.963	33.040
	<b>140.913</b>	206.015

**NOTE 16 – CONTINGENT ASSETS AND LIABILITIES**

Guarantees given as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Letter of guarantees given for gas purchase	3.582.577	3.663.149
Other letter of guarantees given	602.576	712.001
	<b>4.185.153</b>	4.375.150

**The liability for environmental pollution:**

According to the effective environmental laws, the Group is responsible for the environmental pollution it causes as a result of its operational activities without seeking a reason of fault. The Group may be fined with an indemnity if the Group causes an environmental pollution. There is no case opened for environmental pollution against the Group, accordingly the Group does not have a liability related with the environmental pollution cases as of the consolidated balance sheet date.

**National inventory reserve liability:**

Due to the liability of the storage of national petroleum stocks, petroleum products and LPG distributor license owners should hold a minimum of twenty days' average reserves at their own or other licensed storages, either together or separately. Within the decision of National Petroleum Reserves Commission numbered 2018/3 on 28 December 2018, it was decided to keep the national petroleum stocks minimum 20 days as of 1 July 2019 by the petroleum products and LPG distributor license owners. The Group fulfills its obligations regarding the national inventory reserve liability.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 16 – CONTINGENT ASSETS AND LIABILITIES (CONTINUED)

The details of the Company's and its subsidiaries' guarantees given or contingent liabilities on the behalf of each other, related parties, parent company or third parties within the context of business operations or other purposes are as follows:

	31 December 2024				31 December 2023			
	TL Equivalent of Euro	TL Equivalent of USD	TL	Total TL	TL Equivalent of Euro	TL Equivalent of USD	TL	Total TL
<b>A. CPMBs given on behalf of the Company's legal personality</b>	419.464	18.641	3.532.656	3.970.761	520.973	37.082	3.444.983	4.003.038
<b>B. CPMBs given in favor of subsidiaries included in full consolidation (*)</b>	-	214.392	-	214.392	-	309.537	62.412	371.949
<b>C. CPMBs given by the Company for the liabilities of 3rd parties in order to run ordinary course of business (*)</b>	-	-	-	-	-	-	163	163
<b>D. Other CPMBs</b>	-	-	-	-	-	-	-	-
i. CPMBs given in favor of parent company	-	-	-	-	-	-	-	-
ii. CPMBs given in favor of companies not in the scope of B and C above	-	-	-	-	-	-	-	-
iii. CPMBs given in favor of third party companies not in the scope of C above	-	-	-	-	-	-	-	-
<b>Total amount of CPMBs</b>	<b>419.464</b>	<b>233.033</b>	<b>3.532.656</b>	<b>4.185.153</b>	520.973	346.619	3.507.558	4.375.150

(\*) As of 31 December 2024, total amount of commission accrued for guarantees given or contingent liabilities except 'A. CPMBs given on behalf of the Company's legal personality' is TRY 1.017 thousand (31 December 2023: TRY 4.080 thousand).

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 17 – LONG-TERM PROVISION FOR EMPLOYEE BENEFITS**

Details of long-term provisions for employee benefits as of 31 December 2024 and 2023 are as follows:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Provision for employment termination benefits	205.841	301.710
Vacation pay liabilities	49.702	54.762
<b>Total long-term provision for employee benefits</b>	<b>255.543</b>	<b>356.472</b>

Retirement pay provision:

Under the Turkish Labour Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service and reaches the retirement age (58 for women and 60 for men).

The amount payable consists of one month's salary limited to a maximum of full TRY 41.828,42 (31 December 2023: TRY 23.489,83) for each year of service at 31 December 2024.

The liability is not funded and there is no funding requirement.

In accordance with Turkish Labour Law, employment termination benefit is the present value of the total estimated provision for the liabilities of the personnel who may retire in the future. The provision made for present value of determined social relief is calculated by the prescribed liability method. All actuarial profits and losses are accounted in the other comprehensive income statement.

TFRS require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. The Group makes a calculation for the employment termination benefit by applying the prescribed liability method, by the experiences and by considering the personnel who become eligible for pension. This provision is calculated by expecting the present value of the future liability which will be paid for the retired personnel.

Accordingly, the following financial and demographic actuarial assumptions were used in the calculation of the total provision:

	<b>2024</b>	<b>2023</b>
Net discount rate (%)	3,38	2,90
Average turnover rate related to the probability of retirement (%)	94,15	95,34

The principal assumption is that the maximum liability for each year of service will increase in line with inflation, Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation, As the maximum liability is revised semi-annually, the maximum amount of full TRY 46.655,43 (1 January 2024: full TRY 35.058,58) which is effective from 1 January 2025 has been taken into consideration in calculating the reserve for employment termination benefits of the Company.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 17 – LONG-TERM PROVISION FOR EMPLOYEE BENEFITS (CONTINUED)**

The movements of retirement pay provision for the period ended 31 December 2024 and 2023 are as follows:

	2024	2023
<b>As of January 1</b>	<b>301.710</b>	499.921
Service cost	39.317	101.675
Interest cost	64.566	78.880
Actuarial loss / (gain)	48.896	12.952
Monetary (gain) / loss	(105.375)	(181.798)
Payments during the period	(136.747)	(209.920)
Changes in the scope of consolidation	(6.526)	-
<b>As of December 31</b>	<b>205.841</b>	<b>301.710</b>

**NOTE 18 – PROVISIONS**

	31 December 2024	31 December 2023
Provision for price revision (*)	683.288	824.507
Provision for selling and marketing expenses	32.005	41.323
Provision for EMRA contribution	43.659	48.111
Provision for lawsuit	31.981	33.509
Provision for warranty expenses	6.844	5.986
Provision for other operating expenses	63.458	165.174
<b>Other short-term provisions</b>	<b>861.235</b>	<b>1.118.610</b>

(\*) As per the contract with Akfel Gaz Sanayi ve Ticaret A.Ş. ("Akfel") which is the natural gas supplier of the Company's subsidiary Aygaz Doğal Gaz Toptan Satış A.Ş. ("ADG"), as the price revision arbitration process between Akfel and Gazprom Export LLC ("Gazprom") resulted against Akfel, the amount of provision set aside as of 31 December 2024 is USD 19.399 thousand (the equivalent of TRY 683.288 thousand) (31 December 2023: USD 19.399 thousand provision – the equivalent of TRY 824.507 thousand).

## AYGAZ ANONİM ŞİRKETİ

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 18 – PROVISIONS (CONTINUED)**

The movements of the provision for the other operating expenses for the period ended 31 December 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
<b>As of January 1</b>	<b>165.174</b>	83.738
Increases during the period	12.713	175.529
Payments during the period	(32.205)	(45.354)
Monetary (gain) / loss	(82.224)	(48.739)
<b>As of December 31</b>	<b>63.458</b>	<b>165.174</b>

**NOTE 19 – OTHER SHORT-TERM ASSETS AND LIABILITIES**

	<b>31 December 2024</b>	<b>31 December 2023</b>
Deferred VAT	134.872	612.272
Fuel used in shipping operations	59.974	21.512
Income accrual	9.929	82.687
Other current assets	1.989	5.047
<b>Other current assets</b>	<b>206.764</b>	<b>721.518</b>
	<b>31 December 2024</b>	<b>31 December 2023</b>
Taxes and funds payable	664.030	683.802
Other liabilities	4.282	30.444
<b>Other short-term liabilities</b>	<b>668.312</b>	<b>714.246</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 20 – PREPAID EXPENSES

As of 31 December 2024 and 2023, the details of Group's prepaid expenses in current assets are as follows:

	31 December 2024	31 December 2023
Prepaid expenses	111.888	147.482
Advances given	6.336	17.301
<b>Short-term prepaid expenses</b>	<b>118.224</b>	<b>164.783</b>
	31 December 2024	31 December 2023
Prepaid expenses	32.409	60.613
<b>Long-term prepaid expenses</b>	<b>32.409</b>	<b>60.613</b>

## NOTE 21 – DEFERRED INCOME

	31 December 2024	31 December 2023
Advances taken	61.091	48.399
Prepaid income	11.054	23.109
<b>Short-term deferred income</b>	<b>72.145</b>	<b>71.508</b>

## NOTE 22 – SHARE CAPITAL

Shareholders	Participation rate (%)	31 December 2024	Participation rate (%)	31 December 2023
Koç Holding A.Ş.	40,68	89.425	40,68	89.425
Liquid Petroleum Gas Development Company ("LPGDC") (*)	24,52	53.885	24,52	53.885
Temel Ticaret ve Yatırım A.Ş.	5,77	12.693	5,77	12.693
Koç Family	4,76	10.452	4,76	10.452
Publicly held (*)	24,27	53.346	24,27	53.346
<b>Nominal capital</b>	<b>100,00</b>	<b>219.801</b>	<b>100,00</b>	<b>219.801</b>
Inflation adjustment (**)		5.892.519		5.892.519
<b>Adjusted capital</b>		<b>6.112.320</b>		<b>6.112.320</b>

(\*) TRY 1.996.553,90 under publicly held shares (0,91% participation rate on the share capital) belong to Hilal Madeni Eşya Ticaret Sanayi ve Yatırım A.Ş., a 100% owned subsidiary of LPGDC.

(\*\*) Capital adjustment differences represent the disparity between the total amount of cash and cash equivalents added to capital after adjustment made based on TFRS published by POA and the amount before such adjustment. Capital adjustment differences have no use other than being added to capital.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 22 – SHARE CAPITAL (CONTINUED)**Restricted reserves assorted from the profit

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the historical paid-in share capital. The second legal reserve is 10% of dividend distributed exceeding 5% of paid-in share capital. According to Turkish Commercial Code, legal reserves may only be used as long as it does not exceed 50% of the paid capital. Otherwise, it may not be used under any circumstances.

The details of the restricted reserves are stated below:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Legal reserves	4.249.256	4.067.575
Statutory reserves	191.263	191.263
	<b>4.440.519</b>	<b>4.258.838</b>

The historical values and inflation adjustment effects of the following accounts under the Group's equity as of 31 December 2024 in accordance with the TFRS and TPL financial statements are as follows:

	<b>Nominal Value</b>	<b>Effect of Inflation Adjustment</b>	<b>Indexed Value</b>
<b>31.12.2024 (according to TFRS )</b>			
Capital	219.801	5.892.519	6.112.320
Legal reserves	530.498	3.718.758	4.249.256
<b>31.12.2024 (according to TPL (VUK))</b>			
Capital	219.801	6.355.072	6.574.873
Legal reserves	530.498	7.548.015	8.078.513

**Dividend distribution**

Listed companies distribute dividend in accordance with the Communiqué No. II-19.1 issued by the CMB which is effective from 1 February 2014.

Companies distribute dividends in accordance with their dividend payment policies settled and dividend payment decision taken in general assembly and also in conformity with relevant legislations. The communiqué does not constitute a minimum dividend rate. Companies distribute dividend in accordance with the method defined in their dividend policy or articles of incorporation. In addition, dividend can be distributed by fixed or variable installments and advance dividend can be paid in accordance with profit on financial statements of the Company.

In accordance with the Turkish Commercial Code (TCC), unless the required reserves and the dividend for shareholders as determined in the article of association or in the dividend distribution policy of the company are set aside, no decision may be made to set aside other reserves, to transfer profits to the subsequent year or to distribute dividends to the holders of usufruct right certificates, to the members of the board of directors or to the employees; and no dividend can be distributed to these persons unless the determined dividend for shareholders is paid in cash.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 22 – SHARE CAPITAL (CONTINUED)

**Dividend distribution (Continued)**

The Company's statutory profit for the period and other sources that are subject the profit distribution as of 31 December 2024, amounts to TRY 5.318.843 thousand nominal (31 December 2023: TRY 3.499.326 thousand nominal).

Dividends paid

In the Ordinary General Meeting held on 1 April 2024, the Company decided to reserve TRY 149.465 thousand nominal as legal reserves and distribute TRY 1.505.635 thousand nominal (indexed TRY 1.831.004 thousand) gross dividends from the net distributable income of 2023 and dividends have been started to be paid as of 4 April 2024.

Gains and losses on financial assets measured at fair value through other comprehensive income: Gains and losses from the revaluation and reclassification are related to financial assets and their details are as follows:

	31 December 2024	31 December 2023
Koç Finansal Hizmetler A.Ş.	1.450.718	1.263.732
	<b>1.450.718</b>	<b>1.263.732</b>

Currency translation adjustment

As of 31 December 2024, foreign currency translation differences represent the foreign currency translation differences in the Group's investments valued using the equity method.

Financial risk hedging reserve:

It includes cash flow hedge gains/(losses) of EYAŞ, which is the Group's equity method investment.

## NOTE 23 - REVENUE AND COST OF SALES

	1 January - 31 December 2024	1 January - 31 December 2023
Domestic sales	67.503.738	73.770.576
Export sales	16.960.818	22.233.562
Sales returns (-)	(304.105)	(292.886)
Sales discounts (-)	(2.387.327)	(2.103.640)
<b>Total revenue, net</b>	<b>81.773.124</b>	93.607.612
Sales of goods and services	75.005.328	87.089.609
Sales of merchandises	6.767.796	6.518.003
<b>Revenue</b>	<b>81.773.124</b>	<b>93.607.612</b>

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**NOTE 23 - REVENUE AND COST OF SALES (CONTINUED)**

The accounting policy of Special Consumption Tax (SCT) on imported LPG which is required to be paid after the declaration made to the Republic of Türkiye, Ministry of Finance is applied to be included in revenues and cost of goods sold (Gross profit and net income is not impacted by this record). For the period 1 January-31 December 2024, SCT on imported LPG included in revenues and the cost of goods sold is amounting to TRY 12.514.752 thousand (1 January-31 December 2023: TRY 9.681.513 thousand).

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Raw materials used	65.429.238	75.207.865
Production overheads	1.137.726	1.163.791
Personnel expenses	757.454	788.120
Depreciation expenses	531.403	571.956
Change in finished goods inventories	(367.961)	(80.550)
<b>Total cost of goods sold</b>	<b>67.487.860</b>	<b>77.651.182</b>
Cost of services rendered	1.560.070	2.773.447
Personnel expenses	244.232	277.606
Depreciation expenses	176.099	212.960
<b>Total cost of services rendered</b>	<b>1.980.401</b>	<b>3.264.013</b>
Cost of merchandises cost	5.430.864	5.527.186
<b>Total cost of sales</b>	<b>74.899.125</b>	<b>86.442.381</b>

**NOTE 24 – GENERAL ADMINISTRATIVE EXPENSES, MARKETING RESEARCHED AND DEVELOPMENT EXPENSES**

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
General administrative expenses	2.631.381	3.091.359
Marketing expenses	3.595.675	3.529.423
Research and development expenses	24.019	39.685
	<b>6.251.075</b>	<b>6.660.467</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 24 – GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES AND RESEARCHED AND DEVELOPMENT EXPENSES (CONTINUED)**

	1 January - 31 December 2024	1 January - 31 December 2023
<b>General administrative expenses</b>		
Personnel expenses	1.422.408	1.750.159
Depreciation and amortization expenses	326.190	308.740
Information technology expenses	174.942	207.263
Insurance expenses	77.360	82.146
Maintenance expenses	51.669	69.241
Transportation expenses	69.453	64.441
Tax expenses	62.878	68.117
Communication expenses	41.980	40.296
Lawsuit, consultancy and auditing expenses	26.916	38.268
Post office expenses	9.407	9.207
Rent expenses	8.605	3.569
Other administrative expenses	359.573	449.912
<b>Total</b>	<b>2.631.381</b>	<b>3.091.359</b>
<b>Marketing, selling and distribution expenses</b>		
Transportation, distribution and warehousing expenses	2.053.643	1.930.443
Personnel expenses	529.271	464.024
Sales expenses	410.894	213.677
Advertising and promotion expenses	214.644	255.100
After sales services and maintenances expenses	83.660	77.780
Depreciation and amortization expenses	80.461	71.661
License expenses	49.751	60.098
Transportation expenses	43.246	51.260
Other marketing, selling and distribution expenses	130.105	405.380
<b>Total</b>	<b>3.595.675</b>	<b>3.529.423</b>
<b>Research and development expenses</b>		
Research and development expenses	24.019	39.685
<b>Total</b>	<b>24.019</b>	<b>39.685</b>

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

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**NOTE 25 – EXPENSES RELATED TO NATURE**

	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Transportation, distribution and warehousing expenses	2.053.643	1.930.443
Personnel expenses	1.951.679	2.214.183
Sales expenses	410.894	213.677
Depreciation and amortization expenses	406.671	380.429
Advertising and promotion expenses	214.644	255.100
Information technology expenses	174.942	207.263
Transportation expenses	112.699	115.701
After sales services and maintenances expenses	83.660	77.780
Insurance expenses	77.360	82.146
Tax expenses	62.878	68.117
Maintenance expenses	51.669	69.241
License expenses	49.751	60.098
Communication expenses	41.980	40.296
Lawsuit, consultancy and auditing expenses	26.916	38.268
Outsourced research and development expenses	24.019	39.685
Other	507.670	868.040
<b>Total</b>	<b>6.251.075</b>	<b>6.660.467</b>

**Fees for Services Received from Independent Auditor/Independent Audit Firms**

The Group's explanation regarding the fees for the services received from independent audit firms, which is based on the latter of POA dated 19 August 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on 30 March 2021 are as follows:

	<b>2024</b>	<b>2023</b>
Audit and assurance fee	3.345	3.251
Other assurance services fee	-	1.128
<b>Total</b>	<b>3.345</b>	<b>4.379</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 26 – OTHER OPERATING INCOME/EXPENSES

Other operating income for the years ended as of 31 December 2024 and 2023 are as follows:

<b>Other operating income</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Income generated from maturity differences of sales	906.014	833.371
Foreign exchange gains arising from trading activities	754.577	1.030.274
Income from port services	62.417	76.286
Rent income	40.821	26.241
LPG pipeline usage income	17.808	21.824
Provisions no longer required	1.811	91.619
Gain on sale of scrap	63	448
Goodwill expenses from prior years	-	596
Other income and profits	261.941	215.278
<b>Total</b>	<b>2.045.452</b>	<b>2.295.937</b>

Other operating expenses for the years ended as of 31 December 2024 and 2023 are as follows:

<b>Other operating expense</b>	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Foreign exchange losses arising from trading activities	1.019.652	1.721.901
Expenses from maturity differences of purchases	460.951	314.058
Foreign exchange losses related to price revision provision (*)	112.225	300.805
Provision expenses	42.205	34.076
Other expenses and losses	157.994	124.586
<b>Total</b>	<b>1.793.027</b>	<b>2.495.426</b>

(\*) This amount includes the price revision provision currency valuation effect of the Company's subsidiary Aygaz Dođal Gaz Toptan Satıř (Note: 18). The currency risk of subjected provision is managed within the framework of the Group's currency risk management practices (Note: 33).

## AYGAZ ANONİM ŞİRKETİ

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 27 – INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

	1 January - 31 December 2024	1 January - 31 December 2023
<b>Income from investment activities</b>		
Dividend income from financial activities	189.120	266.509
Income from sales of property, plant and equipment	67.345	96.606
Change in fair value of financial investments	-	101.930
<b>Total</b>	<b>256.465</b>	<b>465.045</b>
	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
<b>Expense from investment activities</b>		
Loss due to changes in share ratio resulting in loss of control (*)	115.079	-
Loss on sale of property, plant and equipment	32.822	26.216
<b>Total</b>	<b>147.901</b>	<b>26.216</b>

(\*) This amount includes the loss related to the Sendeo-Kolay Gelsin share transfer transaction (Note: 12).

## NOTE 28 – FINANCIAL INCOME AND EXPENSES

	1 January - 31 December 2024	1 January - 31 December 2023
<b>Financial income</b>		
Interest income	951.630	780.315
Foreign exchange gains	321.845	1.049.422
Fair value differences on derivative transactions	1.364	32.300
<b>Total</b>	<b>1.274.839</b>	<b>1.862.037</b>
	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
<b>Financial expense</b>		
Foreign exchange losses	432.470	1.417.558
Interest expenses	217.065	927.271
Interest expenses on lease liabilities	29.345	52.355
Commission expense of letter of credit	12.177	21.178
Other financial expenses	162.315	110.797
<b>Total</b>	<b>853.372</b>	<b>2.529.159</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 29 – EXPLANATIONS REGARDING NET MONETARY POSITION GAINS/(LOSSES)

	1 January - 31 December 2024
<b>Non-monetary items</b>	
<b>Financial statement items</b>	<b>(1.470.324)</b>
Other current assets	(10.356)
Long-term financial investments	8.431.809
Property, plant and equipment	1.337.347
Intangible assets	76.880
Right-of-use assets	78.119
Other non-current assets	(5.783)
Deferred tax assets/liabilities	(479.944)
Adjustment to share capital	(4.273.996)
Other comprehensive income or expenses not to be reclassified to profit or loss	40.102
Retained earnings	(6.664.503)
<b>Profit and loss items</b>	<b>1.044.763</b>
Revenue	(10.033.021)
Cost of Sales	9.726.828
Research and development expenses	3.148
Marketing, selling and distribution expenses	477.070
General administrative expenses	543.236
Other operating income/expenses	(23.834)
Other income/expense from investment activities	(118.522)
Financial income/expenses	(30.288)
Current tax expense for the period	242.502
Deferred tax income/expense	257.643
<b>Net monetary gain/loss</b>	<b>(425.561)</b>

## NOTE 30 – EARNINGS PER SHARE

	1 January - 31 December 2024	1 January - 31 December 2023
Average number of ordinary shares outstanding during the period (one thousand)	21.980.100	21.980.100
Net profit for the year attributable equity holders of the parent company	2.122.621	8.596.186
<b>Earnings (losses) per hundred shares (TL)</b>	<b>9,6570</b>	<b>39,1089</b>

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 31 – TAX ASSETS AND LIABILITIES**

	<b>31 December 2024</b>	<b>31 December 2023</b>
Current corporate tax provision	231.464	570.257
Less: Prepaid taxes and funds	(244.098)	(455.366)
<b>Current period tax (asset) / liability, net</b>	<b>(12.634)</b>	<b>114.891</b>
	<b>1 January - 31 December 2024</b>	<b>1 January - 31 December 2023</b>
Current corporate tax provision	(250.863)	(570.257)
Deferred tax income / (expense)	(742.953)	678.213
<b>Total tax income / (expense)</b>	<b>(993.816)</b>	<b>107.956</b>

**Corporate tax**

The Group is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated tax charge based on the Group's results for the years and periods.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

As of 31 December 2024 the rate of tax is 25% (2023: 25%). Corporation tax rate is applied to net income of the companies after adjusting for certain disallowable expenses, exempt income and allowances.

In Türkiye, advance tax returns are filed on a quarterly basis. Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. Tax carry back is not allowed.

In accordance with the Law No. 7440 on the "Restructuring of Certain Receivables and Amending Certain Laws" published in the Official Gazette on 12 March 2023, with the exceptions and deductions subject to deduction from corporate income in accordance with the regulations in the laws, by being shown in the corporate tax return for the year 2022. An additional tax of 10% should be calculated over the bases subject to reduced corporate tax, without being associated with the period income, and at the rate of 5% over the exempted earnings. As of 31 December 2023, the Company's accrued amount for the related tax in addition to the corporate tax is TRY 43.218 thousand (TRY 29.934 thousand nominal). The tax payment has been divided in two installments in the year 2023 and the was paid in May 2023 and August 2023.

**Deferred tax**

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between the financial statements as reported for TAS/IFRS purposes issued by POA and financial statements prepared in accordance with the tax legislation. These differences arise from the differences in accounting periods for the recognition of income and expenses in accordance with TAS/IFRS and tax legislation.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 31 – TAX ASSETS AND LIABILITIES (CONTINUED)

The Company revalued its tangible and intangible assets and their depreciation as of 31 December 2022, within the scope of the Tax Procedure Law General Communiqué (Sequence No: 530) published by the Ministry of Treasury and Finance. Due to TFRS, related assets are continued to be accounted under cost method. It has calculated the deferred tax asset/liability, which is currently calculated over the temporary difference between TFRS and TPL, over the current TPL values that will occur with the effect of revaluation, and the deferred tax income that will arise due to this application, to the extent that the recovery of the said tax advantage is deemed possible, is calculated as a single income tax accounted for in the table.

As of 31 December 2024 and 2023, the distribution of deferred tax liability calculated using effective tax rates as of the balance sheet date is as follows:

	31 December 2024	31 December 2023
Depreciation/amortization differences of property, plant and equipment and other intangible assets	325.738	165.736
Revaluation of financial assets measured at fair value through other comprehensive income	207.245	66.513
Accumulated deductible financial losses	-	(440.493)
Provision for employment termination benefits	(49.546)	(73.028)
Valuation of inventories	(31.148)	(57.658)
Other	(21.893)	(32.923)
<b>Deferred tax (assets)/liabilities, net</b>	<b>430.396</b>	<b>(371.853)</b>

In Türkiye, since the companies cannot declare consolidated tax refund, subsidiaries with deferred tax assets and subsidiaries with deferred tax liabilities cannot be netted off and are shown separately.

	31 December 2024	31 December 2023
Deferred tax assets	(24.228)	(482.180)
Deferred tax liabilities	454.624	110.327
<b>Deferred tax (assets) / liabilities, net</b>	<b>430.396</b>	<b>(371.853)</b>

The usage periods of fiscal year losses on which tax assets are created are as follows;

	31 December 2024	31 December 2023
Year 2026	-	26.398
Year 2027	-	168.180
Year 2028	-	245.916

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 31 – TAX ASSETS AND LIABILITIES (CONTINUED)**

Movement of deferred tax assets and liabilities are as follows:

	<b>2024</b>	<b>2023</b>
<b>As of January 1</b>	<b>(371.853)</b>	313.489
Change to the profit or loss	742.953	(678.213)
Change to the equity	129.040	(7.129)
- Effect of gains/(losses) re-measurement on defined benefit plans	(11.690)	(6.812)
- Effect of gains/(losses) on financial assets measured at fair value through other comprehensive income	140.730	778
- Effect of gains/(losses) on cash flow hedges	-	(1.095)
Changes in the scope of consolidation	(69.744)	-
<b>As of December 31</b>	<b>430.396</b>	(371.853)

Tax Provision reconciliation:

	<b>31 December 2024</b>	<b>31 December 2023</b>
Profit before tax	2.644.692	7.891.571
Tax expense calculated using current tax rate (25%, 25%)	(661.173)	(1.972.893)

Tax effects of:

Revenue that is exempt from taxation - (investments accounted under equity method)	(577.071)	1.324.387
Tax reductions and exemptions	822.976	1.094.453
Monetary gain / (loss)	98.222	(253.976)
Tax rate differences	-	51.065
Expenses that are not deductible in determining taxable profit	(2.576)	(10.375)
Assets not included in the deferred tax calculation	(127.979)	(78.177)
Prior year losses used	(440.493)	-
Valuation related tax asset adjustment	-	16.553
Other	(105.722)	(63.081)

**Tax expense in the statement of profit or loss****(993.816)**      107.956

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 32 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES

A company is defined as a related party of the Company, if one of the companies has a control power on the other company or has a significant impact on financial and administrative decisions of the other company. The Company is controlled by Koç Holding, Koç Family or entities owned by Koç Family. In financial statements, shareholder companies, shareholders and financial investments and other Group companies' assets are shown as related parties. As of 31 December 2024 TRY 2.101 thousand (31 December 2023: TRY 2.144 thousand) of total amount of other payables to related parties consists of dividend payables to the shareholders except for Koç Group.

	Receivables		Payables	
	Trade	Non-trade	Trade	Non-trade
<b>31 December 2024</b>				
Balances with related parties				
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	23.456	-	174.260	-
Demir Export A.Ş.	18.076	-	-	-
Opet Petrolcülük A.Ş.	17.102	-	412.409	-
Düzey Tüketim Malları San. Pazarlama ve Tic. A.Ş.	9.749	-	62	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	5.251	-	3.167	-
Otokar Otomotiv ve Savunma Sanayi A.Ş.	3.765	-	11	-
Arçelik A.Ş.	3.352	-	1.831	-
Ford Otomotiv Sanayi A.Ş.	3.448	-	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	1.041	-	10.276	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	716	-	27.361	-
Zer Merkezi Hizmetler ve Ticaret A.Ş. (**)	268	-	48.869	-
Other	22.994	-	50.757	-
<b>Shareholders</b>				
Koç Holding A.Ş.	37	-	65.030	-
<b>Investments accounted under the equity method</b>				
United Aygaz	509.539	-	-	-
<b>Total</b>	<b>618.794</b>	<b>-</b>	<b>794.033</b>	<b>-</b>
<b>31 December 2023</b>				
Balances with related parties				
Group companies (*)				
Türkiye Petrol Rafinerileri A.Ş.	51.387	-	567.204	-
Opet Petrolcülük A.Ş.	14.032	-	439.371	-
Koçtaş Yapı Marketleri Ticaret A.Ş.	12.180	-	3.692	-
Arçelik A.Ş.	11.293	-	8.858	-
Demir Export A.Ş. - Fernas İnşaat A.Ş. Adi Ortaklığı	8.302	-	-	-
Tofaş Türk Otomobil Fabrikası A.Ş.	3.532	-	266	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	2.993	-	40.381	-
Zer Merkezi Hizmetler ve Ticaret A.Ş. (**)	3	-	93.435	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	-	220.360	-
Other	53.627	-	56.371	-
<b>Shareholders</b>				
Koç Holding A.Ş.	8.016	-	79.761	-
<b>Investments accounted under the equity method</b>				
United Aygaz				
United Aygaz	269.082	-	-	-
<b>Total</b>	<b>434.447</b>	<b>-</b>	<b>1.509.699</b>	<b>-</b>

(\*)Group companies include companies controlled by Koç Group companies.

(\*\*) Zer Merkezi Hizmetler ve Ticaret A.Ş. ("Zer") provides purchasing services for various item to the Group. As of balance sheet date, trade payables consist of Group's payables to third party intermediary service companies and payables to Zer for commissions for intermediary activities

**AYGAZ ANONİM ŞİRKETİ**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 32 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

	<b>1 January - 31 December 2024</b>			
	Purchases (Goods)	Sales (Goods)	Purchases (Service)	Sales (Service)
Transactions with related parties				
<b>Group companies (*)</b>				
Türkiye Petrol Rafinerileri A.Ş.	4.592.692	605.982	14.165	453
Opet Petrolcülük A.Ş.(**) (***)	4.006.238	1.259.715	726.323	6.113
Zer Merkezi Hizmetler ve Ticaret A.Ş.	151.193	322	219.978	55
Ram Dış Ticaret A.Ş.	33.561	-	101	-
Opet Fuchs Madeni Yağ San. Tic A.Ş.	30.833	281	174	190
Divan Turizm İşletmeleri A.Ş.	2.362	17.553	15.228	44
Otokoç Otomotiv Tic. ve San. A.Ş.	2.296	2.882	61.870	1.417
Koçtaş Yapı Marketleri Ticaret A.Ş.	961	19.678	4.356	2.666
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	740	932	108.746	2.717
Arçelik A.Ş.	64	24.231	12.770	12.397
Ford Otomotiv Sanayi A.Ş.	-	70.733	959	851
Türk Traktör ve Ziraat Makinaları A.Ş.	-	49.259	82	-
Otokar Otomotiv ve Savunma Sanayi A.Ş.	-	34.650	21	22
Demir Export A.Ş.	-	138.958	298	308
Entek Elektrik Üretimi A.Ş.	-	297	55.282	69
Other	12.100	78.970	157.259	9.791
<b>Shareholders</b>				
Koç Holding A.Ş. (***)	-	887	124.208	108
Other	-	911	-	-
<b>Investments accounted under the equity method</b>				
United Aygaz	-	3.683.759	-	-
<b>Total</b>	<b>8.833.040</b>	<b>5.990.000</b>	<b>1.501.820</b>	<b>37.201</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 32 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

	1 January - 31 December 2023			
	Purchases (Goods)	Sales (Goods)	Purchases (Service)	Sales (Service)
Transactions with related parties				
<b>Group companies (*)</b>				
Türkiye Petrol Rafinerileri A.Ş.	5.849.122	1.600.028	74.526	9.813
Opet Petrolcülük A.Ş.(**) (***)	3.809.407	446.651	712.866	6.061
Zer Merkezi Hizmetler ve Ticaret A.Ş.	148.653	422	478.840	117
Entek Elektrik Üretimi A.Ş.	8.068	186	69.312	128
Opet Fuchs Madeni Yağ San. Tic A.Ş.	25.533	266	360	199
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	6.576	625	143.514	4.659
Koçtaş Yapı Marketleri Ticaret A.Ş.	837	21.764	5.335	27.252
Divan Turizm İşletmeleri A.Ş.	1.422	16.846	1.728	97
Arçelik A.Ş.	23	33.886	1.838	2.186
Tanı Pazarlama ve İletişim Hizmetleri A.Ş.	12	101	22.217	-
Ford Otomotiv Sanayi A.Ş.	-	74.767	-	1.246
Tüpraş Trading Ltd.	-	618.732	-	-
Türk Traktör ve Ziraat Makinaları A.Ş.	-	59.425	69	523
Demir Export A.Ş.	-	17.419	-	25
Otokar Otomotiv ve Savunma Sanayi A.Ş.	-	41.565	20	218
Tofaş Türk Otomobil Fabrikası A.Ş.	-	25.190	-	409
Demir Export A.Ş. - Fernas İnşaat A.Ş. Adi Ortaklığı	-	25.090	-	-
Setur Servis Turistik A.Ş.	-	537	44.473	627
Other	4.334	65.433	256.113	27.721
<b>Shareholders</b>				
Koç Holding A.Ş. (****)	-	670	148.720	92
Other	-	933	59	-
<b>Investments accounted under the equity method</b>				
United Aygaz	-	1.479.514	-	-
<b>Total</b>	<b>9.853.987</b>	<b>4.530.050</b>	<b>1.959.990</b>	<b>81.373</b>

(\*) Group companies include companies controlled by Koç Group companies.

(\*\*) Commission expenses regarding LPG sold at Opet stations for year ended 31 December 2024 is TRY 716.225 thousand (31 December 2023: TRY 647.839 thousand). The commission expense mentioned above is evaluated as part of sales and accounted under income statement as sales discounts.

(\*\*\*) Though not presented at transactions with related parties, so as to fulfil fuel and auto gas sales exclusively and on the basis of station, prepayments and/or infrastructural investments are made directed for sales under "Agreement of Auto Gas Sales at Gas Stations" between Aygaz and Opet. Prepayments are presented under prepaid expenses in consolidated statement of financial position and are periodically amortized based on duration of dealer agreements. Prepayments and investment contribution margin amounting to TRY 5.677 thousand has been made to Opet for year ended 31 December 2024 in consideration of 5 years sale agreement on average to be paid to Aygaz Dealers making auto-gas sales at Opet stations (1 January - 31 December 2023: TRY 6.530 thousand).

(\*\*\*\*) Billed remuneration for services such as finance, law, planning, tax and senior management provided by Koç Holding, the main shareholder, to Group companies, service expenses including personnel and senior management as a result of arrangement of 1 st Serial Number of General Communique About Transfer Pricing Through Hidden Income Distribution's "11- In Group Services".

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

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**NOTE 32 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)**

	<b>1 January - 31 December 2024</b>			
<b>Tangible asset and rent transactions with related parties</b>	<b>Rent income</b>	<b>Rent expense</b>	<b>Tangible and intangible asset purchases</b>	<b>Tangible asset sales</b>
<b>Group companies (*)</b>				
Opet Petrolcülük A.Ş.	4.848	-	-	-
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	-	42.932	-
KoçDigital Çözümler AŞ.	-	-	8.755	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	-	4.097	-
Other	-	-	2.125	481
	<b>4.848</b>	<b>-</b>	<b>57.909</b>	<b>481</b>
	<b>1 January - 31 December 2023</b>			
Tangible asset and rent transactions with related parties	Rent income	Rent expense	Tangible and intangible asset purchases	Tangible asset sales
<b>Group companies (*)</b>				
Opet Petrolcülük A.Ş.	5.082	-	-	-
Otokoç Otomotiv Tic. ve San. A.Ş.	-	-	143.581	25
Koç Sistem Bilgi ve İletişim Hizmetleri A.Ş.	-	-	33.118	-
KoçDigital Çözümler AŞ.	-	-	4.728	-
Other	-	-	39.278	37.981
<b>Shareholders</b>				
Koç Holding A.Ş.	-	1.429	-	-
	<b>5.082</b>	<b>1.429</b>	<b>220.705</b>	<b>38.006</b>
	<b>1 January - 31 December 2024</b>			
<b>Financial and other transactions with related parties</b>	<b>Financial income</b>	<b>Financial expense</b>	<b>Other income</b>	<b>Other expense</b>
<b>Group companies (*)</b>				
Yapı ve Kredi Bankası A.Ş.	103.912	37.251	-	-
Other	-	-	25	2.884
<b>Total</b>	<b>103.912</b>	<b>37.251</b>	<b>25</b>	<b>2.884</b>
	<b>1 January - 31 December 2023</b>			
Financial and other transactions with related parties	Financial income	Financial expense	Other income	Other expense
<b>Group companies (*)</b>				
Yapı ve Kredi Bankası A.Ş.	454.564	342.305	-	-
Other	-	-	-	31.284
<b>Total</b>	<b>454.564</b>	<b>342.305</b>	<b>-</b>	<b>31.284</b>

(\*) Group companies include Koç Group companies.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 32 – BALANCES AND TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

	31 December 2024	31 December 2023
<b>Cash at banks</b>		
<b>Group companies (*)</b>		
Yapı ve Kredi Bankası A.Ş.	181.782	214.411
<b>Credit card receivables</b>		
<b>Group companies (*)</b>		
Yapı ve Kredi Bankası A.Ş.	60.001	11.327

(\*) Group companies include Koç Group companies.

**Benefits to Top Management:**

The Company has determined senior managers as Board of Directors' members, General Manager, Vice General Managers and Directors directly reporting to General Manager.

Benefits to top management personnel includes salaries, premiums, SSI employer's contribution, employer's contribution of unemployment insurance and the attendance fees of board of directors.

The total benefits provided by the Company to its senior executives for the period ending 31 December 2024, amount to TRY 423.458 thousand as of 31 December 2024, based on purchasing power, all of which consist of short-term benefits (1 January – 31 December 2023: TRY 518.810 thousand).

## NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS

**a) Capital risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or rearrange capital structure, the Company can return back capital to shareholders, issue new shares and sale assets in order to decrease debt requirement.

The Group controls its capital using the net financial debt/total equity ratio parallel to other companies in the sector. This ratio is the calculated as net debt divided by the equity amount. Net debt is calculated as total financial borrowings amount less cash and cash equivalents.

Risk management is applied based on the policies approved by the Board of Directors by treasury department. Group's treasury department defines and reviews the financial risk and uses tools to minimize the risk by collaborating with Group's operational units based on such risk policies. Board of Directors prepares written procedures or general policies related with the risk management including currency risk, interest risk, using of derivative and non-derivative instruments and to evaluate cash surplus.

**AYGAZ ANONİM ŞİRKETİ****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024**

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)**

	<b>31 December 2024</b>	<b>31 December 2023</b>
Total short-term and long-term borrowings	2.000.581	3.205.609
Less: Cash and cash equivalents	(3.844.031)	(4.871.616)
<b>Net financial debt</b>	<b>(1.843.450)</b>	<b>(1.666.007)</b>
Total shareholder's equity	52.272.628	52.731.993
<b>Net financial debt/equity ratio (%) (*)</b>	<b>(3,5)</b>	<b>(3,2)</b>

(\*) As of 31 December 2024 and 2023, it is a net cash position.

**b) Financial risk factors**

The risks of the Group resulted from the operations, include market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's risk management program generally seeks to minimize the effects of uncertainty in financial market on financial performance of the Group. The Group uses derivative financial instruments in order to safeguard itself from different financial risks.

**b.1. Credit risk management**

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. The Group manages this risk by the credit limits up to the guarantees received from customers. The usage of credit limits is monitored by the Group according to the customer's credibility is evaluated continuously.

Trade receivables consist of many customers that operate in various industries and locations. Credit risk of the receivables from counterparties is evaluated perpetually.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

## NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

Credit risk of financial instruments	Receivables				Deposits in banks	Credit card receivables
	Trade receivables		Other receivables			
	Related party	Third party	Related party	Third party		
<b>Maximum exposure to credit risk as of 31 December 2024 (A+B+C+D) (*)</b>	<b>618.794</b>	<b>3.524.777</b>	<b>-</b>	<b>19.124</b>	<b>3.771.256</b>	<b>71.530</b>
- The part of maximum risk under guarantee with collateral etc.	-	2.324.211	-	-	-	-
<b>A. Net book value of financial assets that are neither past due or impaired</b>	<b>618.794</b>	<b>3.299.547</b>	<b>-</b>	<b>19.124</b>	<b>3.771.256</b>	<b>71.530</b>
<b>B. The net book value of financial assets that are renegotiated, if not that will be accepted as past due or impaired</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Carrying value of financial assets that are past due but not impaired</b>	<b>-</b>	<b>225.230</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
- The part under guarantee with collateral etc.	-	-	-	-	-	-
<b>D. Net book value of impaired assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Past due (gross carrying amount)	-	26.682	-	-	-	-
- Impairment (-)	-	(26.682)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
<b>E. Expected credit loss (-)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) Amounts show the maximum credit risk as of balance sheet date, without considering the guarantees or other items increasing credit security.

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**NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)**

Credit risk of financial instruments	Receivables				Deposits in banks	Credit card receivables
	Trade receivables		Other receivables			
	Related party	Third party	Related party	Third party		
Maximum exposure to credit risk as of 31 December 2023 (A+B+C+D) (*)	434.447	5.384.439	-	15.751	4.852.082	16.925
- The part of maximum risk under guarantee with collateral etc.	-	2.215.932	-	-	-	-
A. Net book value of financial assets that are neither past due or impaired	434.447	4.918.880	-	15.751	4.852.082	16.925
B. The 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	-	465.559	-	-	-	-
- The part under guarantee with collateral etc.	-	2.581	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross carrying amount)	-	53.127	-	-	-	-
- Impairment (-)	-	(53.127)	-	-	-	-
- The part of net value under guarantee with collateral etc.	-	-	-	-	-	-
E. Expected credit loss (-)	-	-	-	-	-	-

(\*) Amounts show the maximum credit risk as of balance sheet date, without considering the guarantees or other items increasing credit security.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

31 December 2024	Trade receivables	Other receivables	Deposits in banks	Derivative instruments	Other	Total
Past due 1-30 days	187.322	-	-	-	-	187.322
Past due 1-3 months	30.032	-	-	-	-	30.032
Past due 3-12 months	6.936	-	-	-	-	6.936
Past due 1-5 years	940	-	-	-	-	940
<b>Total past due receivable</b>	<b>225.230</b>	-	-	-	-	<b>225.230</b>
<b>Amount of risk covered by guarantees</b>	-	-	-	-	-	-
31 December 2023	Trade receivables	Other receivables	Deposits in banks	Derivative instruments	Other	Total
Past due 1-30 days	291.791	-	-	-	-	291.790
Past due 1-3 months	26.362	-	-	-	-	26.362
Past due 3-12 months	104.478	-	-	-	-	104.478
Past due 1-5 years	42.928	-	-	-	-	42.928
<b>Total past due receivable</b>	<b>465.559</b>	-	-	-	-	<b>465.559</b>
<b>Amount of risk covered by guarantees</b>	<b>2.581</b>	-	-	-	-	<b>2.581</b>

## b.2. Liquidity risk management

Liquidity risk management responsibility mainly belongs to the Board of Directors. The Board of Directors has built an appropriate liquidity risk management framework for the management of the Group's short, medium- and long-term funding and liquidity management requirements. The Group manages liquidity risk forecasts and actual cash flows, by monitoring continuously and by maintaining adequate funds and reserve borrowings as matching the maturity profile of financial assets and liabilities.

The following table presents the maturity of Group's financial liabilities. The tables have been drawn up based on the undiscounted cash flows of non-derivative financial liabilities based on the earliest date on which the Group can be required to pay. Derivative financial liabilities are presented according to undiscounted net cash inflow and cash outflow. The table has been drawn up based on the undiscounted net cash inflows/(outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows/(outflows) on those derivatives that require gross settlement. When the amounts of the payables or receivables are not fixed, the disclosed amount has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

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**NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)**

31 December 2024

<b>Contractual maturity analysis</b>	<b>Book value</b>	<b>Total cash flow according to the contract (I +II+III+IV)</b>	<b>Less than 3 months (I)</b>	<b>3-12 months (II)</b>	<b>1-5 years (III)</b>	<b>More than 5 years (IV)</b>
Short-term and long-term borrowings (*)	1.970.054	1.987.853	385.894	788.996	812.963	-
Trade payables	4.541.641	4.541.641	4.541.641	-	-	-
Lease liabilities	30.527	40.150	11.226	17.729	8.809	2.386
Liabilities for employee benefits	401.019	401.019	401.019	-	-	-
Other payables	288.115	288.115	10.764	-	277.351	-
<b>Total non derivative financial liabilities</b>	<b>7.231.356</b>	<b>7.258.778</b>	<b>5.350.544</b>	<b>806.725</b>	<b>1.099.123</b>	<b>2.386</b>

(\*) The amounts are cash flows based on contract, which have not been discounted.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

31 December 2023

Contractual maturity analysis	Book value	Total cash flow according to the contract (I +II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Short-term and long-term borrowings (*)	2.944.214	3.068.744	1.562.722	1.506.022	-	-
Trade payables	7.555.773	7.555.773	7.555.773	-	-	-
Lease liabilities	261.395	323.123	51.127	110.814	159.077	2.105
Liabilities for employee benefits	384.292	384.292	384.292	-	-	-
Other payables	318.681	318.683	10.779	-	307.904	-
<b>Total non derivative financial liabilities</b>	<b>11.464.355</b>	<b>11.650.615</b>	<b>9.564.693</b>	<b>1.616.836</b>	<b>466.981</b>	<b>2.105</b>

31 December 2023

Derivative financial instruments (*)	Book value	Total cash flow according to the contract (I +II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)	More than 5 years (IV)
Derivative cash inflows		212.513	212.513	-	-	-
Derivative cash outflows		(220.269)	(220.269)	-	-	-
<b>Total derivative financial instruments, net</b>	<b>(1.483)</b>	<b>(7.756)</b>	<b>(7.756)</b>	<b>-</b>	<b>-</b>	<b>-</b>

(\*) The amounts are cash flows based on contract, which have not been discounted.

## b.3. Market risk management

The Group's activities are exposed to a variety of financial risks including foreign currency risk and interest rate risk as explained below. The Group uses derivative financial instruments to hedge certain risk exposures in order to manage foreign currency and interest rate risks. These instruments are:

1. Foreign exchange forward purchase agreements to manage exposure to liabilities denominated in foreign currencies.
2. Foreign exchange purchase options to manage exposure to liabilities denominated in foreign currencies.
3. Principal and interest swap agreements to manage exposure to liabilities denominated in foreign currencies.

At the Group level market risk exposures are measured by sensitivity analysis and stress scenarios. There has been no change in the Group's exposure to market risks or the manner which it manages and measures the risk compared to the previous year.

## b.3.1. Foreign currency risk management

The Group's monetary and non-monetary assets and liabilities in terms of foreign currencies are as follows:

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## NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

		31 December 2024			
		Total TL equivalent	TL equivalent of USD	TL equivalent of Euro	Other
1.	Trade receivables	868.996	869.124	(128)	-
2.a	Monetary financial assets	2.066.074	2.058.095	6.853	1.126
2.b	Non-monetary financial assets	-	-	-	-
3.	Other	-	-	-	-
<b>4.</b>	<b>Current assets</b>	<b>2.935.070</b>	<b>2.927.219</b>	<b>6.725</b>	<b>1.126</b>
5.	Trade receivables	-	-	-	-
6.a	Monetary financial assets	-	-	-	-
6.b	Non-monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
<b>8.</b>	<b>Non-current assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9.</b>	<b>Total assets</b>	<b>2.935.070</b>	<b>2.927.219</b>	<b>6.725</b>	<b>1.126</b>
10.	Trade payables	(2.340.615)	(2.238.741)	(8.061)	(93.813)
11.	Financial liabilities	(1.315.438)	(1.315.438)	-	-
12.a	Other monetary financial liabilities	(683.305)	(683.305)	-	-
12.b	Other non-monetary financial liabilities	-	-	-	-
<b>13.</b>	<b>Current liabilities</b>	<b>(4.339.358)</b>	<b>(4.237.484)</b>	<b>(8.061)</b>	<b>(93.813)</b>
14.	Trade payables	-	-	-	-
15.	Financial liabilities	(654.616)	(654.616)	-	-
16.a	Other monetary financial liabilities	-	-	-	-
16.b	Other non-monetary financial liabilities	-	-	-	-
<b>17.</b>	<b>Non-current liabilities</b>	<b>(654.616)</b>	<b>(654.616)</b>	<b>-</b>	<b>-</b>
<b>18.</b>	<b>Total liabilities</b>	<b>(4.993.974)</b>	<b>(4.892.100)</b>	<b>(8.061)</b>	<b>(93.813)</b>
19.	Net asset/liability position of off balance sheet asset and liabilities (19a-19b)	-	-	-	-
19.a	Total derivative assets	-	-	-	-
19.b	Total derivative liabilities	-	-	-	-
<b>20.</b>	<b>Net foreign currency asset/ liability) position (9+18+19)</b>	<b>(2.058.904)</b>	<b>(1.964.881)</b>	<b>(1.336)</b>	<b>(92.687)</b>
<b>21.</b>	<b>Net foreign currency asset/(liability) position of monetary items (1+2a+5+6a+10+11+12a+14+15+16a)</b>	<b>(2.058.904)</b>	<b>(1.964.881)</b>	<b>(1.336)</b>	<b>(92.687)</b>
22.	Fair value of derivative instruments held for hedging	-	-	-	-
23.	Hedged foreign currency assets	-	-	-	-
24.	Hedged foreign currency liabilities	-	-	-	-
25.	Export (*)	16.912.755	16.803.468	86.052	23.235
26.	Import (*)	44.974.096	44.939.260	27.118	7.718

(\*) Transit sales and purchases are included.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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## NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

		31 December 2023			
		Total TL equivalent	TL equivalent of USD	TL equivalent of Euro	Other
1.	Trade receivables	1.136.794	989.393	147.401	-
2.a	Monetary financial assets	2.292.831	2.275.384	16.022	1.425
2.b	Non-monetary financial assets	-	-	-	-
3.	Other	1.151	295	856	-
<b>4.</b>	<b>Current assets</b>	<b>3.430.776</b>	<b>3.265.072</b>	<b>164.279</b>	<b>1.425</b>
5.	Trade receivables	-	-	-	-
6.a	Monetary financial assets	-	-	-	-
6.b	Non-monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
<b>8.</b>	<b>Non-current assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>9.</b>	<b>Total assets</b>	<b>3.430.776</b>	<b>3.265.072</b>	<b>164.279</b>	<b>1.425</b>
10.	Trade payables	(3.342.094)	(3.248.650)	(93.361)	(82)
11.	Financial liabilities	(1.638.811)	(1.638.811)	-	-
12.a	Other monetary financial liabilities	(824.518)	(824.518)	-	-
12.b	Other non-monetary financial liabilities	(19.116)	(16.739)	-	(2.376)
<b>13.</b>	<b>Current liabilities</b>	<b>(5.824.539)</b>	<b>(5.728.718)</b>	<b>(93.361)</b>	<b>(2.458)</b>
14.	Trade payables	-	-	-	-
15.	Financial liabilities	-	-	-	-
16.a	Other monetary financial liabilities	-	-	-	-
16.b	Other non-monetary financial liabilities	-	-	-	-
<b>17.</b>	<b>Non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>18.</b>	<b>Total liabilities</b>	<b>(5.824.539)</b>	<b>(5.728.718)</b>	<b>(93.361)</b>	<b>(2.458)</b>
19.	Net asset/liability position of off balance sheet asset and liabilities (19a-19b)	212.513	212.513	-	-
19.a	Total derivative assets	212.513	212.513	-	-
19.b	Total derivative liabilities	-	-	-	-
<b>20.</b>	<b>Net foreign currency asset/ liability position (9+18+19)</b>	<b>(2.181.250)</b>	<b>(2.251.133)</b>	<b>70.918</b>	<b>(1.033)</b>
<b>21.</b>	<b>Net foreign currency asset/(liability) position of monetary items (1+2a+5+6a+10+11+12a+14+15+16a)</b>	<b>(2.375.798)</b>	<b>(2.447.202)</b>	<b>70.062</b>	<b>1.343</b>
22.	Fair value of derivative instruments held for hedging	-	-	-	-
23.	Hedged foreign currency assets	-	-	-	-
24.	Hedged foreign currency liabilities	-	-	-	-
25.	Export (*)	22.306.417	21.346.396	947.826	12.194
26.	Import (*)	49.915.629	49.857.112	45.517	13.000

(\*) Transit sales and purchases are included.

(\*\*) Previous year Turkish Lira equivalent amounts are prepared based on 2024 purchasing power.

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**NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)**

Group's consolidated assets and liabilities denominated in foreign currency are as follows:

	<b>31 December 2024</b>	<b>31 December 2024</b>
Assets	2.935.070	3.430.776
Liabilities	(4.993.974)	(5.824.539)
<b>Net asset/liability position</b>	<b>(2.058.904)</b>	<b>(2.393.763)</b>
Derivative instruments net position	-	212.513
<b>Net foreign currency asset/liability position</b>	<b>(2.058.904)</b>	<b>(2.181.250)</b>
Inventories under the natural hedge (*)	1.617.737	2.294.903
<b>Net foreign currency position after the natural hedge</b>	<b>(441.167)</b>	<b>113.653</b>

(\*) The Group manages its foreign currency risk by regularly considering and reflecting the foreign exchange rate changes in the determination of product prices (natural hedge). As of 31 December 2024, the Group has LPG amounting to TRY 1.617.737 thousand (31 December 2023: TRY 2.294.903 thousand).

The Group is exposed to currency risk due to its operations in foreign currency. The currency risk managed with a comprehensive risk monitoring system by analysis of the monetary assets and liabilities in foreign currency in the consolidated financial statements, by treasury transactions, natural hedging, derivative transaction contracts within the targeted limits.

Foreign currency sensitivity:

The Group is mainly exposed to foreign currency risk in USD and EUR.

The following table details the Group's sensitivity to a 10% increase and decrease in the USD and EUR. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis only includes outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

A positive number indicates an increase in profit/loss and other equity accounts.

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**NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)**

	31 December 2024			
	Income/(Expense)		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
<b>10% fluctuation of USD rate</b>				
USD net asset/(liability)	(196.488)	196.488	(196.488)	196.488
Secured portion from USD risk	-	-	-	-
<b>USD net effect</b>	<b>(196.488)</b>	<b>196.488</b>	<b>(196.488)</b>	<b>196.488</b>
<b>10% fluctuation of Euro rate</b>				
Euro net asset/(liability)	(134)	134	(134)	134
Secured portion from Euro risk	-	-	-	-
<b>Euro net effect</b>	<b>(134)</b>	<b>134</b>	<b>(134)</b>	<b>134</b>
<b>Total net effect</b>	<b>(196.622)</b>	<b>196.622</b>	<b>(196.622)</b>	<b>196.622</b>
	31 December 2023			
	Income/(Expense)		Equity	
	Foreign exchange appreciation	Foreign exchange depreciation	Foreign exchange appreciation	Foreign exchange depreciation
<b>10% fluctuation of USD rate</b>				
USD net asset/(liability)	(244.720)	244.720	(244.720)	244.720
Secured portion from USD risk	21.251	(21.251)	21.251	(21.251)
<b>USD net effect</b>	<b>(223.469)</b>	<b>223.469</b>	<b>(223.469)</b>	<b>223.469</b>
<b>10% fluctuation of Euro rate</b>				
Euro net asset/(liability)	7.006	(7.006)	7.006	(7.006)
Secured portion from Euro risk	-	-	-	-
<b>Euro net effect</b>	<b>7.006</b>	<b>(7.006)</b>	<b>7.006</b>	<b>(7.006)</b>
<b>Total net effect</b>	<b>(216.463)</b>	<b>216.463</b>	<b>(216.463)</b>	<b>216.463</b>

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## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

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**NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)**Currency forward agreements

The Group has no forward purchase/sale agreements as of 31 December 2024. The Group's forward purchase/sale agreements as of 31 December 2023 are shown in the table below.

					31 December 2023
Maturity	Parity	Type of contract	Transactions	Total amount	Currency
91-93 days	30,04-30,99	Forward	Buys USD, sells TL	5.000	USD

b.3.2. Interest rate risk management

The Group is exposed to interest rate risk due to the effect of changes in interest rates on the Group's assets and liabilities having interest returns. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings, by the use of interest rate swap contracts and interest rate forward contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring optimal hedging strategies are applied, by either positioning the balance sheet or protecting interest expense through different interest rate cycles.

Details of the Group's financial instruments that are sensitive to interest rates are as follows:

Interest rate position

	31 December 2024	31 December 2023
<b>Instruments with fixed interest rate</b>		
Time deposits	3.633.998	4.627.425
Borrowings and bonds issued	1.295.839	1.926.282
<b>Instruments with floating interest rate</b>		
Borrowings and bond issued	704.742	1.279.327

If the interest rates in terms of all the currency units higher/lower by 100 basis points and all other variables held constant, profit before taxation would have been higher/lower by TRY 19 thousand as of 31 December 2023 (As of 31 December 2023: TRY 629 thousand).

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## NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

31 December 2024	Financial assets at amortized cost	Loans and receivables	Financial assets measured at fair value through other comprehensive income	Financial assets measured at fair value through profit (loss)	Financial liabilities at amortized cost	Book value	Note
<b>Financial assets</b>							
Cash and cash equivalents	3.844.031	-	-	-	-	3.844.031	4
Trade receivables	-	4.143.571	-	-	-	4.143.571	8, 32
Other financial assets	-	-	4.166.311	13.634	-	4.179.945	5
Other receivables	-	19.124	-	-	-	19.124	9
<b>Financial liabilities</b>							
Short-term and long-term borrowings	-	-	-	-	2.000.581	2.000.581	6
Trade payables	-	-	-	-	4.541.641	4.541.641	8, 32
Liabilities for employee benefits	-	-	-	-	110.708	110.708	10
Other payables	-	-	-	-	288.115	288.115	9, 32
Other liabilities	-	-	-	-	4.282	4.282	19
31 December 2023	Financial assets at amortized cost	Loans and receivables	Financial assets measured at fair value through other comprehensive income	Financial assets measured at fair value through profit (loss)	Financial liabilities at amortized cost	Book value	Note
<b>Financial assets</b>							
Cash and cash equivalents	4.871.616	-	-	-	-	4.871.616	4
Trade receivables	-	5.818.886	-	-	-	5.818.886	8, 32
Other financial assets	-	-	3.838.595	13.925	-	3.852.520	5
Other receivables	-	15.751	-	-	-	15.751	9
<b>Financial liabilities</b>							
Short-term and long-term borrowings	-	-	-	-	3.205.609	3.205.609	6
Trade payables	-	-	-	-	7.555.773	7.555.773	8, 32
Liabilities for employee benefits	-	-	-	-	89.714	89.714	10
Other payables	-	-	-	-	318.683	318.683	9, 32
Other liabilities	-	-	-	-	30.444	30.444	19

## AYGAZ ANONİM ŞİRKETİ

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

**NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)**Fair value hierarchy table

The fair values of financial assets and financial liabilities are determined as follows:

- First level: The fair value of financial assets and financial liabilities are determined with reference to actively traded market prices;
- Second level: Other than market prices specified at first level, the fair value of financial assets and financial liabilities are evaluated with reference to inputs that used to determine directly or indirectly observable price in market;
- Third level: The fair value of financial assets and financial liabilities are evaluated with reference to inputs that used to determine fair value but not relying on observable data in the market.

Level classifications of financial assets and liabilities at fair value are as follows:

Financial assets/(liabilities)	Level of fair value as of reporting date			
	31 December 2024	1st level	2nd level	3rd level
Financial assets measured at fair value	4.179.945	4.166.311	8.737	4.897
Derivative financial instruments		-	-	-

Financial assets/(liabilities)	Level of fair value as of reporting date			
	31 December 2023	1st level	2nd level	3rd level
Financial assets measured at fair value	3.852.520	3.839.265	8.358	4.897
Derivative financial instruments	(1.483)	-	(1.483)	-

**Information for reflecting financial assets and liabilities at fair value:**

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Group, using available market information and appropriate valuation methodologies. However, judgements are necessarily required to interpret the market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts that the Group could realize in a current market exchange.

Following methods and assumptions were used to estimate the fair value of the financial instruments for which is practicable to estimate fair value:

*Financial assets*

The carrying amounts of foreign currency denominated monetary assets which are translated at year end exchange rates are considered to approximate their fair values.

(Amounts expressed in thousands of Turkish Lira ("TRY") in the terms of purchasing power of the TRY at 31 December 2024 unless otherwise indicated.)

### NOTE 33 – NATURE AND LEVEL OF RISK DERIVED FROM FINANCIAL INSTRUMENTS (CONTINUED)

The carrying values of cash and cash equivalents are estimated to be their fair values since they are short-term.

The carrying values of trade receivables along with the related allowances for uncollectability are estimated to be their fair values.

#### *Financial Liabilities*

The carrying values of short-term financial liabilities and other financial liabilities are estimated to be their fair values since they are short-term.

### NOTE 34 – SUBSEQUENT EVENTS

In the decision of the Board of Directors dated 24 January 2025, it was decided to increase the capital of Sendeo, one of the subsidiaries of the Company, by TRY 400.000 thousand, and TRY 110.000 thousand corresponding to the Company's share was paid in cash on 27 January 2025.

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Other  
**Disclosures**

# CORPORATE GOVERNANCE COMPLIANCE REPORT

	COMPLIANCE STATUS					EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
<b>1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS</b>						
1.1.2 - Up-to-date information and disclosures, which may affect the exercise of shareholder rights, are available to investors on the corporate website.	X					
<b>1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION</b>						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
<b>1.3. GENERAL ASSEMBLY</b>						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7 - Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders Meeting.					X	There was no such notification.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				The agenda of the General Shareholders' Meeting included a separate item for the total amount of the donations and contributions made and major donations were explained in the general assembly information document. The remaining balance was made to other several institutions and incorporations and consisting of donations that are not viewed as material for investors. The upper limit of donations to be made in 2025 shall be decided by the General Assembly.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
<b>1.4. VOTING RIGHTS</b>						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	Aygaz A.Ş. does not have a cross-ownership relation that brings along domination.

	COMPLIANCE STATUS					EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
<b>1.5. MINORITY RIGHTS</b>						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	x					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			x			Minority rights are not vested by the Articles of Association in shareholders holding less than one twentieth of the capital and rights are vested within the general framework of the regulations. Any changes to the current structure is not foreseen.
<b>1.6. DIVIDEND RIGHT</b>						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	x					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	x					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					x	Profit distribution was made.
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	x					
<b>1.7. TRANSFER OF SHARES</b>						
1.7.1 - There are no restrictions preventing shares from being transferred.	x					
<b>2.1. CORPORATE WEBSITE</b>						
2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	x					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	x					
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	x					
<b>2.2. ANNUAL REPORT</b>						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	x					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	x					

COMPLIANCE STATUS					EXPLANATION
Yes	Partial	No	Exempted	Not Applicable	

**3.1. CORPORATION'S POLICY ON STAKEHOLDERS**

3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	x				
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	x				
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	x				
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	x				

**3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT**

3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	x				
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	x				

**3.3. HUMAN RESOURCES POLICY**

3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	x				
3.3.2 - Recruitment criteria are documented.	x				
3.3.3 - The company has a policy on human resources development, and organizes trainings for employees.	x				
3.3.4 - Meetings have been organized to inform employees on the financial status of the company, remuneration, career planning, education and health.	x				
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	x				
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	x				
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	x				
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	x				
3.3.9 - A safe working environment for employees is maintained.	x				

	COMPLIANCE STATUS					EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
<b>3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS</b>						
3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	x					
3.4.2 - Customers are notified of any delays in handling their requests.	x					
3.4.3 - The company complied with the quality standards with respect to its products and services.	x					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	x					
<b>3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY</b>						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	x					
3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	x					
<b>4.1. ROLE OF THE BOARD OF DIRECTORS</b>						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	x					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	x					
<b>4.2. ACTIVITIES OF THE BOARD OF DIRECTORS</b>						
4.2.1 - The board of directors documented its meetings and reported its activities to the shareholders.	x					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	x					
4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	x					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	x					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	x					
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	x					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	x					

COMPLIANCE STATUS					EXPLANATION
Yes	Partial	No	Exempted	Not Applicable	

### 4.3. STRUCTURE OF THE BOARD OF DIRECTORS

4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/ accounting and finance.	X					

### 4.4. BOARD MEETING PROCEDURES

4.4.1 - Each board member attended the majority of the board meetings in person.	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.			X			There are no specifications about the deadline of the process. However, the timing for the presentation of information is determined considering the subject and the course of the agenda and the board members are being informed in a timely manner. Considering the effective work of the board of directors, even though there is no urgent need to make a definition in this regard, it is aimed to make an evaluation regarding the issue in the upcoming periods.
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	Although there was an opportunity to give feedback, no such notification was made from our members of the board of directors who could not attend the meeting.
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.			X			There have been consistent processes in our Company for many years but there are no written internal regulations regarding the meeting procedures of the board. Considering the effective work of the board of directors, even though there is no urgent need to make a definition in this regard, it is aimed to make an evaluation regarding the issue in the upcoming periods.
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				Other duties of the Board members outside the company are not restricted due to their work and sector experiences' significant contribution to the Board of Directors. Resumes of our Board members are included in our annual report. Considering the effective work of the board of directors, no change is foreseen in the current practice in short term, since it is considered not to create any adverse situation in terms of corporate governance.

	COMPLIANCE STATUS					EXPLANATION
	Yes	Partial	No	Exempted	Not Applicable	
<b>4.5. BOARD COMMITTEES</b>						
4.5.5 - Board members serve in only one of the Board's committees.			X			The assignment of the committees is made in accordance with the relevant regulations, taking into account the knowledge and experience of our board members and some board members are assigned to more than one committee. Members in more than one committee provide communication between the committees involved in related matters and increase the opportunities for cooperation. Considering the efficient work of the board members with the contribution of their knowledge and experience, the existing committee structure is evaluated as effective and no need for a change in the near future is considered.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	There was no consultancy service received for this purpose.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
<b>4.6. FINANCIAL RIGHTS</b>						
4.6.1 - The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4 - The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favor of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.			X			Remuneration of the Members of the Board of Directors and managers who have administrative responsibilities is disclosed collectively in parallel to the common practice in the footnotes of our financial statements and at the General Assembly meetings. Market practices are closely monitored with respect to this topic that is deemed important in terms of privacy of personal data, and it is planned to act in parallel with the common practice.

# CORPORATE GOVERNANCE INFORMATION FORM (KYBF)

<b>1. SHAREHOLDERS</b>	
<b>1.1. Facilitating the Exercise of Shareholders Rights</b>	
The number of investor meetings (conference, seminar/etc.) organized by the company during the year	Over 100 investors and analysts were informed through one to one meetings, teleconferences and an investor day were organized. 4 webcasts were broadcasted on earnings periods.
<b>1.2. Right to Obtain and Examine Information</b>	
The number of special audit request(s)	-
The number of special audit requests that were accepted at the General Shareholders' Meeting	-
<b>1.3. General Assembly</b>	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	<a href="https://www.kap.org.tr/tr/Bildirim/1255147">https://www.kap.org.tr/tr/Bildirim/1255147</a>
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Provided.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There is no such transaction.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	<b>There is no such transaction.</b>
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	<a href="https://www.kap.org.tr/tr/Bildirim/1255148">https://www.kap.org.tr/tr/Bildirim/1255148</a>
The name of the section on the corporate website that demonstrates the donation policy of the company	Investor Relations- Corporate Overview and Governance- Policies and Principles- Donations and Sponsorships Policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	<a href="https://www.kap.org.tr/tr/Bildirim/1265326">https://www.kap.org.tr/tr/Bildirim/1265326</a>
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Item 14-a
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	The General Assembly was made open to the public, including stakeholders and the media without the right to speak.
<b>1.4. Voting Rights</b>	
Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	-
The percentage of ownership of the largest shareholder	40.68%
<b>1.5. Minority Rights</b>	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association	-
<b>1.6. Dividend Right</b>	
The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations- Corporate Overview and Governance- Policies and Principles- Dividend Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	Dividend distributed.

PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	-
<b>General Assembly</b>	
General Meeting Date	01.04.2024
The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	0
Shareholder participation rate to the General Shareholders' Meeting	79%
Percentage of shares directly present at the GSM	0%
Percentage of shares represented by proxy	79%
Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Investor Relations- Corporate Overview and Governance- General Assembly
Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	<a href="https://kurumsal.aygaz.com.tr/uploads/yatirimci-iliskileri/genei-kurul-bilgileri/80007569_0b28_4785_beb6_d497ca37deac__aygaz-gk-tutanak-01042024_kvkk.pdf">https://kurumsal.aygaz.com.tr/uploads/yatirimci-iliskileri/genei-kurul-bilgileri/80007569_0b28_4785_beb6_d497ca37deac__aygaz-gk-tutanak-01042024_kvkk.pdf</a>
The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	-
The number of declarations by insiders received by the board of directors	0
The link to the related PDP general shareholder meeting notification	<a href="https://www.kap.org.tr/tr/Bildirim/1255147">https://www.kap.org.tr/tr/Bildirim/1255147</a>

## 2. DISCLOSURE AND TRANSPARENCY

### 2.1. Corporate Website

Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Investor Relations- Stock ID and Investor Tools, Financial Tables, Annual Reports, Presentations, Material Disclosures, Corporate Overview and Governance
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Investor Relations- Corporate Overview and Governance- Shareholding Structure
List of languages for which the website is available	Turkish and English

### 2.2. Annual Report

The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Corporate Governance- Board of Directors CV's- Executive Management CV's - Statements of Independence of the Independent Board Members
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Corporate Governance- BoD's Evaluation of Operating Principles and Effectiveness of Board Committees
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance- BoD's Evaluation of Operating Principles and Effectiveness of Board Committees

c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Corporate Governance - Legal Disclosures (There are no amendments in the legislation that affect the activities of the company significantly.)
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Corporate Governance- Legal Disclosures- Lawsuits and Sanctions
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	There is no such case.
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is no such case.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Sustainable Growth - They are included under the main titles of Human Resources, Sustainable Growth and Social Responsibility.

### 3. STAKEHOLDERS

<b>3.1. Corporation's Policy on Stakeholders</b>	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Corporate – Career at Aygaz – Human Resources Practices
The number of definitive convictions the company was subject to in relation to breach of employee rights	1
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Internal Audit Manager
The contact detail of the company alert mechanism	<a href="mailto:denetim@aygaz.com.tr">denetim@aygaz.com.tr</a> <a href="https://aygaz.com.tr/en/corporate/aygaz-call-center">https://aygaz.com.tr/en/corporate/aygaz-call-center</a> <a href="https://aygaz.com.tr/en/corporate/contact-us">https://aygaz.com.tr/en/corporate/contact-us</a> <a href="mailto:uyum@aygaz.com.tr">uyum@aygaz.com.tr</a>
<b>3.2. Supporting the Participation of the Stakeholders in the Corporation's Management</b>	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Investor Relations- Corporate Overview and Governance- Corporate Governance Reports- Corporate Governance Compliance Reports- Stakeholders- Stakeholder Participation in Management Additionally; Investor Relations / Corporate Overview and Governance / Policies and Principles / Ethical Principles
Corporate bodies where employees are actually represented	In our company, both unionized and non-unionized colleagues participate in the management with different methods and share their views. With the Employee Engagement Survey conducted every year, the opinion of each colleague is taken as an anonymous questionnaire in the form of open-ended responses. With various communication meetings, information about the company is shared with employees, dealers and other stakeholders and questions and comments of these stakeholders are taken.
<b>3.3. Human Resources Policy</b>	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	A succession plan is created for all key management positions. This Succession Plan is finalized by submitting to the information of the Board of Directors following the approval of the General Manager.

The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Corporate- Career at Aygaz- Human Resources Policies and Ethical Principles. At Aygaz, the compliance with human rights and labour standards contained in the UN Global Compact signed by Koç Group, to which Aygaz is affiliated, is taken as a basis for all HR processes.
Whether the company provides an employee stock ownership program	There isn't an employee stock ownership program.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Investor Relations- Corporate Overview and Governance- Policies and Principles- Human Rights Policy
The number of definitive convictions the company is subject to in relation to health and safety measures	0
<b>3.5. Ethical Rules and Social Responsibility</b>	
The name of the section on the corporate website that demonstrates the code of ethics	Investor Relations- Corporate Overview and Governance- Policies and Principles- Ethical Principles
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Corporate- Social Responsibility- Sustainability- Sustainability Reports
Any measures combating any kind of corruption including embezzlement and bribery	Investor Relations- Corporate Overview and Governance- Policies and Principles- Anti Bribery and Corruption Policy
<b>4. BOARD OF DIRECTORS -I</b>	
<b>4.2. Activity of the Board of Directors</b>	
Date of the last board evaluation conducted	25.12.2024
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	No delegation was delegated among the board members.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	1 (Internal audit unit provides collective information to the audit committee regarding the operations within the year)
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Corporate Governance / Risk Management and Internal Control
Name of the Chairman	Mustafa Rahmi Koç
Name of the CEO	Melih Poyraz
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	Investor Relations- Corporate Overview and Governance- Policies and Principles- Board of Directors Diversity Policy
The number and ratio of female directors within the Board of Directors	2 (25%)

#### Composition of Board of Directors

Full Name of Board Member	Whether Executive Director or Not	Whether Independent Director or Not	First Election Date to Board	Link to PDP Notification Containing Statements of Independence	Whether the Independent Director is Considered by the Nomination Committee	Whether the Director No Longer Meets the Independence Criteria	Whether the Director Has At Least 5 Years' Experience in Audit, Accounting
Mustafa Rahmi Koç	Non-executive	Not an independent director	27.03.1996		-	No	Yes
Mehmet Ömer Koç	Non-executive	Not an independent director	27.03.1996		-	No	Yes
Alexandre F.J. Picciotto	Non-executive	Not an independent director	13.07.2012		-	No	Yes
Levent Çakıroğlu	Non-executive	Not an independent director	30.03.2015		-	No	Yes
Yağız Eyüboğlu	Non-executive	Not an independent director	04.04.2016		-	No	Yes
Müzeyyen Münire Gülay Barbarosoğlu	Non-executive	Independent director	01.04.2024	<a href="https://www.kap.org.tr/Bildirim/1255147">https://www.kap.org.tr/Bildirim/1255147</a>	Considered	No	No
Neslihan Tonbul	Non-executive	Independent director	01.04.2024	<a href="https://www.kap.org.tr/Bildirim/1255147">https://www.kap.org.tr/Bildirim/1255147</a>	Considered	No	Yes
Muharrem Hilmi Kayhan	Non-executive	Independent director	01.04.2024	<a href="https://www.kap.org.tr/Bildirim/1255147">https://www.kap.org.tr/Bildirim/1255147</a>	Considered	No	Yes

## 4. BOARD OF DIRECTORS – II

### 4.4. Meeting Procedures of the Board of Directors

Number of physical or electronic board meetings in the reporting period	15 physical board meetings were realized.
Director average attendance rate at board meetings	86%
Whether the board uses an electronic portal to support its work or not	No.
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	There are no specifications about the deadline of the process. However the timing for the presentation of information and documents relevant to the agenda is managed considering the subject and the course of the agenda and in a timely manner.
The name of the section on the corporate website that demonstrates information about the board charter	There is no determination in this direction.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no determination in this direction.

### 4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented	Corporate Governance/BoD's Evaluation of Board Committees' Operating Principles and Effectiveness
Link(s) to the PDP announcement(s) with the board committee charters	<a href="https://www.kap.org.tr/en/Bildirim/1282878">https://www.kap.org.tr/en/Bildirim/1282878</a> , <a href="https://kurumsal.aygaz.com.tr/en/investor-relations/committees">https://kurumsal.aygaz.com.tr/en/investor-relations/committees</a>

## Board Committees - I

Names of Board Committees	Name of Committee Defined As "Other" in the First Column	Full Names of Committee Members	Whether Committee Chair or not	Whether Board member or not
Audit Committee	-	Muharrem Hilmi Kayhan	Yes	Board member
Audit Committee	-	M.M. Gülay Barbarosoğlu	No	Board member
Corporate Governance Committee	-	Neslihan Tonbul	Yes	Board member
Corporate Governance Committee	-	Yağız Eyüboğlu	No	Board member
Corporate Governance Committee	-	Gökhan Dizemen	No	Not a Board member
Committee of Early Detection of Risk	-	M.M. Gülay Barbarosoğlu	Yes	Board member
Committee of Early Detection of Risk	-	Levent Çakıroğlu	No	Board member
Other	Executive Committee	Mustafa Rahmi Koç	Yes	Board member
Other	Executive Committee	Mehmet Ömer Koç	No	Board member
Other	Executive Committee	Yıldırım Ali Koç	No	Not a Board member
Other	Executive Committee	Alexandre F.J. Picciotto	No	Board member
Other	Executive Committee	Caroline Nicole Koç	No	Not a Board member

## 4. BOARD OF DIRECTORS - III

## 4.5. Board Directors

Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/ website)	Annual Report: Corporate Governance- BoD's Evaluation of Operating Principles and Effectiveness of Board Committees Website: Investor Relations - Corporate Overview and Governance - Board Committees Additionally; Corporate Overview and Governance - Policies and Principles - The Working Principles of Committees
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance- Corporate Governance Principles Compliance Report- Composition and Election of the Board of Directors, Number, Composition and Independence of Committees with Corporate Overview and Governance in the Board
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/ website)	Corporate Governance- Corporate Governance Principles Compliance Report- Composition and Election of the Board of Directors, Number, Composition and Independence of Committees with Corporate Overview and Governance in the Board

Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance-Corporate Overview and Governance- Corporate Governance Principles Compliance Report- Composition and Election of the Board of Directors, Number, Composition and Independence of Committees within the Board
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance Committee carries out the duties of the Remuneration Committee. Corporate Overview and Governance

4.6. Financial Rights

Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Report of the Board of Directors and Chairman’s Message
Specify the section of website where remuneration policy for executive and non-executive directors are presented	Investor Relations- Corporate Overview and Governance- Policies and Principles- Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	General Assembly/Remuneration Policy for the Board of Directors and Senior Management- Notes to the consolidated financial statements - Note 32

Board Committees - II

Names of Board Committees	Name of Committee Defined As “Other” in the First Column	Ratio of non-executive directors	Ratio of independent directors	Number of committee meetings in a physical setting	Number of activity reports submitted to the Board
Audit Committee		100%	100%	7	7
Corporate Governance Committee		67%	33%	5	5
Committee of Early Detection of Risk		100%	50%	8	8
Other	Executive Committee	100%	0%	12	12

# SUSTAINABILITY PRINCIPLES COMPLIANCE OUTLINE

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
		YES	PARTIAL	NO	N/A		
<b>A. General Principles</b>							
<b>A1. Strategy, Policy and Goals</b>							
A1.1	The prioritised environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Company's Board of Directors.		Partial			In the 2023 sustainability report, priority issues and climate related risk opportunity assessment prepared with TCFD recommendations are shared.	Aygaz Sustainability Report Page 17 and 66 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
	The ESG policies (Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Company's Board of Directors.	Yes					Aygaz Policies and Principles: <a href="https://www.aygaz.com.tr/en/investor-relations/company-profile">https://www.aygaz.com.tr/en/investor-relations/company-profile</a> <a href="https://kurumsal.aygaz.com.tr/en/corporate/integrated-management-systems-policy">https://kurumsal.aygaz.com.tr/en/corporate/integrated-management-systems-policy</a>
A1.2	The short and long-term targets set within the scope of ESG policies have been disclosed to the public.	Yes					Aygaz Sustainability Report 2023 Page 16 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
<b>A2. Implementation/Monitoring</b>							
A2.1	The responsible committees and/or business units for the implementation of ESG policies and the senior officials related to ESG issues in the Company and their duties have been identified and disclosed to the public.	Yes					Aygaz Sustainability Report 2023 Page 61 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
	The activities carried out within the scope of policies by the responsible committee and/or unit have been reported to the Board of Directors at least once a year.	Yes					Aygaz Sustainability Report 2023 Page 61 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
A2.2	In line with the ESG targets, the implementation and action plans have been formed and disclosed to the public.		Partial			The targets have been announced, but no details have been disclosed regarding implementation and action plans.	Aygaz Sustainability Report 2023 Page 16 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
A2.3	The Key ESG Performance Indicators (KPI) and the level of reaching these indicators have been disclosed to the public on yearly basis.	Yes					Aygaz Sustainability Report 2023 Page 88-95 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
A2.4	The activities for improving the sustainability performance of the business processes or products and services have been disclosed to the public.	Yes					Aygaz Sustainability Report 2023 Page 24,25,26 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
<b>A3. Reporting</b>							
A3.1	The information about the sustainability performance, targets and actions have been given in annual reports of the Company an understandable, accurate and sufficient manner.	Yes					Aygaz Sustainability Report 2023 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
A3.2	The information about activities which are related to the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to the public.	Yes					Aygaz Sustainability Report 2023 Page 18,19,20,21 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
A3.3	The lawsuits filed and/or concluded against the Company about ESG issues which are material in terms of ESG policies and/or will significantly affect the Company's activities, have been disclosed to the public.	Yes					Aygaz Sustainability Report 2023 Page 26 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>

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		YES	PARTIAL	NO	N/A		
<b>A4. Verification</b>							
A4.1	The Company's Key ESG Performance metrics have been verified by an independent third party and publicly disclosed.	Yes					Aygaz Sustainability Report 2023 Page 28-29-30 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
<b>B. Environmental Principles</b>							
B1	The policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 26 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B2	The environmental reports prepared to provide information on environmental management have been disclosed to the public which is including the scope, reporting period, reporting date and limitations about the reporting conditions.	Yes					Aygaz Sustainability Report 2023 Page 1 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B4	The environmental targets within the scope of performance incentive systems which included in the rewarding criteria have been disclosed to the public on the basis of stakeholders (such as members of the Board of Directors, managers and employees).	Yes					Aygaz Sustainability Report 2023 Page 48-49 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B5	How the prioritised environmental issues have been integrated into business objectives and strategies has been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 16 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B7	The way of how environmental issues has been managed and integrated into business objectives and strategies throughout the Company's value chain, including the operational process, suppliers and customers has been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 68-69 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B8	Whether the Company have been involved to environmental related organizations and non-governmental organizations' policy making processes and collaborations with these organizations has been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 85-87 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B9	In the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts)), information on environmental impacts is periodically disclosed to the public in a comparable manner.	Yes					Aygaz Sustainability Report 2023 Page 88-89-90 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>

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		YES	PARTIAL	NO	N/A		
B10	Details of the standard, protocol, methodology, and baseline year used to collect and calculate data has been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 28 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B11	The increase or decrease in Company's environmental indicators as of the reporting year has been comparatively disclosed with previous years.	Yes					Aygaz Sustainability Report 2023 Page 88-89-90 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B12	The short and long-term targets for reducing the environmental impacts have been determined and the progress compared to previous years' targets has been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 16 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B13	A strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	Yes					Aygaz Sustainability Report 2023 Page 16, 27 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B14	The programs/procedures to prevent or minimize the potential negative impact of products and/or services on the environment have been established and disclosed.	Yes					Aygaz Sustainability Report 2023 Page 25-26, 32 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
	The actions to reduce greenhouse gas emissions of third parties (suppliers, subcontractors, dealers, etc.) have been carried out and disclosed.			No		Processes are ongoing.	
B15	The environmental benefits/gains and cost savings of initiatives/projects that aims reducing environmental impacts have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 25, 31-35 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
B16	The data related to energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed as Scope-1 and Scope-2.	Yes					Aygaz Sustainability Report 2023 Page 90 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>

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		YES	PARTIAL	NO	N/A		
B17	The information related to production of electricity, heat, steam and cooling as of the reporting year has been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 90 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf</a>
B18	The studies related to increase the use of renewable energy and transition to zero/low carbon electricity have been conducted and disclosed.	Yes					Aygaz Sustainability Report 2023 Page 27,31 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf</a>
B19	The renewable energy production and usage data has been publicly disclosed.	Yes					Aygaz Sustainability Report 2023 Page 31,90 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf</a>
B20	The Company conducted projects about energy efficiency and the amount of reduction on energy consumption and emission achieved through these projects have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 25,27,31 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf</a>
B21	The water consumption, the amount, procedures and sources of recycled and discharged water from underground or above ground (if any), have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 90 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf</a>
B22	The information related to whether Company's operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).				Not Applicable	There is no emission trading system in Turkiye.	
B23	The information related to accumulated or purchased carbon credits within the reporting period has been disclosed.				Not Applicable	There is no emission trading system in Turkiye.	
B24	If carbon pricing is applied within the Company, the details have been disclosed.				Not Applicable	There is no emission trading system in Turkiye.	
B25	The platforms where the Company discloses its environmental information have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 56 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/61b0f0a8_9b1e_4a0d_be9f_21e1f7716aef__2023-surdurulebilirlik.pdf</a>

		COMPLIANCE STATUS				EXPLANATION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION (PAGE NUMBER, MENU NAME ON THE WEBSITE)
		YES	PARTIAL	NO	N/A		
<b>C. Social Principles</b>							
<b>C1. Human Rights and Employee Rights</b>							
C1.1	The Institutional Human Rights and Employee Rights Policy has been established in the ligh of the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation. The policy and the officials that responsible for the implementation of it have been determined and disclosed.	Yes					Aygaz Human Rights Policy: <a href="https://kurumsal.aygaz.com.tr/en/investor-relations/human-rights-policy">https://kurumsal.aygaz.com.tr/en/investor-relations/human-rights-policy</a>
C1.2	Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women’s employment and inclusion issues (gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc., such as non-discrimination) are included in its policy on employee rights.	Yes					Aygaz Human Rights Policy: <a href="https://kurumsal.aygaz.com.tr/en/investor-relations/human-rights-policy">https://kurumsal.aygaz.com.tr/en/investor-relations/human-rights-policy</a>  Aygaz Supply Chain Compliance Policy: <a href="https://kurumsal.aygaz.com.tr/en/investor-relations/supply-chain-compliance-policy">https://kurumsal.aygaz.com.tr/en/investor-relations/supply-chain-compliance-policy</a>
C1.3	The measures taken for the minority rights/equality of opportunity or the ones who are sensitive about certain economic, environmental, social factors (low income groups, women, etc.) along the supply chain have been disclosed.	Yes					Domestic Violence Policy: <a href="https://kurumsal.aygaz.com.tr/en/corporate/women-empowerment">https://kurumsal.aygaz.com.tr/en/corporate/women-empowerment</a>  Aygaz Sustainability Report 2023 Page 40-45 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C1.4	The developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 40-45 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
	Investments in employees (education, development policies), compensation, fringe benefits, right to unionize, work/life balance solutions and talent management are included in the employee rights policy.	Yes					Aygaz Sustainability Report 2023 Page 40-45 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C1.5	The mechanism for employee complaints and resolution of disputes have been established and related solution processes have been determined.	Yes					Aygaz Sustainability Report 2023 Page 48, 62-63 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
	The activities carried out within the reporting period which related to ensure employee satisfaction have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 48 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fcfc_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>

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		YES	PARTIAL	NO	N/A		
C1.6	The occupational health and safety policies have been established and disclosed.	Yes					Aygaz Sustainability Report 2023 Page 50,51 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>  Aygaz Integrated Management Systems Policy: <a href="https://kurumsal.aygaz.com.tr/en/corporate/integrated-management-systems-policy">https://kurumsal.aygaz.com.tr/en/corporate/integrated-management-systems-policy</a>
	The measures taken for protecting health, preventing occupational accidents and related statistics have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 89 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C1.7	The personal data protection and data security policies have been established and disclosed.	Yes					Aygaz Sustainability Report 2023 Page 83 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C1.8	The ethics policy have been established and disclosed.	Yes					Aygaz Sustainability Report 2023 Page 62 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C1.9	The studies related to social investment, social responsibility, finansal inclusivity and access to finance have been explained.	Yes					Aygaz Sustainability Report 2023 Page 52-54 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C1.10	The informative meetings and training programs related to ESG policies and practices have been organized for employees.	Yes					Aygaz Sustainability Report 2023 Page 26 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
<b>C2. Stakeholders, International Standards and Initiatives</b>							
C2.1	The customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed.	Yes					Aygaz Sustainability Report 2023 Page 82 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C2.2	The information about the communication with stakeholders (which stakeholder, subject and frequency) have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 85-87 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C2.3	The international reporting standards that adopted in reporting have been explained.	Yes					Aygaz Sustainability Report 2023 Home Page and Page: 91-95 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>

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		YES	PARTIAL	NO	N/A		
C2.4	The principles adopted regarding sustainability, the signatory or member international organizations, committees and principles have been disclosed.	Yes					Aygaz Sustainability Report 2023 Page 45 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
C2.5	The improvements have been made and studies have been carried out in order to be included in the Borsa Istanbul sustainability indices and/or international index providers.	Yes					Aygaz Sustainability Report 2023 Page 56 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
<b>D. Corporate Governance Principles</b>							
D1	The opinions of stakeholders have been sought in the determination of measures and strategies related to sustainability field.	Yes					Aygaz Sustainability Report 2023 Page 17-23 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>
D2	The social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	Yes					Aygaz Sustainability Report 2023 Page 39-45 <a href="https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf">https://kurumsal.aygaz.com.tr/uploads/kurumsal/surdurulebilirlik/6e5352cd_fc8_4007_8e9b_13fb7b498901__2023-surdurulebilirlik-en.pdf</a>

# INFORMATION DOCUMENT FOR THE ORDINARY GENERAL ASSEMBLY MEETING TO BE HELD ON MARCH 27, 2025 TO REVIEW FINANCIAL YEAR 2024

## 1. INVITATION TO THE ORDINARY GENERAL ASSEMBLY MEETING TO BE HELD ON MARCH 27, 2025

Aygaz A.Ş.'s Ordinary General Assembly Meeting shall be convened on 27 March 2025 Thursday at 15:00 (12:00 GMT) at the address of Büyükdere Caddesi, No: 145/1 Zincirlikuyu, İstanbul / Şişli (Tel: +90 212 354 1515, Faks: +90 212 288 31 51). At the meeting, the activities of the Company for the fiscal year 2024 will be reviewed, the following agenda will be discussed, and a resolution regarding the agenda will be reached.

In accordance with the legal requirements, 2024 Financial Statements, the Independent Auditor Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.'s Report, draft amendment to articles of association and the Board of Directors' Annual Report, including the Corporate Governance and Sustainability Principles Compliance Report, and 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.aygaz.com.tr](http://www.aygaz.com.tr), on the Public Disclosure Platform, and in the Electronic General Meeting System of the Central Registry Agency three weeks prior to the meeting.

Shareholders who are 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 as per the attached sample forms, or shall obtain a proxy sample form from Yapı Kredi Yatırım Menkul Değerler A.Ş. (Yapı Kredi Plaza / Levent-İstanbul), our Company, or from the corporate website at [www.aygaz.com.tr](http://www.aygaz.com.tr) and shall submit to the Company in accordance with the requirements of the Declaration 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 Declaration, and the sample form attached hereto shall not be accepted, given our legal liability.**

Shareholders who intend to vote via the Electronic General Meeting System are requested to obtain information from the Central Registry Agency, our Company's website at [www.aygaz.com.tr](http://www.aygaz.com.tr) or from the Company Headquarters (Tel: +90 212 354 15 15) to ensure that they comply with the provisions of the related communique and by-laws.

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 Meeting do not need to block their shares.

In accordance with the Personal Data Protection Law numbered 6698, please see Personal Data Protection and Processing Policy of Aygaz A.Ş., which is available to the public on Company's website at [www.aygaz.com.tr](http://www.aygaz.com.tr), for further information about your personal data processed by our Company.

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

All the holders of relevant rights, stakeholders and the media are invited to our General Assembly Meeting.

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.

### AYGAZ A.Ş. BOARD OF DIRECTORS

**Company Address:** Büyükdere Caddesi, No: 145/1 Zincirlikuyu, İstanbul / Şişli

**Trade Registry and Number:** İstanbul/80651

**Mersis No:** 0119005102700141

## 2. ADDITIONAL EXPLANATIONS PER CMB REGULATIONS

The additional explanations required pursuant to Capital Markets Board (CMB) Corporate Governance Declaration 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, and if there are privileged shares in the share capital, the number of shares and voting right representing each privileged share, and the type of privilege, is provided below.

Issued capital of the Company is TL 219,800,767, all of which has been pledged and paid in full. Issued capital is divided into 21,980,076,700 registered shares at 1 Kr nominal value per share. There are no privileged shares in the Company's capital.

Name or Title of the Person or Company	Share Amount (TL)	Share Stake (%)	Suffrage	Suffrage Stake (%)
<b>Koç Group</b>	<b>112,569,173.27</b>	<b>51.21</b>	<b>11,256,917,327</b>	<b>51.21</b>
Koç Holding A.Ş.	89,424,844.65	40.68	8,942,484,465	40.68
Temel Ticaret ve Yatırım A.Ş.*	12,692,827.96	5.77	1,269,282,796	5.77
Koç Family	10,451,500.67	4.76	1,045,150,067	4.76
<b>Other</b>	<b>107,231,593.73</b>	<b>48.79</b>	<b>10,723,159,373</b>	<b>48.79</b>
Liquid Petroleum Gas Development Company (LPGDC)	53,884,641.77	24.52	5,388,464,177	24.52
Free Float **	53,346,951.96	24.27	5,334,695,196	24.27
<b>Total</b>	<b>219,800,767.00</b>	<b>100.00</b>	<b>21,980,076,700</b>	<b>100.00</b>

\*The majority of Temel Ticaret ve Yatırım A.Ş. shares are owned by the members of Koç Family. Members of Koç Family: Rahmi M. Koç, Semahat S. Arsel, , M. Ömer Koç, Ali Y. Koç, İpek Kiraç, Caroline N. Koç, Esra Koç ve Aylin Koç.

\*\*The share at the amount of 1,996,553.90 TL (capital ratio 0.91%) included in the publicly traded section is owned by Hilal Madeni Eşya Ticaret Sanayi ve Yatırım A.Ş., 100% owned by LPGDC.

### 2.2. MANAGERIAL AND OPERATIONAL CHANGES IN OUR COMPANY OR OUR SUBSIDIARIES' WHICH MAY SIGNIFICANTLY AFFECT THE ACTIVITIES OF OUR COMPANY.

Information on the changes in the management and activities of our Company and its subsidiaries that have taken place in the previous accounting period or planned in the future accounting periods, which may significantly affect the activities, and the reasons for these changes are presented below:

Except for the transaction, there are no changes in the management and operations of our Company and its subsidiaries, which were realized in the previous accounting period or planned for future accounting periods, which would significantly affect the activities of our Company.

Material event disclosures made by our Company in line with the related legislation and financial tables containing the financial results of our Company and our subsidiaries can be reached from <http://www.kap.gov.tr/> and <https://aygaz.com.tr/en/investor-relations/material-disclosures> addresses.

### 2.3. INFORMATION REGARDING DEMANDS OF SHAREHOLDERS FOR PLACING AN ARTICLE ON THE AGENDA.

No request has been submitted in writing to the Aygaz Investment Relations Department concerning the demand of shareholders to have an article placed on the agenda of the general assembly where 2024 operations will be discussed.

### 3. STATEMENTS ABOUT THE ARTICLES OF THE AGENDA OF THE ORDINARY GENERAL ASSEMBLY MEETING ON MARCH 27, 2025

#### 1. OPENING AND ELECTION OF THE CHAIRMAN OF 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. The Chairman may also appoint adequate number of vote-collectors.

#### 2. READING, DISCUSSING AND APPROVING THE 2024 ANNUAL REPORT PREPARED BY THE BOARD OF DIRECTORS,

Within the framework of the TCC, the Regulation and the Capital Markets Law and related regulations, information shall be given on the 2024 Annual Report, which has been announced at the Headquarters and branches of our Company, on the Electronic General Assembly portal of the Central Registry Agency (CRA), on the Public Disclosure Platform (PDP) and on the corporate website of the Company at [www.aygaz.com.tr](http://www.aygaz.com.tr) for review of our shareholders three weeks before the General Assembly meeting and it shall be presented for perusal and approval of our shareholders.

#### 3. READING THE SUMMARY OF INDEPENDENT AUDIT REPORT SUMMARY FOR 2024 ACCOUNTING PERIOD,

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, on the PDP and on the corporate website of the Company at [www.aygaz.com.tr](http://www.aygaz.com.tr), will be read aloud.

#### 4. READING, DISCUSSING AND APPROVING OF THE FINANCIAL STATEMENTS RELATED TO 2024 ACCOUNTING PERIOD,

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

#### 5. ACQUITTING OF EACH MEMBER OF THE BOARD OF DIRECTORS IN RELATION TO THE ACTIVITIES OF COMPANY IN 2024,

Pursuant to the TCC and Bylaws, the release of our Board of Directors members for the activities, transactions and accounts for the year 2024 shall be submitted to the General Assembly for its approval.

#### 6. DISCUSSING AND APPROVING OF THE AMENDMENT TO BE MADE TO THE COMPANY’S “DIVIDEND DISTRIBUTION POLICY” FOR THE YEAR 2025 AND THE FOLLOWING YEARS IN ACCORDANCE WITH THE CAPITAL MARKETS BOARD REGULATIONS,

The amendment to the Company’s Dividend Distribution Policy in Appendix/1, will be submitted to the approval of the General Assembly and has been announced at the Company’s headquarters, branches, at the Electronic General Assembly system of the Central Registry Agency and the investor relations section of the corporate website at [www.aygaz.com.tr](http://www.aygaz.com.tr) three weeks before the meeting. The proposed amendment to the Dividend Distribution Policy and the justification for the amendment were approved by the Board of Directors at its meeting dated 03.03.2025 and numbered 2025-08 and disclosed to the public on the same date via Public Disclosure Platform.

#### 7. ACCEPTANCE, ACCEPTANCE AFTER AMENDMENT OR REFUSAL OF THE PROPOSAL OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH THE COMPANY’S PROFIT DISTRIBUTION POLICY REGARDING THE DISTRIBUTION OF THE PROFITS OF 2024 AND THE DATE OF THE DISTRIBUTION OF PROFITS,

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 Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. covering the accounting period between 01.01.2024 – 31.12.2024; consolidated profit attributable to equity holders of the parent in the amount of TL 2.122.621.000 has been obtained. The dividend payment proposal drawn up in accordance with the Dividend Distribution Table format provided in the Dividend Declaration numbered II-19.1 and the Dividend Manual announced in accordance with the said Declaration, and taking into account the Company’s Dividend Distribution Policy, long-term strategy, investment and financing policies, profitability and liquidity, is provided in Appendix 2.

#### 8. PROVIDED THAT THE NECESSARY APPROVALS ARE OBTAINED FROM THE CAPITAL MARKETS BOARD AND THE MINISTRY OF TRADE; ACCEPTANCE, ACCEPTANCE WITH AMENDMENTS OR REJECTION OF THE PROPOSAL OF THE BOARD OF DIRECTORS ON THE AMENDMENT OF THE ARTICLE 6 TITLED “CAPITAL” OF THE COMPANY’S ARTICLES OF ASSOCIATION, FOR THE PURPOSE OF INCREASING THE REGISTERED CAPITAL CEILING AND EXTENDING ITS VALIDITY PERIOD,

In accordance with the Board of Directors’ resolution dated 04.02.2025 and numbered 2025-04, the amendment proposals to the Articles of Association in Appendix/3 together with the relevant Board of Directors’ resolution will be submitted to the approval of the

General Assembly in order to increase the registered capital ceiling amount to TL 1,000,000,000 and to extend the validity period of the registered capital ceiling to cover the years 2025-2029. Approvals dated 10.02.2025 from the CMB and 21.02.2025 from the Ministry of Trade have been obtained for the said proposed amendments to the articles of association.

#### **9. DETERMINING THE NUMBER AND DUTY TERM OF THE MEMBERS OF THE BOARD OF DIRECTORS, MAKING ELECTIONS IN ACCORDANCE WITH THE DETERMINED NUMBER OF MEMBERS, SELECTING THE INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS,**

The number of members on the Board of Directors and their terms of office shall be designated 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 Declaration No. II-17.1.

According to Article 10 of the Articles of Association, Company's business and management are conducted by a Board of Directors consisting of at least 5 members and for a term of at most 3 years, 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 are required to meet the independence criteria as defined in the CMB's mandatory Corporate Governance Principles.

The Board of Directors, upon receipt of a proposal of the Corporate Governance Committee, has designated the following candidates as the Independent Members of the Board of Directors: Ms. M. M. Gülay Barbarosoğlu, Ms. Neslihan Tonbul and Mr. Muharrem Hilmi Kayhan. Candidates for Independent Members of the Board of Directors who have not received a contrary opinion from the CMB will be submitted to the general assembly for approval. The CVs of Board of Directors candidates and Declarations of Independence for the independent member candidates are provided in Appendix 4.

#### **10. INFORMING AND APPROVAL OF THE SHAREHOLDERS ABOUT THE REMUNERATION POLICY FOR THE MEMBERS OF THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT AND THE PAYMENTS MADE WITHIN THE SCOPE OF THE POLICY IN ACCORDANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES,**

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 created for this purpose is attached as Appendix 5. Information regarding the benefits provided for board members and senior management of Aygaz A.Ş. in 2024 are specified in footnote No. 32 of 2024 Financial Statements.

#### **11. DETERMINING THE ANNUAL GROSS SALARIES OF THE MEMBERS OF THE BOARD OF DIRECTORS,**

The monthly gross remuneration to be paid to the members of the Board of Directors in 2025 shall be determined by the shareholders as per our Remuneration Policy submitted for the approval of the shareholders as per item 10 of the agenda.

#### **12. APPROVAL OF THE INDEPENDENT AUDITING INSTITUTION SELECTION MADE BY THE BOARD OF DIRECTORS IN ACCORDANCE WITH THE TURKISH COMMERCIAL CODE AND THE CAPITAL MARKETS BOARD REGULATIONS,**

In accordance with the regulations of the Turkish Commercial Code, the Capital Markets Board, and the Public Oversight, Accounting and Auditing Standards Authority (KGK), with the resolution of our Board of Directors dated 11.02.2025, and the opinion of the Audit Committee, it has been decided to select Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to audit the financial reports of our Company for the fiscal year 2025 and to carry out other activities within the scope of the relevant regulations. This selection will be submitted to the approval of the General Assembly.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. is authorized to perform independent audit activities in the field of sustainability with the decision of the Public Oversight, Accounting and Auditing Standards Authority dated 18.02.2025. In this context, it is envisaged that the company will also conduct the mandatory sustainability assurance audit of the disclosures to be prepared in compliance with the Turkish Sustainability Reporting Standards published by KGK.

#### **13. INFORMING THE SHAREHOLDERS OF THE DONATIONS MADE BY THE COMPANY IN 2024 AND RESOLUTION OF AN UPPER LIMIT FOR DONATIONS TO BE MADE FOR 2025 AS PER THE "DONATION AND SPONSORSHIP POLICY",**

"Aygaz A.Ş. Donation and Sponsorship Policy", which was accepted by our Company's Board of Directors on March 8, 2021 and announced to the public, is stated in the Corporate Governance Principle numbered 1.3.10, "A policy regarding donations and aids is created and submitted to the approval of the general assembly. It was approved by our shareholders at the general assembly dated March 31, 2021.

Pursuant to Article 6 of the CMB's Declaration 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. In this framework, in line with our Company's Donation and Sponsorship Policy, donations were made to foundations and associations in 2024 is totaling TL 18,657,382.57, based on nominal amounts. (Total amount calculated according to purchasing power on December 31, 2024 is TL 22,818,443.11) TL 10,000,000.00 of this amount paid to Rahmi Koç Museum and Culture Foundation, TL 5,000,000.00 of this amount paid to Vehbi Koç Foundation, TL 2,703,434.50 of this amount paid to Koç University, TL 563,448.07 of this amount paid to TEV (Turkish Education Foundation), TL 350,000.00 of this amount paid to Deniz Temiz Association (Turkish Marine Environment Protection Association). The remaining balance was made to other several institutions and incorporations and consisting of donations that are not viewed as material for investors. The upper limit of donations to be made in 2025 shall be decided by the General Assembly.

#### **14. INFORMING THE SHAREHOLDERS ABOUT THE COLLATERALS, PLEDGES, MORTGAGES AND SURETY GRANTED IN FAVOUR OF THIRD PARTIES AND THE INCOME AND BENEFITS OBTAINED IN 2024 BY THE COMPANY AND SUBSIDIARIES IN ACCORDANCE WITH CAPITAL MARKETS BOARD REGULATIONS,**

Pursuant to Article 12 of the Capital Markets Board Corporate Governance Declaration No. II-17.1, income or benefits derived by our Company and/or its Subsidiaries from guarantees, 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. 16 of our financial statements dated 31 December 2024.

#### **15. AUTHORIZING THE SHAREHOLDERS HOLDING MANAGEMENT CAPACITY, THE MEMBERS OF THE BOARD OF DIRECTORS, EXECUTIVE MANAGERS AND THEIR SPOUSES AND RELATIVES BY BLOOD AND MARRIAGE UP TO THE SECOND DEGREE WITHIN THE FRAMEWORK OF THE ARTICLES 395TH AND 396TH OF TURKISH COMMERCIAL CODE AND INFORMING SHAREHOLDERS ABOUT TRANSACTIONS PERFORMED WITHIN THE SCOPE DURING 2024 AS PER THE CORPORATE GOVERNANCE COMMUNIQUE OF 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 for the Company.

Pursuant to the Capital Markets Board Mandatory Corporate Governance Principles 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 fulfill the requirements of these regulations, permission shall be sought from the shareholders at the General Assembly and the shareholders shall be informed that no such transaction took place in 2024 in this respect. 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 2024, 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.

#### **16. INFORMING THE SHAREHOLDERS ABOUT THE ACTIVITIES CARRIED OUT IN 2024 WITHIN THE SCOPE OF THE COMPANY'S GOAL OF TRANSITIONING TO A LOW-CARBON ECONOMY AND THE PROGRESS MADE TOWARD THIS GOAL,**

Ensuring that shareholders are informed about the company's transition efforts toward a low-carbon economy is of paramount importance to all stakeholders. At the General Assembly meeting, shareholders will be provided with a comprehensive update.

#### **17. WISHES AND OPINIONS.**

#### **APPENDICES:**

<b>APPENDIX 1</b>	PROPOSAL FOR AMENDMENT TO THE DIVIDEND DISTRIBUTION POLICY
<b>APPENDIX 2</b>	PROPOSAL OF THE BOARD OF DIRECTORS FOR THE DISTRIBUTION OF 2024 DIVIDEND (Page 234)
<b>APPENDIX 3</b>	AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND RELATED BOARD DECISION (Page 235)
<b>APPENDIX 4</b>	CVs OF BOARD OF DIRECTORS CANDIDATES AND INDEPENDENCE DECLARATIONS OF THE INDEPENDENT BOARD MEMBER CANDIDATES (Page 102-103-113)
<b>APPENDIX 5</b>	REMUNERATION POLICY FOR BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT (Page 23)

## APPENDIX 1 - Proposal for Amendment to the Dividend Distribution Policy

### DIVIDEND POLICY

Our Company distributes profits within the framework of the provisions of the Turkish Commercial Code, Capital Market Regulations, Tax Regulations and other relevant regulations, as well as the article on profit distribution of our Articles of Association. In line with Corporate Governance Principles, a balanced and consistent policy is followed between the interests of the Shareholders and the Company.

In principle, as long as related regulations, **investment needs** and financial resources allow, taking into consideration market expectations, our long-term company strategy, investment and financing policies, profitability and cash position, a minimum 50% of the Company's net distributable profit for the period, calculated in accordance with Capital Markets Regulations is distributed as cash and/or bonus shares by the **decision of the Ordinary General Assembly or the Extraordinary General Assembly to be held during the year, if necessary, as long as it can be provided from the resources available in our legal records.**

**There is no privilege in dividend distribution. Dividends are distributed equally to all existing shares as of the distribution date, regardless of their issue and acquisition dates.**

Distribution of profit is aimed to be paid out at the latest within one month subsequent to the General Assembly Meeting; the date of profit distribution is resolved by the General Assembly. The General Assembly or, if authorized, the Board of Directors may decide to distribute the dividend in installments in accordance with Capital Markets Regulations.

According to the Company's Articles of Association, The Board of Directors may distribute advance dividends, provided that it is authorized by the General Assembly and complies with the Capital Markets Regulations.

## APPENDIX 2 - Proposal of the Board of Directors for the Distribution of 2024 Dividend

## 01.01.2024-31.12.2024 PROFIT DISTRIBUTION PROPOSAL

## AYGAZ A.Ş. Profit Distribution Table (TL)

		Acc. to CMB	Acc. to Statutory Records
<b>DISTRIBUTION OF PERIOD PROFIT</b>			
1.	Paid-in/Issued Capital *	219.800,767.00	219,800,767.00
2.	Total Legal Reserves (according to statutory records) **	530,498,040.17	530,498,040.17
	Information on privileges in dividend distribution, if specified in the Articles of Association	0.00	***
3.	Current Period Profit	2,644,692,000.00	3,501,537,820.73
4.	Taxes Payable ( - )	993,816,000.00	142,960,158.32
5.	<b>Net Profit ( = )</b>	<b>2,122,621,000.00</b>	<b>3,358,577,662.41</b>
6.	Previous Years Losses ( - )	0.00	0.00
7.	General Legal Reserves ( - )	0.00	0.00
8.	<b>DISTRIBUTABLE NET PROFIT FOR THE PERIOD ( = )</b>	<b>2,122,621,000.00</b>	<b>3,358,577,662.41</b>
9.	Donations made during the year ( + )	22,818,443.11	0.00
10.	Net Distributable Profit added donations	2,145,439,443.11	0.00
	<b>First dividend to Shareholders</b>	0.00	0.00
11.	- Cash ****	1,072,719,721.56	10,990,038.35
	- Bonus	0.00	0.00
	<b>- Total</b>	<b>1,072,719,721.56</b>	<b>10,990,038.35</b>
12.	Dividend to privileged shareholders	0.00	0.00
	<b>Other distributed dividend</b>	<b>0.00</b>	<b>0.00</b>
13.	- Dividend to the Board Members	0.00	0.00
	- Dividend to the Employees	0.00	0.00
	- Other Dividend, excluding shareholders	0.00	0.00
14.	Dividend to redeemed shareholders	0.00	0.00
15.	Second dividend to shareholders	857,934,827.38	2,747,509,587.50
16.	General Legal Reserves	191,966,451.06	274,750,958.75
17.	Statutory Reserves	0.00	0.00
18.	Special Reserves	0.00	0.00
19.	<b>EXTRAORDINARY RESERVES</b>	<b>0.00</b>	<b>325,327,077.81</b>
	<b>Other Resources to be distributed</b>	<b>827,845,076.91</b>	<b>0.00</b>
20.	- Previous Years Profits	827,845,076.91	0.00
	- Extraordinary Reserves	0.00	0.00
	- Other distributable reserves as per the law and the Articles of Association	0.00	0.00
21.	Other Resources to be distributed from legal reserves	82,784,507.69	0.00

## AYGAZ A.Ş. Dividend Ratios Table for 2024

	GROUP	TOTAL AMOUNT OF DIVIDEND DISTRIBUTED		TOTAL DISTRIBUTED DIVIDEND/ NET DISTRIBUTABLE PROFIT	DIVIDEND TO BE PAID PER SHARE WITH PAR VALUE OF 1 TL	
		CASH (TL)	BONUS SHARES (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
NET *****	-	2,682,060,000.40	0.00	126.36	10.667500	1,066.75000

\*\*\* There is no privileged share group in dividend distribution.

\*\*\* No privilege in profit distribution

\* The amount is the registered nominal capital amount, and there is a capital inflation adjustment difference of 6.355.071.757 TL in the records prepared in accordance with VUK.\*\* The amount is the nominal general legal reserves amount, and there is an inflation adjustment difference of 7.548.015.117 TL regarding the legal reserves in the records prepared in accordance with the Tax Procedure Law after the inflation accounting application.\*\*\*\* The first dividend amount is calculated by taking into account the registered nominal capital amount.\*\*\*\*\* Calculation of net profit distribution: 15% withholding tax will be applied to the dividends paid to real persons since there is no exemption. The calculation was made on the assumption that the dividend payments made in 2023 were 81.53% for corporate taxpayers and the remaining 18.47% were for real person taxpayers.

### APPENDIX 3 -Amendments To the Articles of Association and Related Board Decision

With the decision of the Board of Directors dated 04.02.2025, it has been resolved to extend the validity period of the registered capital ceiling, which will expire in 2025, until the end of 2029. Furthermore, considering the inflation effect over the years, the existing registered capital ceiling, set in 2003, has remained insufficient both in terms of amount and the increase in funds that can be added to the capital. Therefore, it has been decided to raise the registered capital ceiling to TL 1,000,000,000. To this end, the amendment to Article 6, titled "Capital," of the Company's Articles of Association will be made, after obtaining the necessary approvals from the Capital Markets Board and the Ministry of Trade. Once these approvals are obtained, the relevant change will be submitted to the shareholders for approval at the next General Assembly meeting. The necessary approvals for the proposed amendments were obtained from the Capital Markets Board on 10.02.2025 and from the Ministry of Trade on 21.02.2025.

#### OLD TEXT

##### Article 6 – CAPITAL

In accordance with the provisions of the Capital Market Law, the Company has accepted the registered capital system and adopted this system with the permission no. 96 of the Capital Markets Board dated March 2, 1987.

Registered capital of the company shall be ~~TL 500,000,000 (Five hundred million Turkish Liras)~~, and divided into ~~50,000,000,000 (fifty billion Turkish Liras)~~ shares with 1 (one) Kuruş value per share.

The authorized capital limit granted by the Capital Markets Board is valid for (five years) between ~~2021 and 2025~~. Even if the authorized capital limit permitted as above is not reached as of the end of ~~2025~~, in order for the Board of Directors to take a capital increase decision after 2025, authorization is required to be taken from the General Assembly of Shareholders for a new term of up to 5 years, with a prior permission of the Capital Markets Board for the previous upper limit or for a new upper limit amount. If such authorization is not taken, the Company cannot make a capital increase by a decision of the Board of Directors.

The issued capital of the company is TL 219,800,767.00 (two hundred and nineteen million and eight hundred thousand and seven hundred and sixty-seven Turkish Liras) and the entire issued capital has been pledged and paid in full by the partners free of collusion. Issued capital is divided into 21,980,076,700 (twenty-one billion and nine hundred and eighty million and seventy-six thousand and seven hundred) registered shares with 1 (one) Kuruş nominal value per share.

~~Finally, Company's issued capital of TL 300,000,000 is decreased by TL 80,199,233 to TL 219,800,767 through a partial demerger through the model of share transfer to its shareholders.~~

The shares making up the capital are monitored on the records within the framework of the recording rules. The capital of the company may be increased or decreased as necessary within the framework of the provisions of the Turkish Commercial Code and Capital Market legislation.

The Board of Directors is authorized to increase the issued capital by issuing new shares up to the ceiling value of the registered capital as deemed necessary in compliance with the provisions of the Capital Market Law as well as restricting the rights of the owners of the privileged shares and limiting the right of the shareholders to buy new shares. The power of restricting the right of buying new shares may not be used in a manner that might create inequality between the shareholder

#### NEW TEXT

##### Article 6: CAPITAL

In accordance with the provisions of the Capital Market Law, the Company has accepted the registered capital system and adopted this system with the permission no. 96 of the Capital Markets Board dated March 2, 1987.

Registered capital of the company shall be **TL 1.000,000,000 (One billion Turkish Liras)**, and divided into **100,000,000,000 (hundred billion Turkish Liras) shares** with 1 (one) Kuruş value per share.

The authorized capital limit granted by the Capital Markets Board is valid for (five years) between **2025 and 2029**. Even if the authorized capital limit permitted as above is not reached as of the end of **2029**, in order for the Board of Directors to take a capital increase decision after **2029**, authorization is required to be taken from the General Assembly of Shareholders for a new term of up to 5 years, with a prior permission of the Capital Markets Board for the previous upper limit or for a new upper limit amount. If such authorization is not taken, the Company cannot make a capital increase by a decision of the Board of Directors.

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# Glossary

<b>Bcm</b>	Billion cubic meters
<b>BIST</b>	Istanbul Stock Exchange (Borsa İstanbul)
<b>BOTAŞ</b>	Boru Hatları İle Petrol Taşıma Anonim Şirketi
<b>CDP</b>	Carbon Disclosure Project
<b>CIF</b>	Cost, Insurance & Freight
<b>CII</b>	Carbon Intensity Index
<b>CMB</b>	Capital Markets Board of Türkiye
<b>DME</b>	Distance Measuring Equipment
<b>EEDI</b>	Energy Efficiency Design Index
<b>EEXI</b>	Energy Efficiency Existing Ship Index
<b>ESG</b>	Environmental, Social, and Corporate Governance
<b>EMRA</b>	Energy Market Regulatory Authority
<b>EPL</b>	Engine Power Limitation
<b>EU</b>	European Union
<b>FOB</b>	Free On Board
<b>GRI</b>	Global Reporting Initiative
<b>HR</b>	Human Resources
<b>ILO</b>	International Labour Organization
<b>IOT</b>	Internet of Things
<b>IR</b>	Incidence Rate
<b>ISO</b>	Istanbul Chamber of Industry
<b>KR</b>	Key Result
<b>LDR</b>	Lost day Rate
<b>LNG</b>	Liquefied Natural Gas
<b>LPG</b>	Liquefied Petroleum Gas
<b>LTIF</b>	Lost Time Injury Frequency
<b>Mcm</b>	Million cubic meters
<b>MESS</b>	Turkish Employers Association of Metal Industries
<b>NOC</b>	No Objection Certificate
<b>NPS</b>	Net Promoter Score
<b>OHS</b>	Occupational Health and Safety
<b>OKR</b>	Objectives and Key Results
<b>OPEC+</b>	The Organization of the Petroleum Exporting Countries Plus
<b>PETDER</b>	Turkish Oil Industry Association
<b>POC</b>	Proof of Concept
<b>R&amp;D</b>	Research and Development
<b>RON</b>	Research Octane Number
<b>SASB</b>	Sustainability Accounting Standards Board
<b>SP</b>	Sonatrach Price
<b>SSO</b>	Subscription Service Officer
<b>TCFD</b>	Task Force on Climate-related Financial Disclosures
<b>TEYDEB</b>	Technology and Innovation Funding Programs Directorate
<b>TİM</b>	Turkish Exporters' Assembly
<b>TİSK</b>	Turkish Confederation of Employer Associations
<b>TOBB</b>	Union of Chambers and Commodity Exchanges of Türkiye
<b>TÜBİTAK</b>	The Scientific and Technological Research Council of Türkiye
<b>TÜSİAD</b>	Turkish Industry and Business Association
<b>UN</b>	United Nations
<b>UNGC</b>	United Nations Global Compact
<b>UN WEPs</b>	UN Women's Empowerment Principles
<b>VLGC</b>	Very Large Gas Carriers
<b>WLGA</b>	World Liquid Gas Association

## Identity

Trade Name	Aygaz Anonim Şirketi
Address	Büyükdere Cad. No: 145-1 Zincirlikuyu 34394 İstanbul
Trade Registry and Number	İstanbul Trade Registry / 80651 - 23170
Mersis Number	0-1190-0510-2700141
Website	www.aygaz.com.tr
Registered Capital Ceiling	500.000.000 TL
Paid-in Capital	TL 219,800,767
BIST Code	AYGAZ
Bloomberg Code	AYGAZ.IS
Reuters Code	AYGAZ.TI
IPO Date	13.01.1988

### Disclaimer

The Board of Directors' Report, Auditors' Report, Consolidated Financial Statements and Independent Audit Report regarding the operations and financials of the year 2024, which are included in this Annual Report ("Report"), are prepared in accordance with the legal requirements for the Ordinary General Assembly, which will be held on Thursday, March 27, 2025, at 15.00 at Büyükdere Caddesi, No: 145/1 Zincirlikuyu, Şişli, İstanbul. This Report is prepared solely for the purpose of providing information to the shareholders, and it is not intended to form the basis of any investment decision. The forward-looking statements and estimates in this Report solely reflect the Company management's views with respect to certain future events, and the actual results and developments may differ from these estimates depending on the variables and assumptions. Accordingly, neither the Aygaz nor its respective advisors, directors or employees will be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in, or omission from, this Report, or on any other information or communications in connection with the Report. All information contained in this Report was believed to be accurate at the time of publication. Aygaz accepts no responsibility for any spelling or printing errors that may occur during the Report's preparation.

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