

2021 Q4 Investor Presentation



Disclaimer

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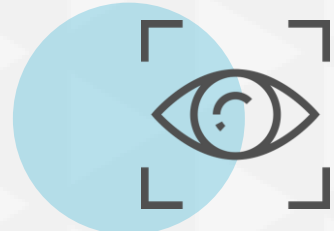







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Note: EBITDA is a non-GAAP financial measure. The EBITDA definition used in this investor presentation includes revenues, cost of sales, marketing, sales and distribution expenses, general administrative expenses, research and development expenses and other operating income/(expense), and income/(expense) from investing activities, but excludes depreciation, amortization and impairment expenses, financial income/(expenses) presented in other operating income/(expenses) (i.e. FX gain/(loss), interest and rediscount income/(expense) on current accounts excluding bank borrowings)

Agenda

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Overview



Türk Telekom Highlights

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Leading
Operator in Turkey
Integrated telecom
services



Serving

51.8mn
Subscribers



99%
LTE

Population coverage



42%

Fibre connected
LTE base stations



366k km
Fibre network in
81 cities



30.2mn

Fibre homepass*

* includes FTTC & FTTH/B



2nd
player

in Pay TV market

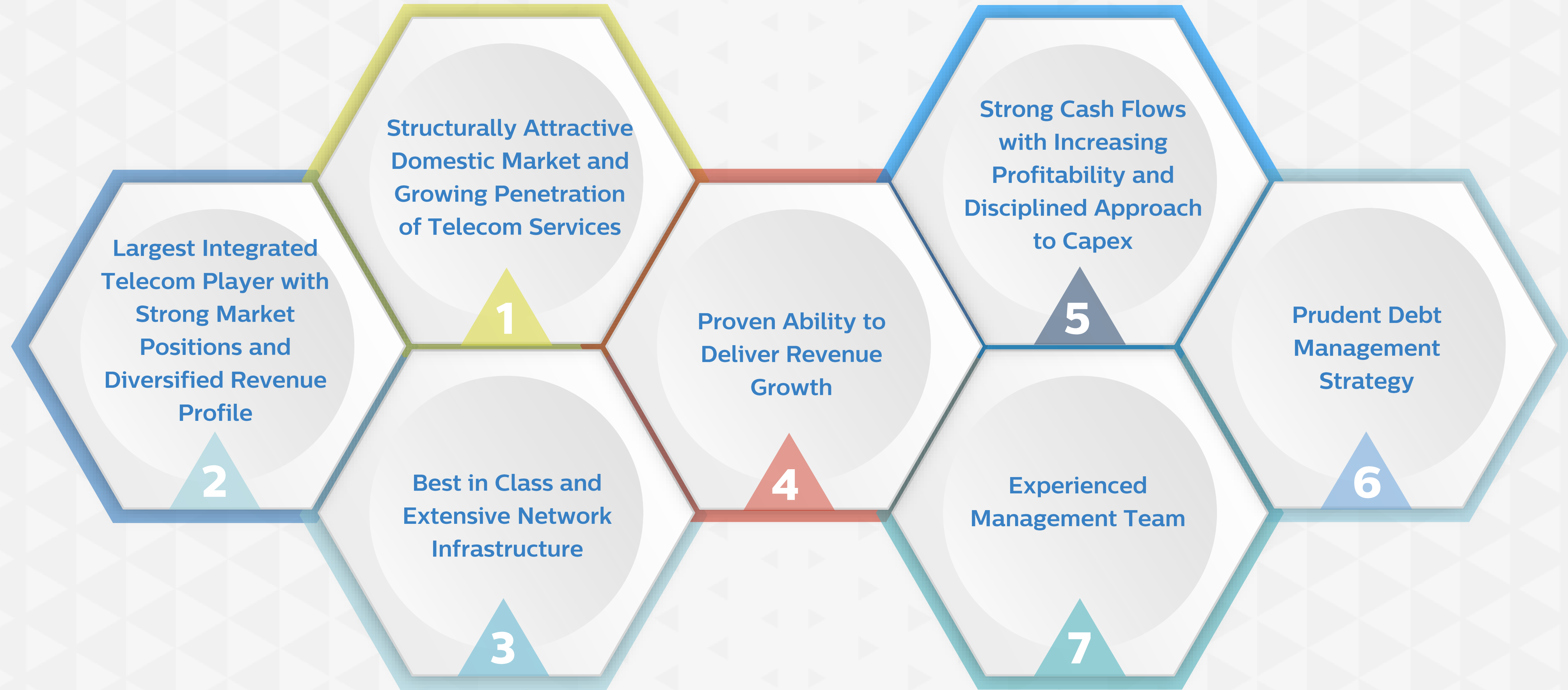


35,868

Number of employees

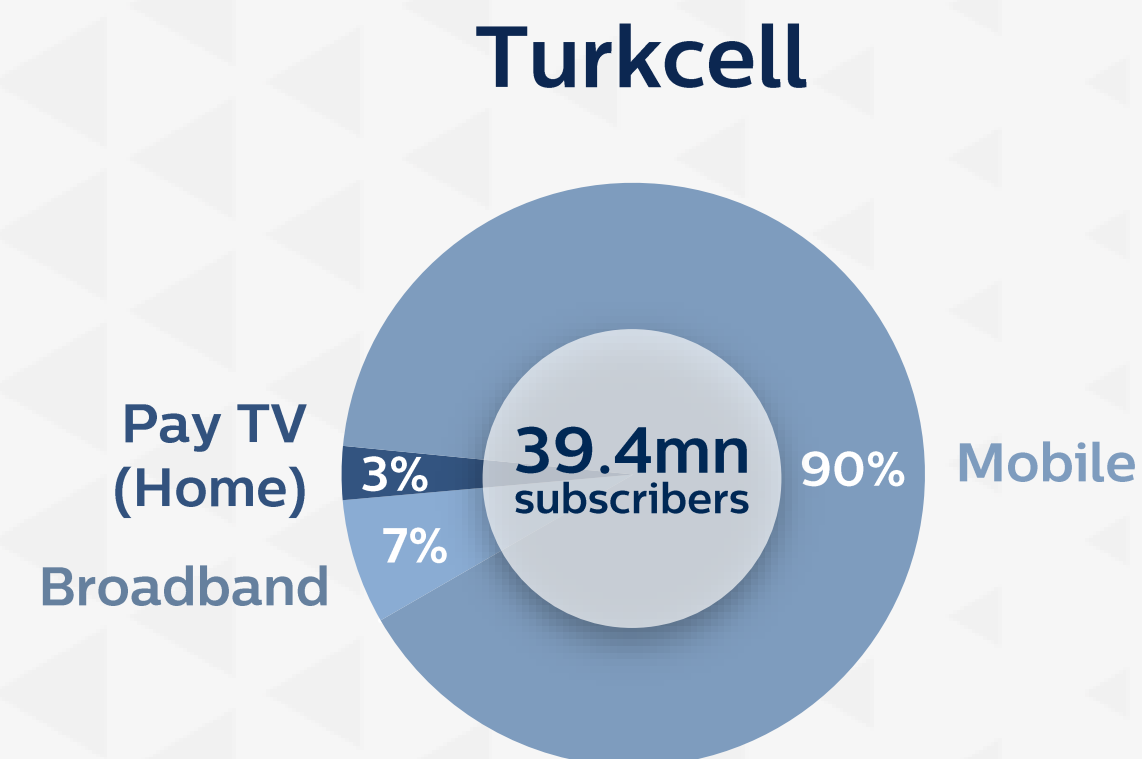
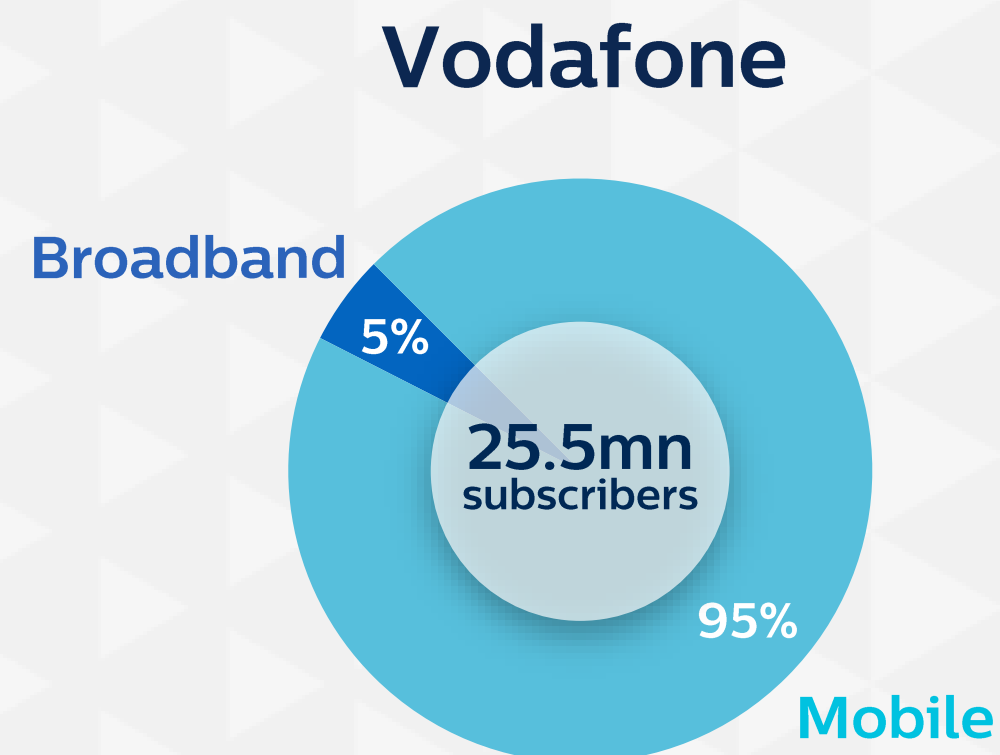
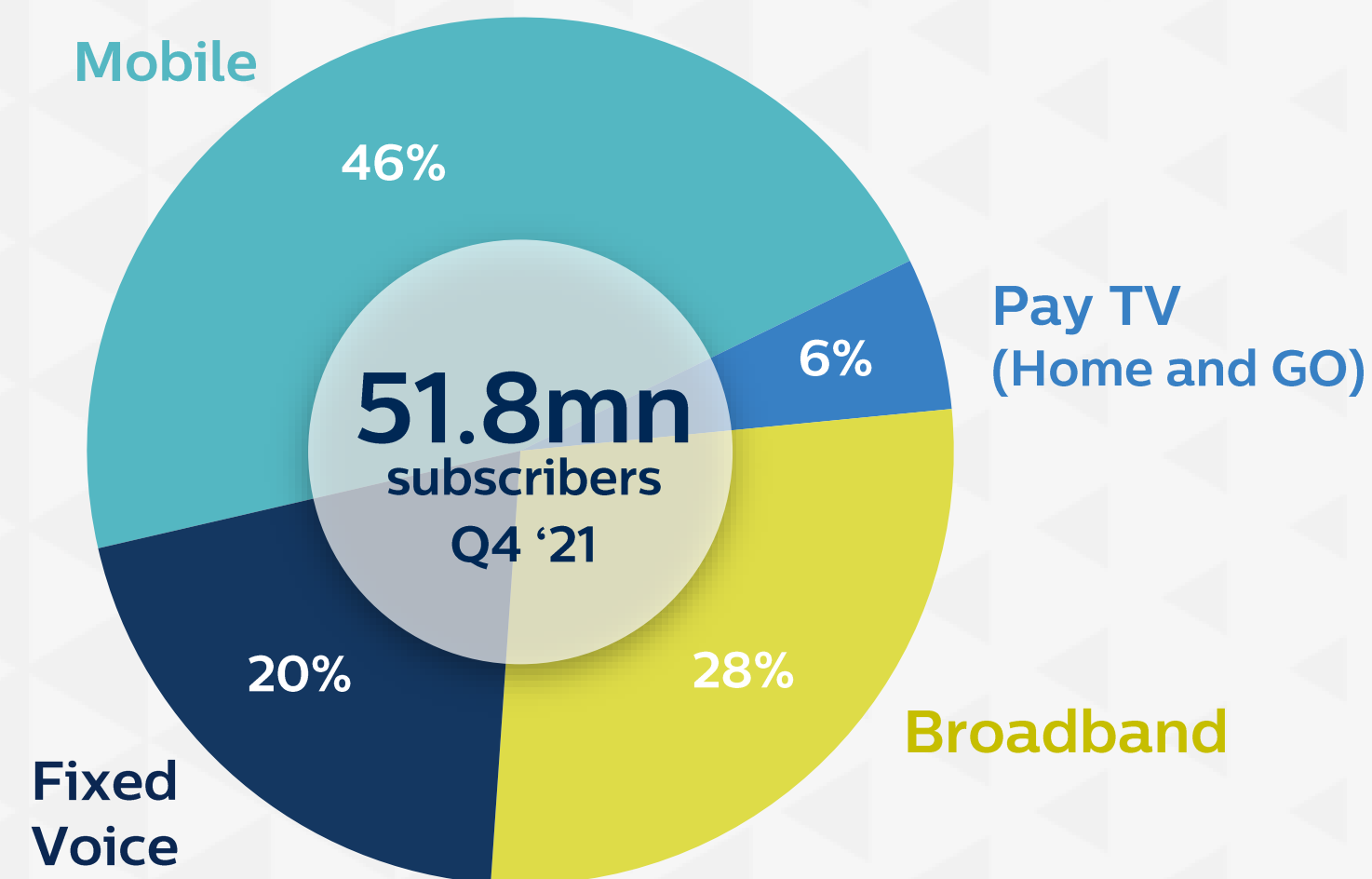
Creating More Value

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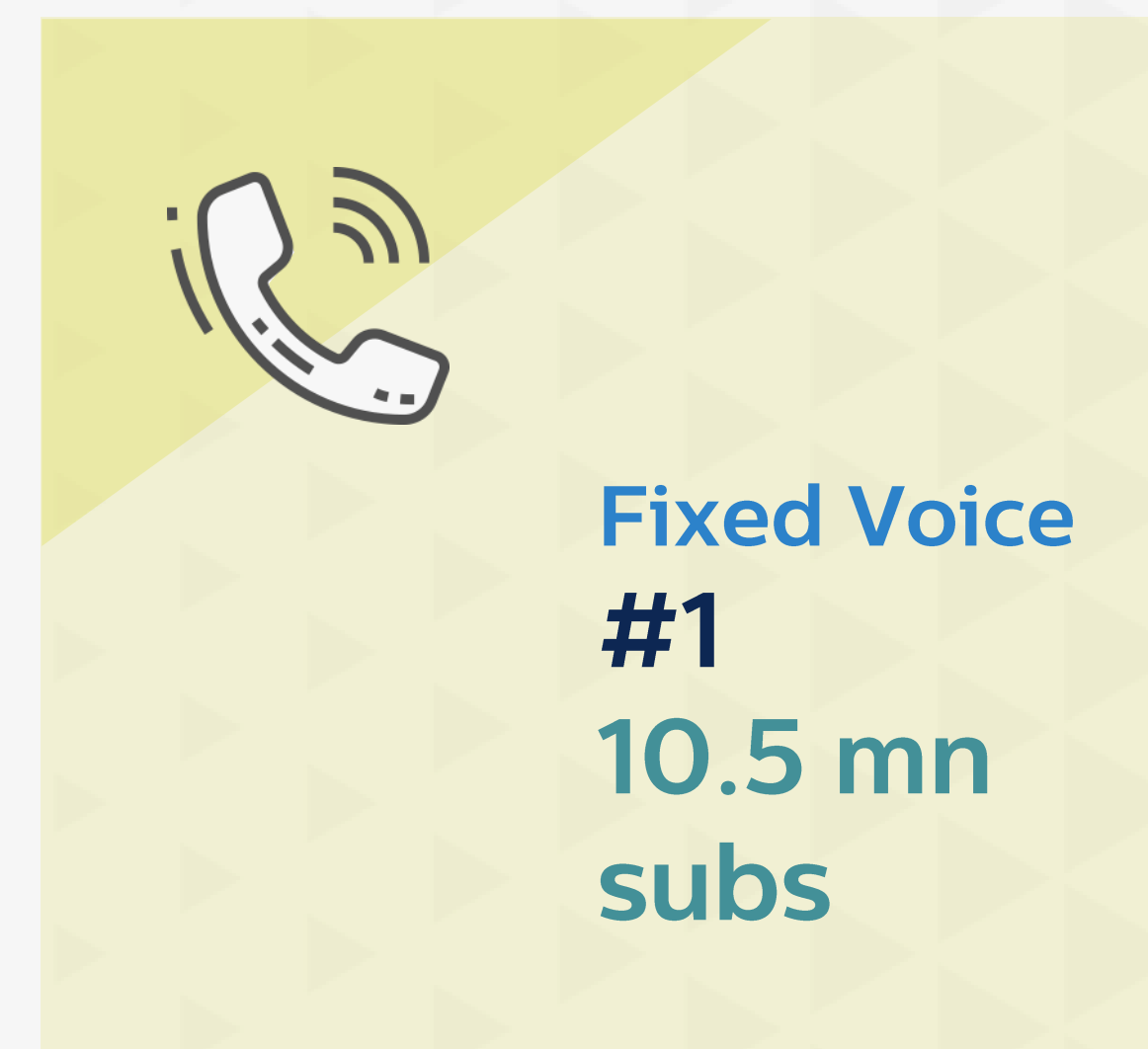
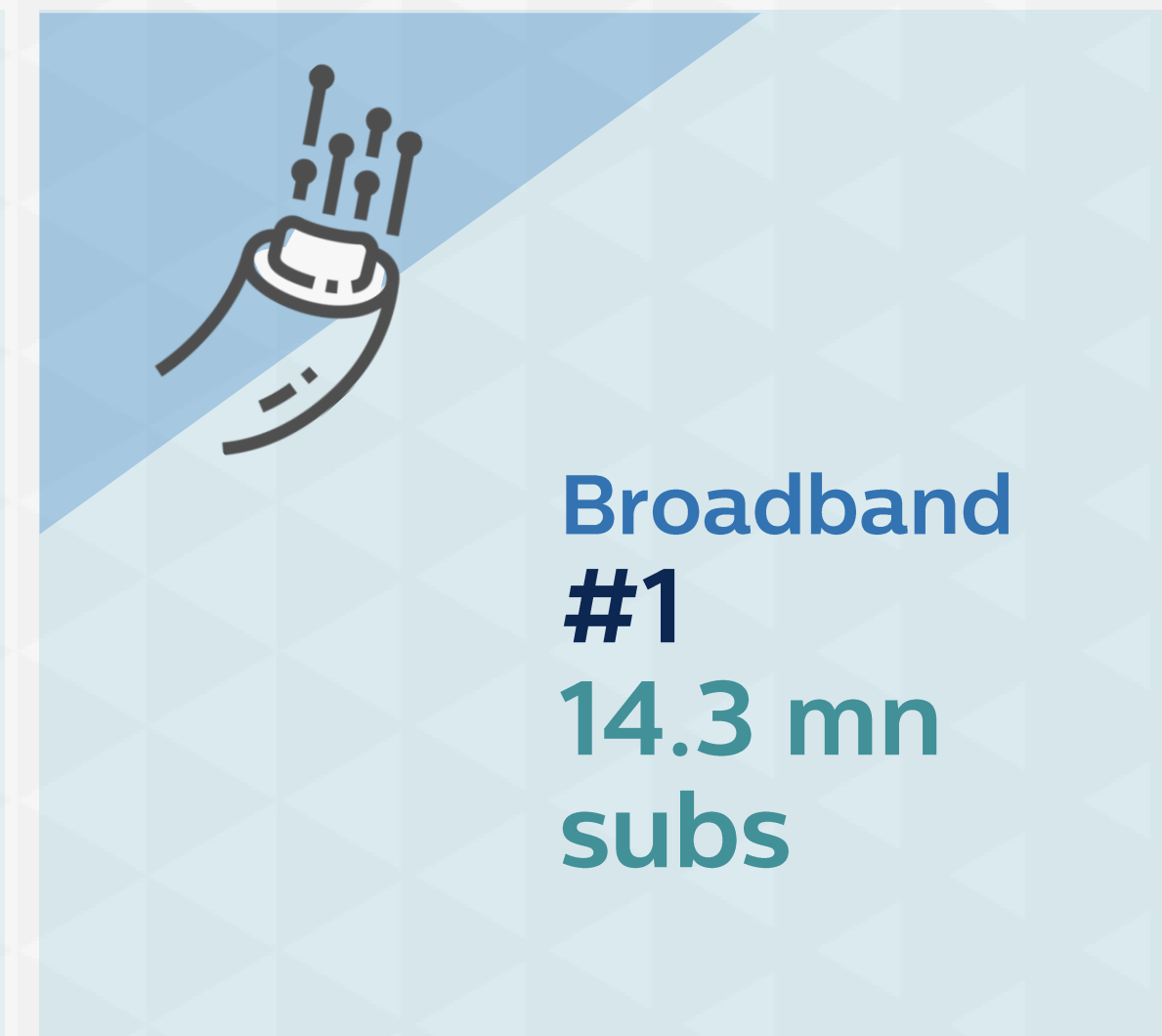
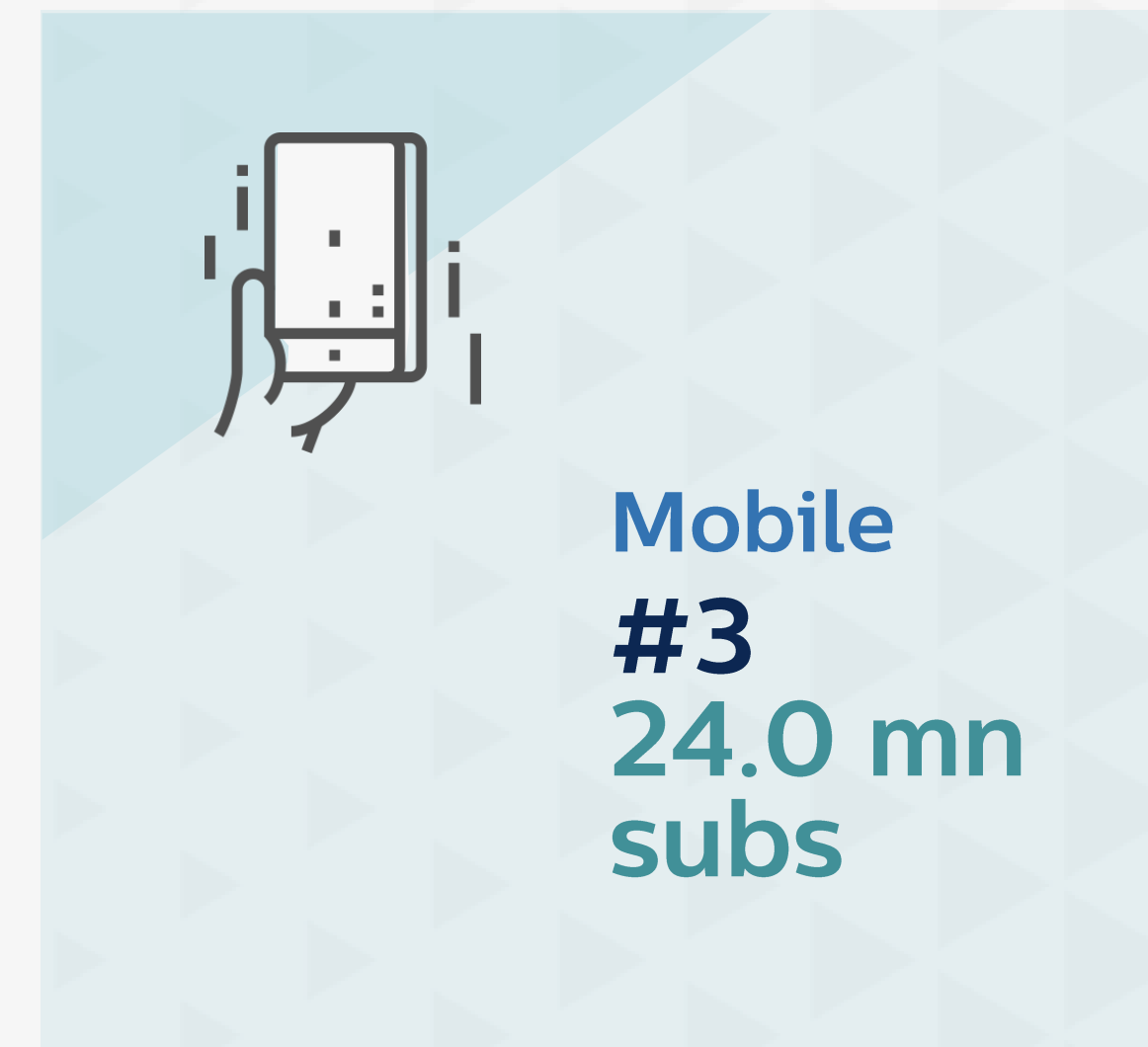


Diversified Portfolio & Strong Market Position

Diversified Subscriber Base



Turkcell and Vodafone data are from their own publications as of Q4 '21.



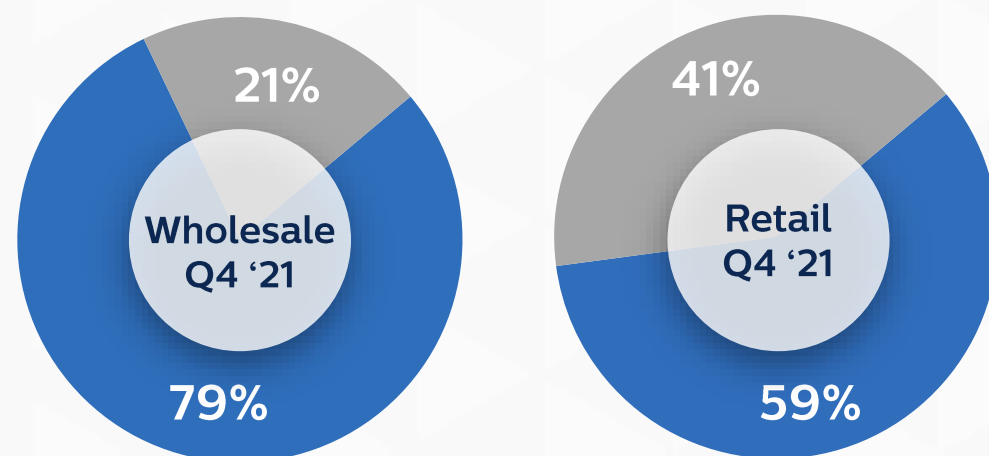
Market share ranks are from the Q4 '21 ICTA report.

Built on Solid Foundations

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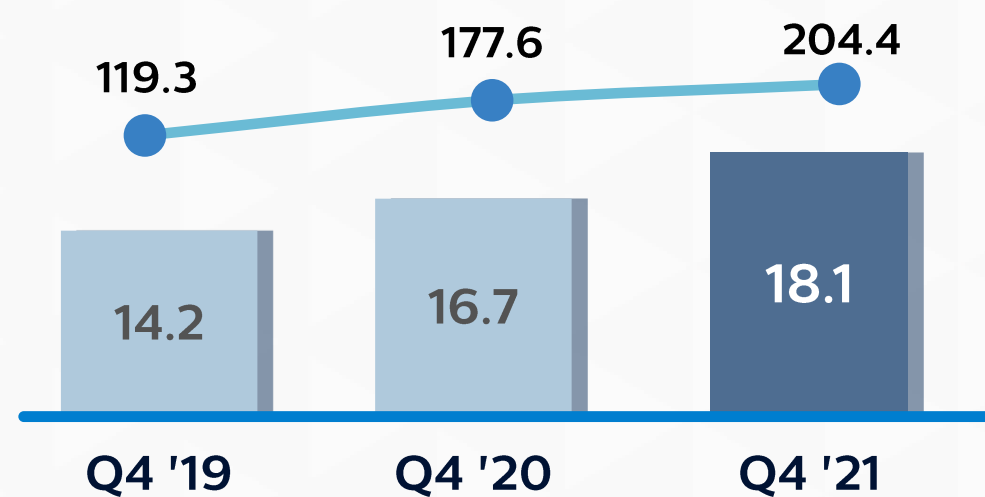
Fixed Broadband (market share)

■ Türk Telekom ■ Other



Subscribers* & Avg. Monthly Data Usage

■ Total subscribers (mn) ● Average usage (GB)

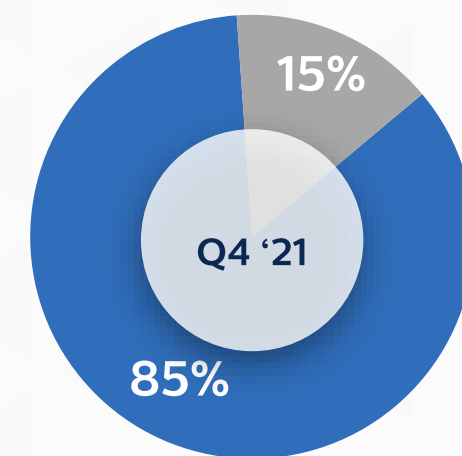


Household penetration in Europe**	Household penetration in Turkey***	Average household size in Turkey
76%	74%	3.3 People

* Dial-up and other methods are included
** As of Q3 '21
*** Based on our calculation

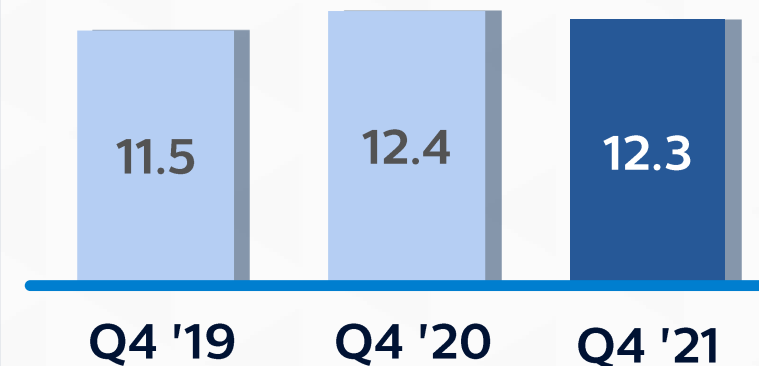
Fixed Voice (market share)

■ Türk Telekom ■ Other



Total Subscribers

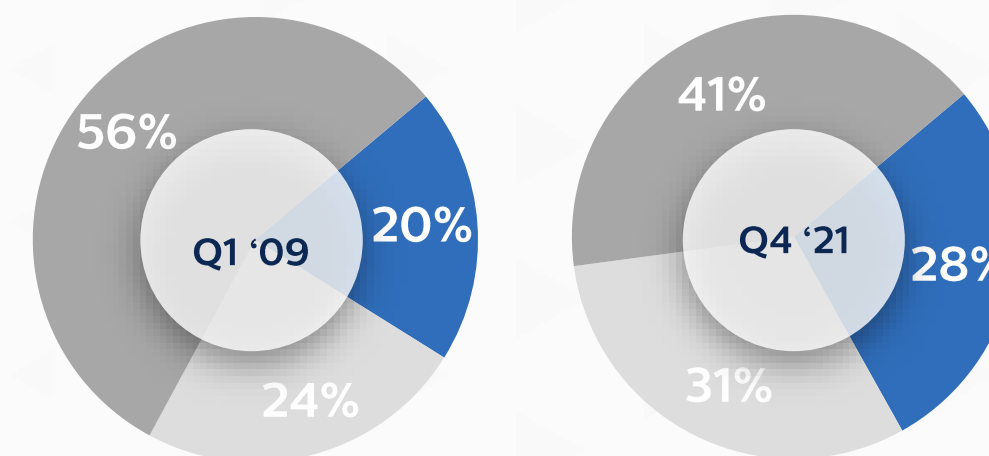
■ Total subscribers (mn)



Population penetration in Turkey
15%

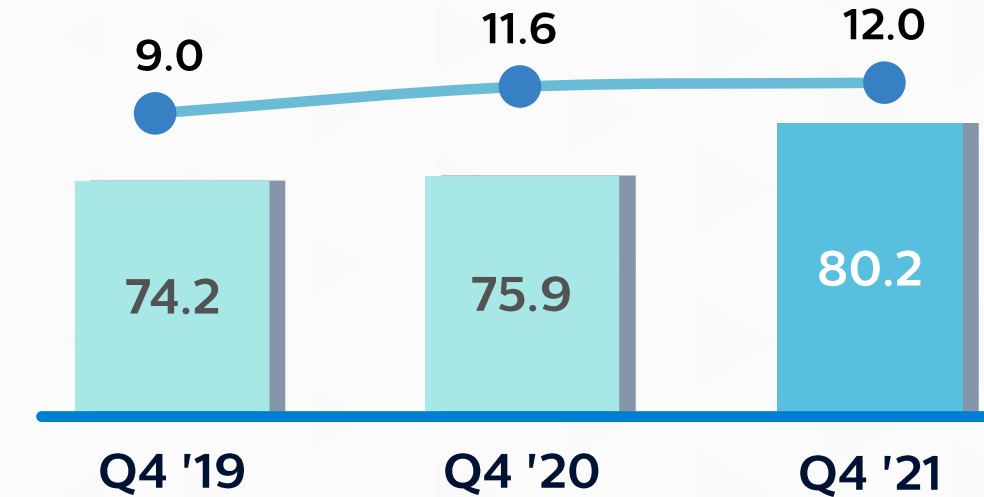
Mobile (market share)

■ Türk Telekom ■ Vodafone ■ Turkcell



4.5G Subscribers & Avg. Monthly Data Usage

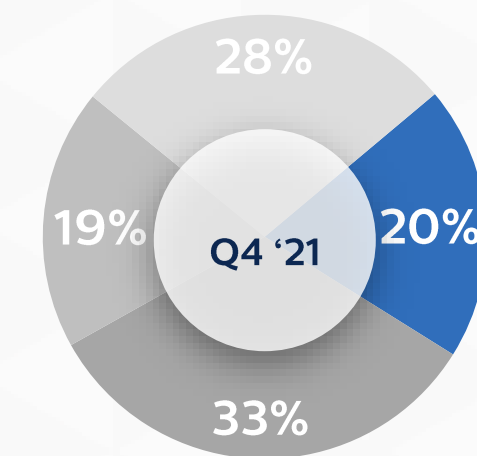
■ Total 4.5G subscribers (mn) ● Average usage of 4.5G (GB)



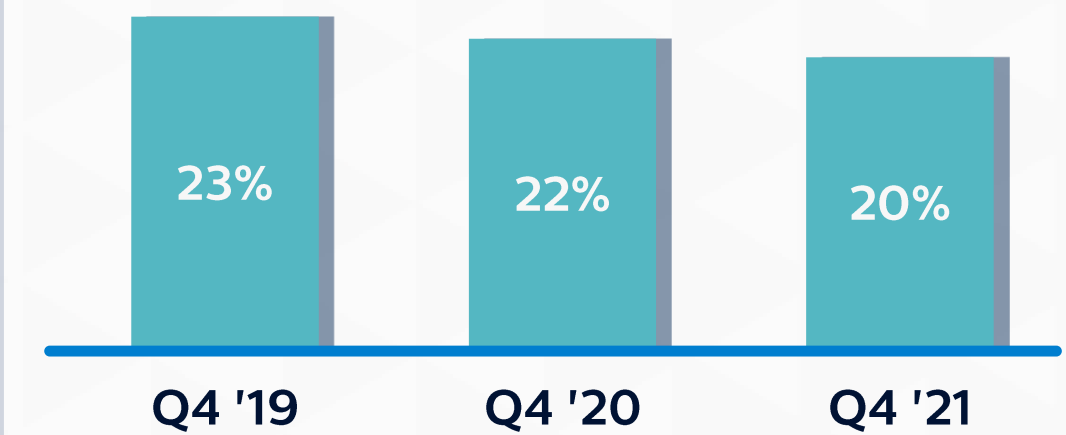
Population penetration in Europe	Population penetration in Turkey	Mobile broadband population penetration in Europe	Mobile broadband population penetration in Turkey
130%	102%	118%	82%

Pay TV (Home and GO) (market share)

■ Türk Telekom ■ Digiturk ■ Cable ■ Other



Tivibu Home Subscriber Market Share



Household penetration in Europe**	Household penetration in Turkey***
86%	30%

** As of Q3 '21
*** Based on our calculation

2021 Highlights



Net Subscriber Additions

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Broadband

266K

Q4 '21

919K

2021

51.8mn
Subscribers

Net
additions*

393K
in Q4 '21

1.5mn
in 2021



Mobile

171K

Q4 '21

844K

2021



Fixed Voice

-15K

Q4 '21

-124K

2021



* Includes Tivibu

Financial & Operational Overview

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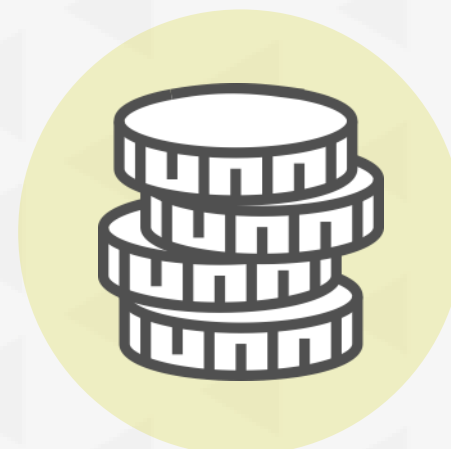
2021 Highlights



Total Subscribers

51.8 mn

▲ 3% YoY



Revenue

TL 34.3 bn

▲ 21% YoY



EBITDA

TL 16.4 bn

▲ 24% YoY



EBITDA Margin

47.9%

▲ 110bps YoY



Net Income

TL 5.8 bn

▲ 81% YoY



Free Cash Flow

TL 8.3 bn

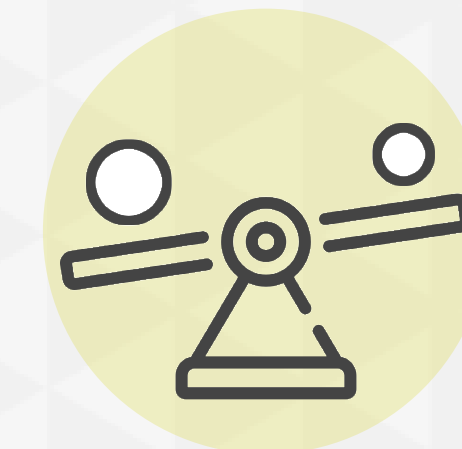
▲ 21% YoY



CAPEX

TL 8.8 bn

▲ 31% YoY



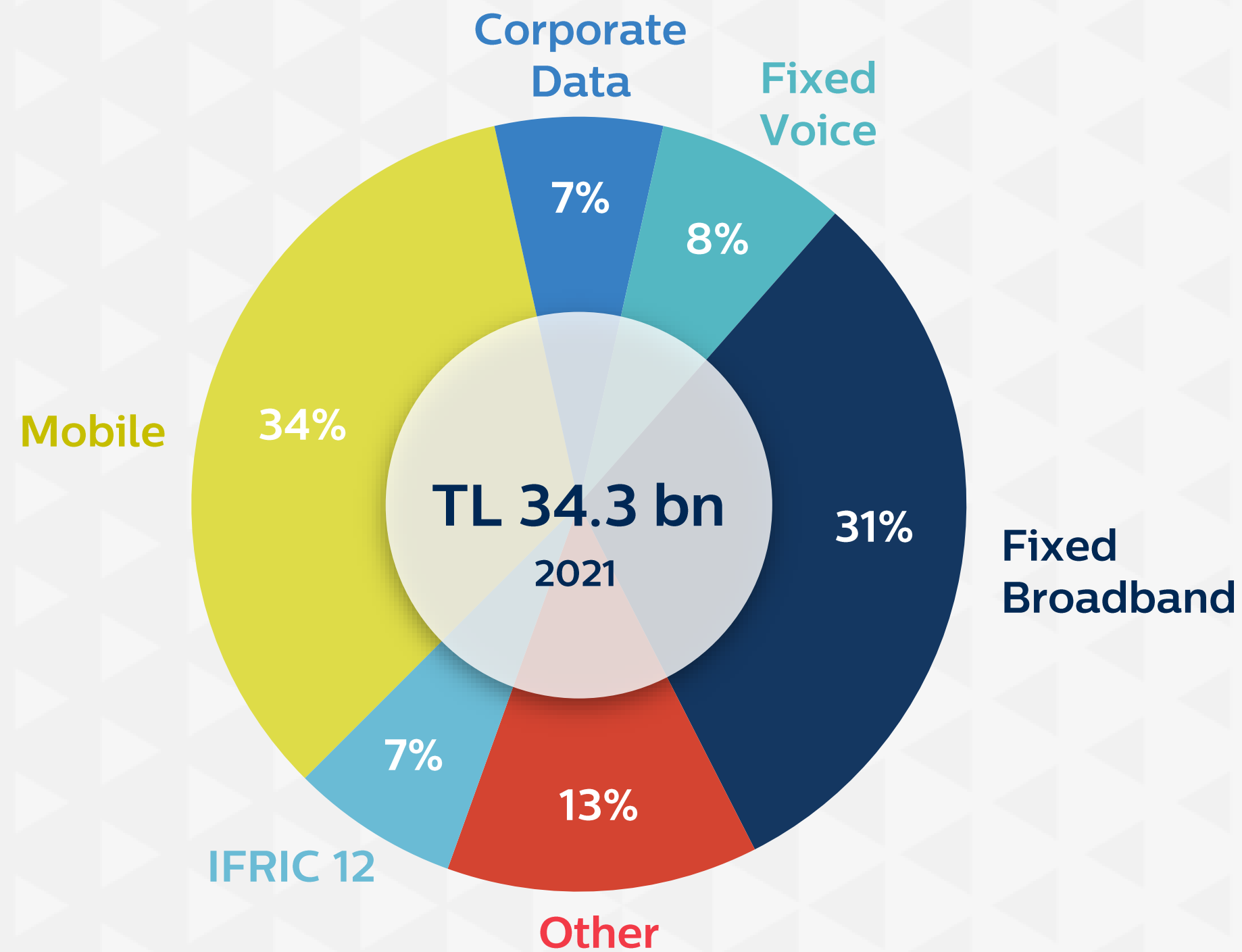
Net Leverage

1.11x

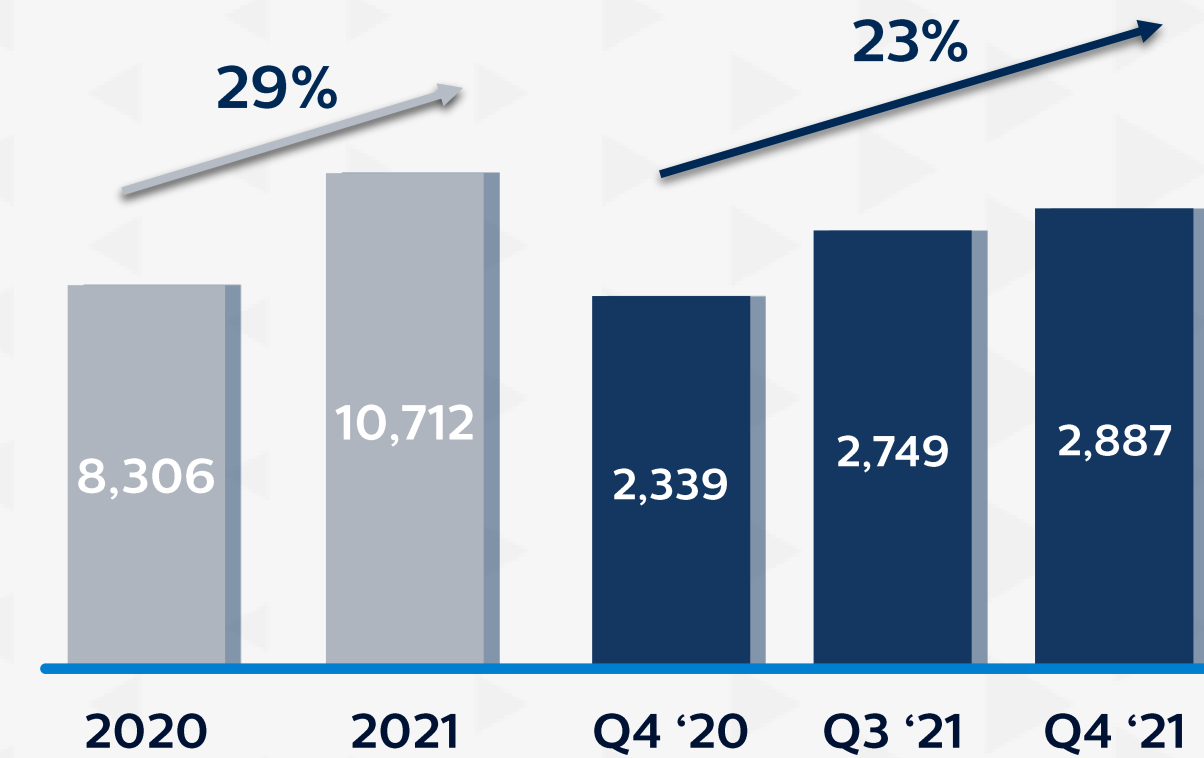
Q4 '20 1.15x

High Growth Areas

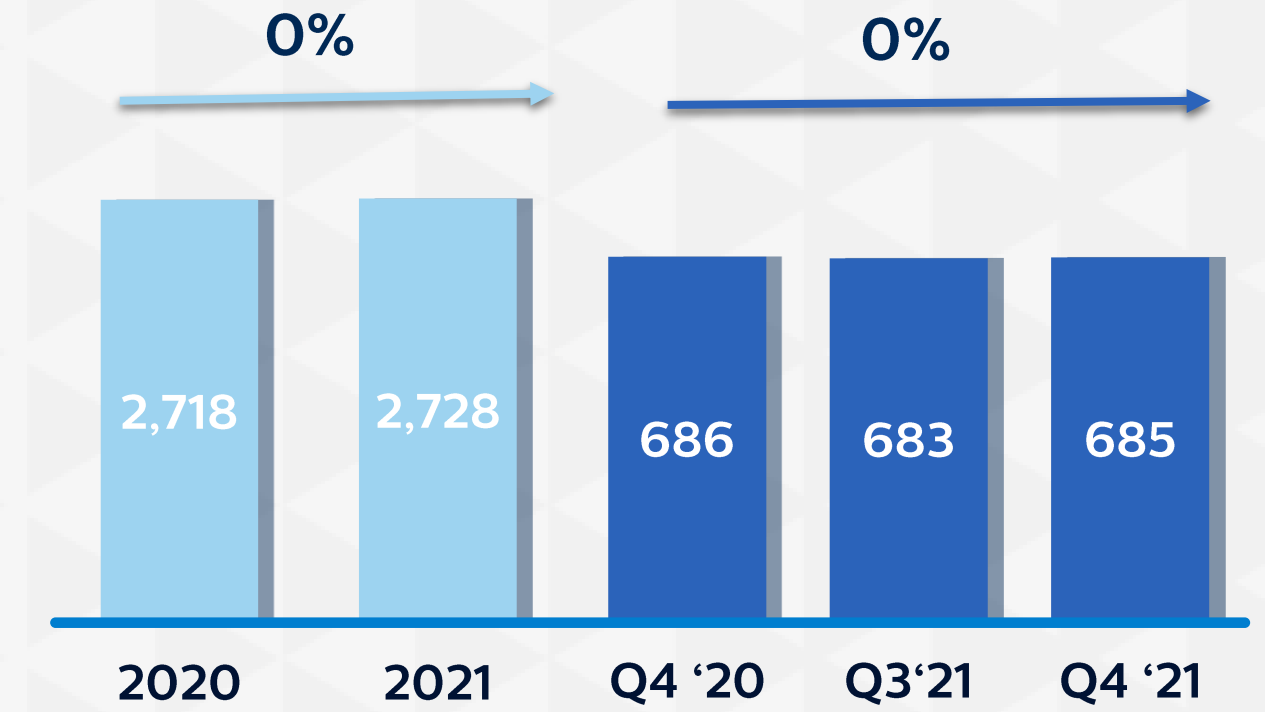
2021 Revenue Breakdown (% of Consolidated Revenue)



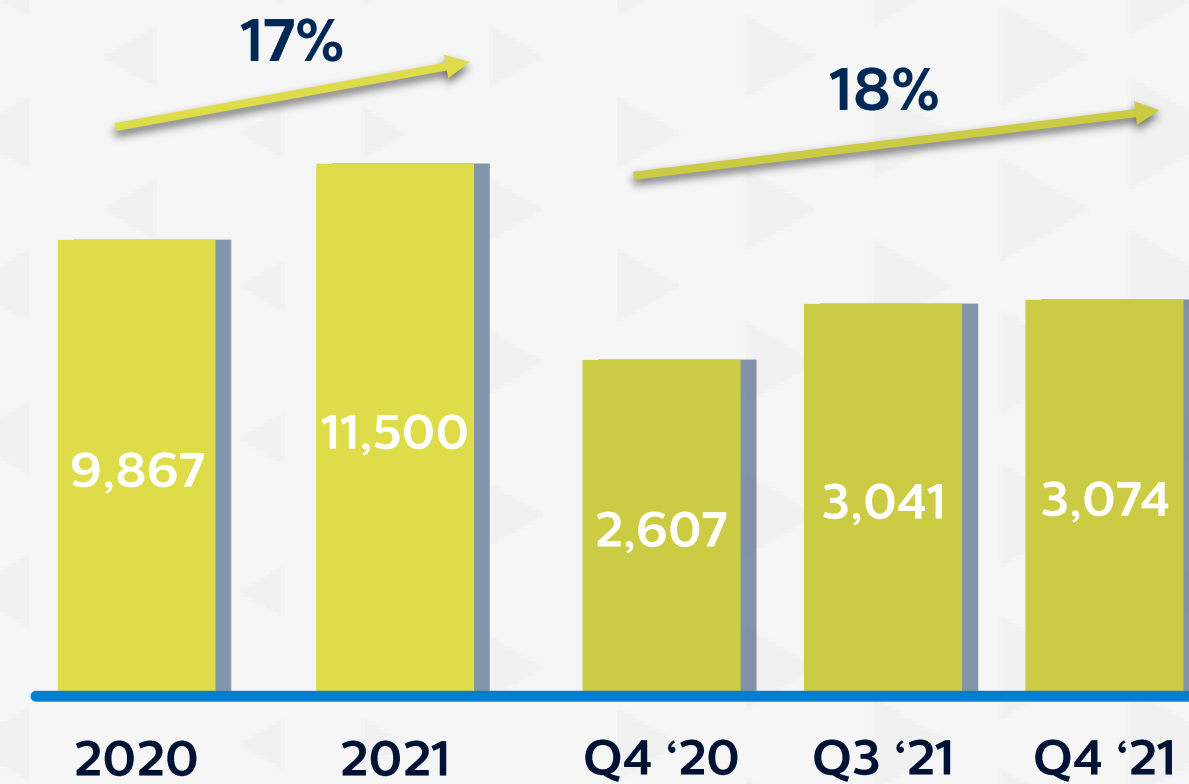
Fixed Broadband (TL mn)



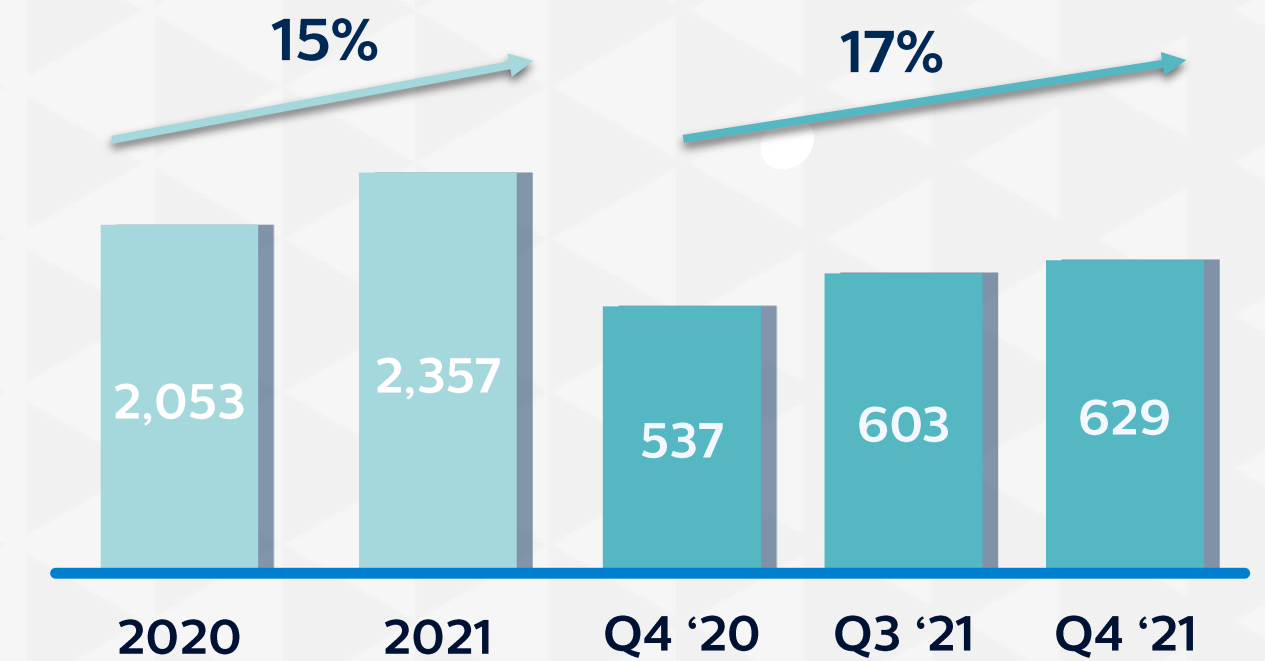
Fixed Voice (TL mn)



Mobile (TL mn)



Corporate Data (TL mn)

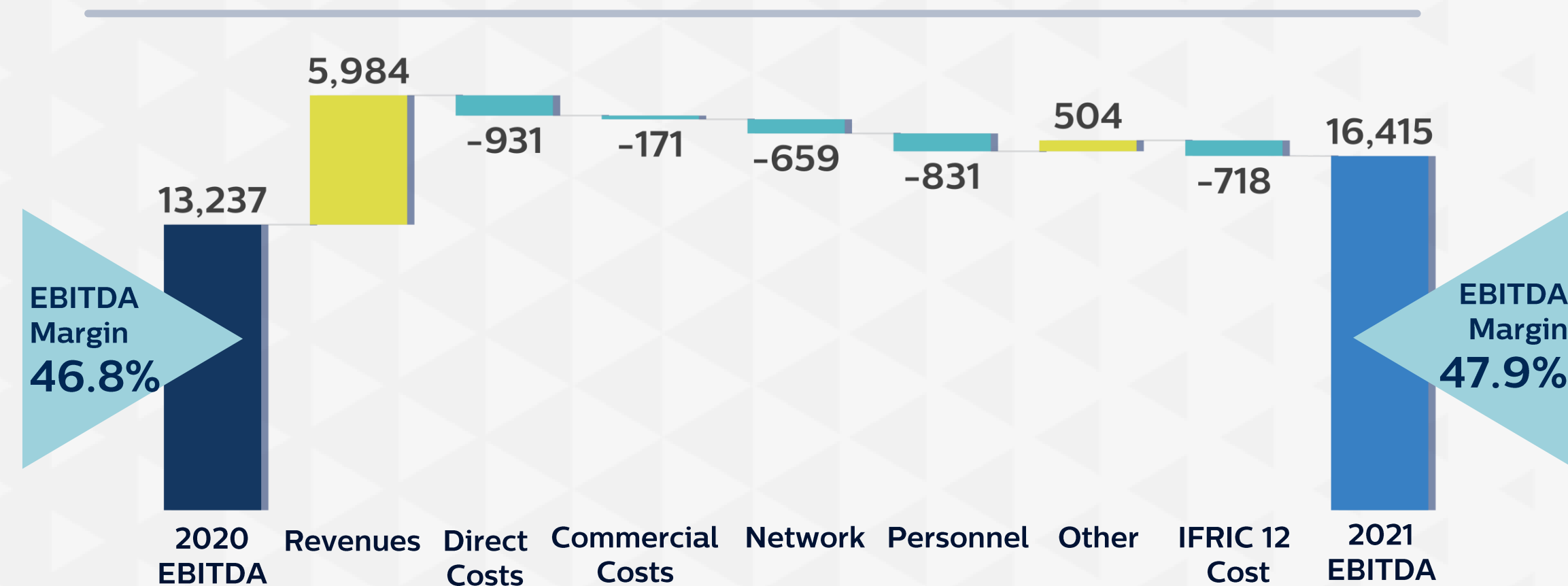
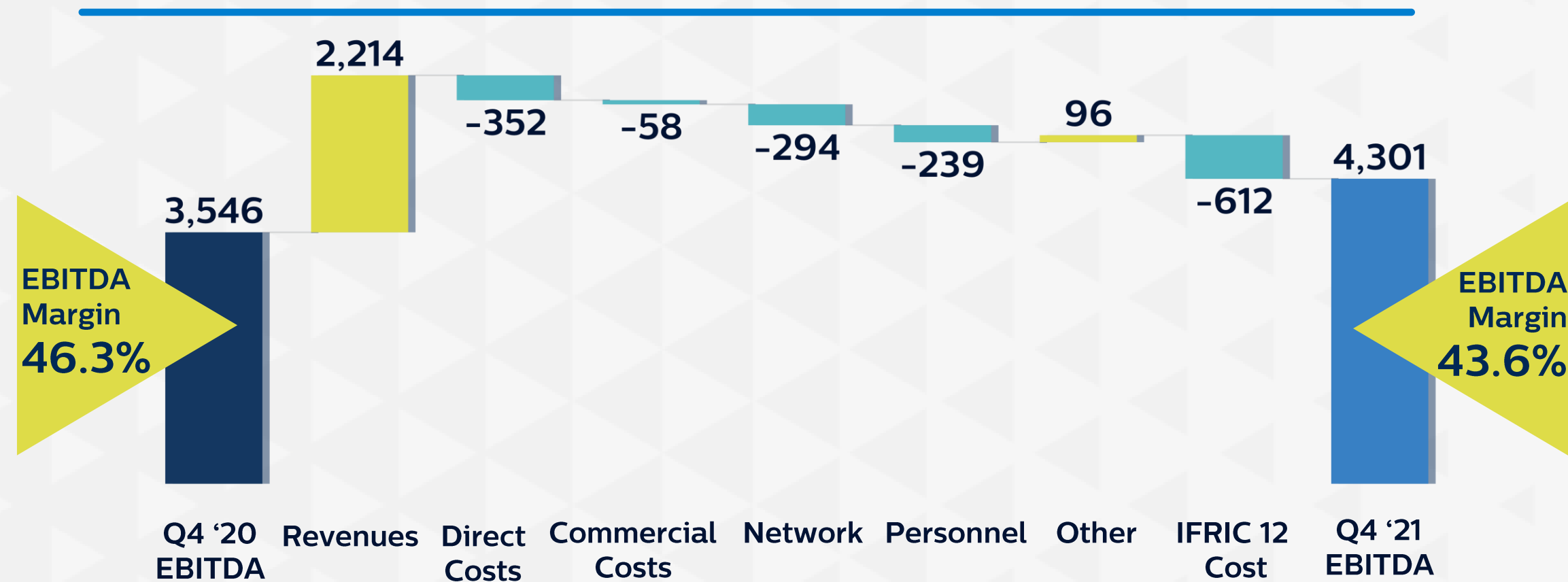


Proactive Margin Management

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Consolidated EBITDA Development

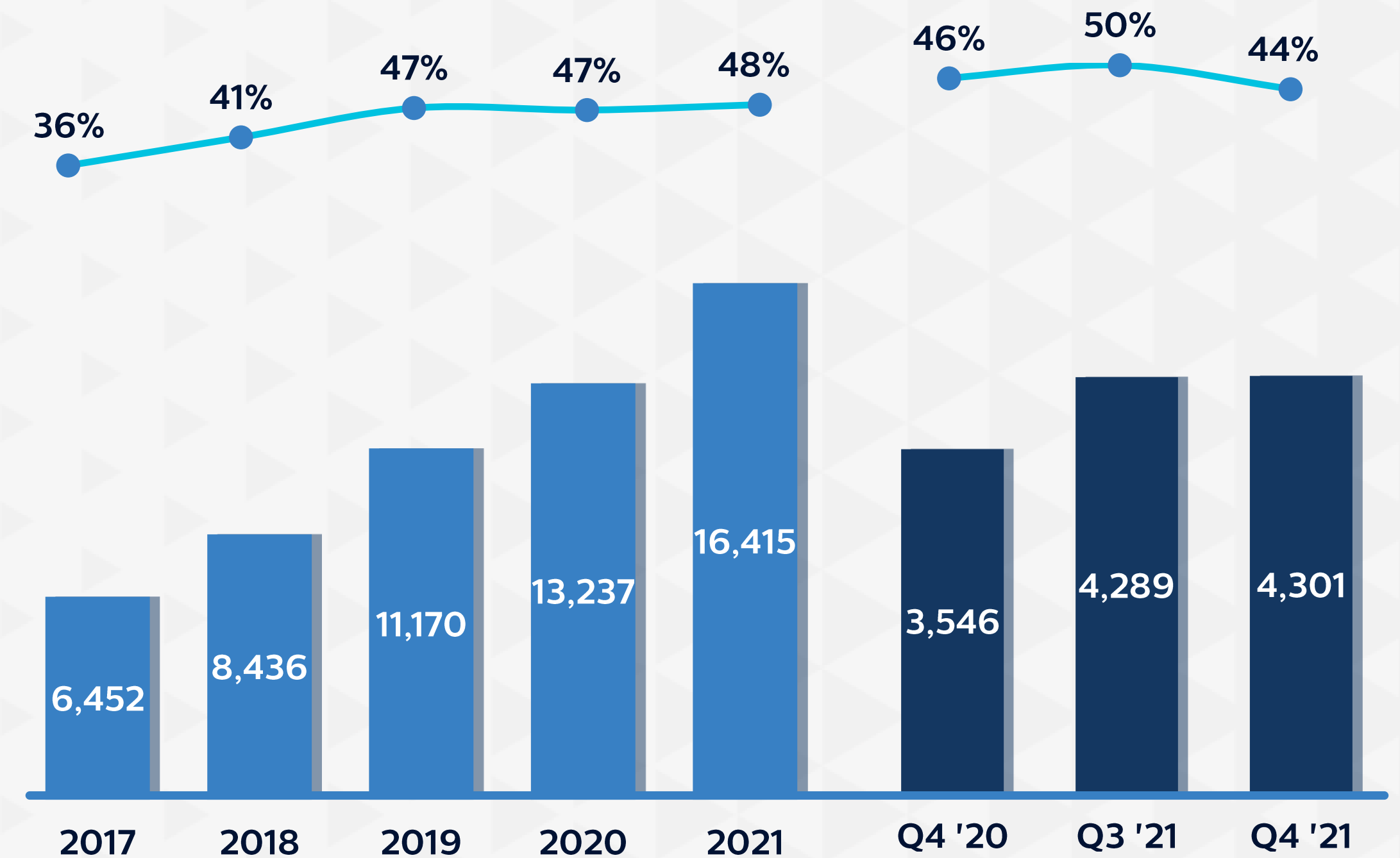
(TL mn)



EBITDA & EBITDA Margin

(TL mn)

■ EBITDA (TL mn) ● EBITDA Margin

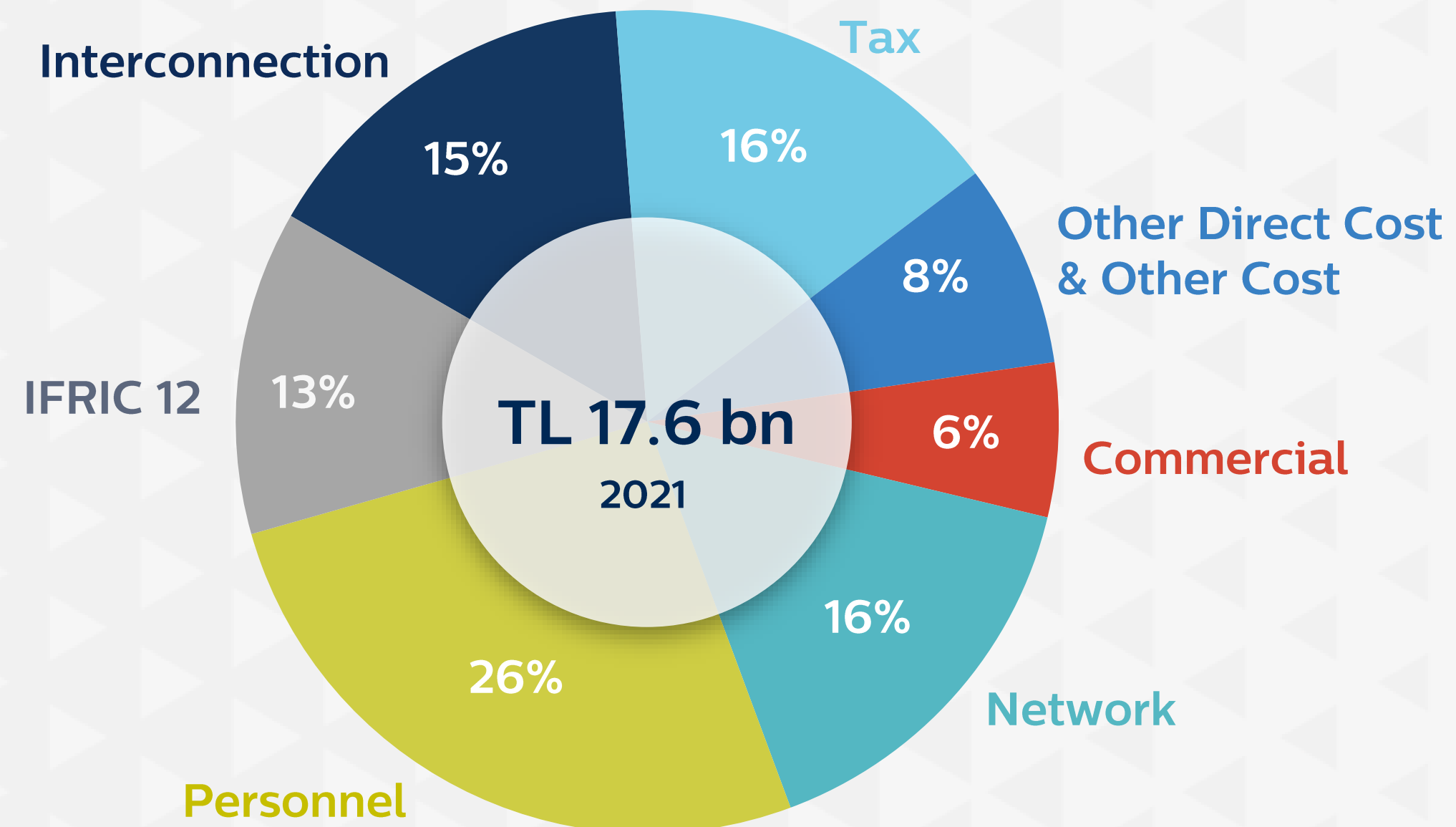


Türk Telekom adopted IFRS 15 and IFRS 16 accounting standards starting from 1 January 2018 and 1 January 2019, respectively. For further details please refer to "Financial Footnotes" & "Summary Financial and Operational xls" on our web site.

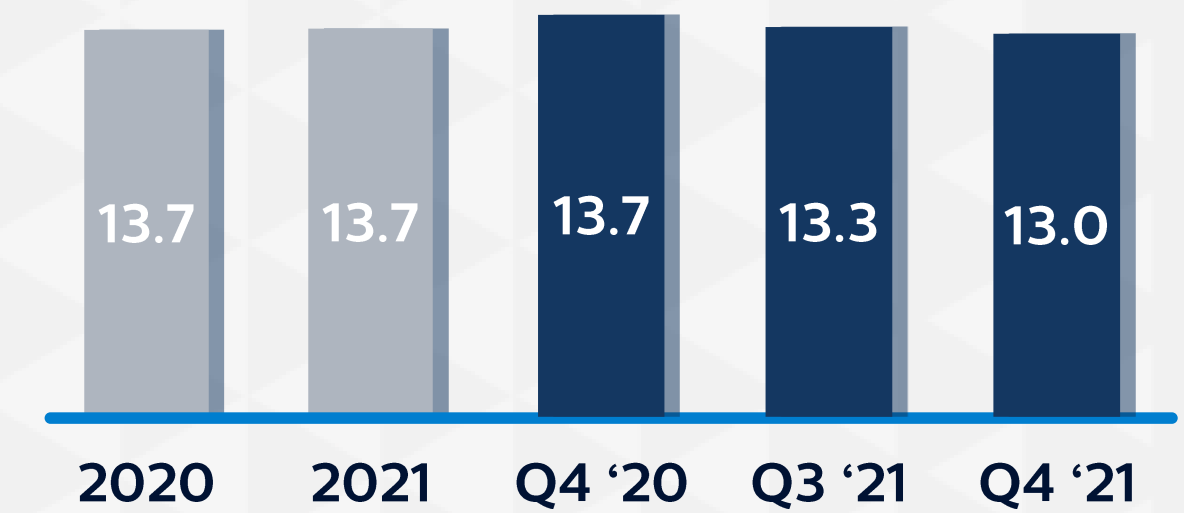
Focus on Efficiency

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2021 Opex Breakdown (% of Consolidated Opex)



Personnel Expense to Sales (%)



Provision for Doubtful Receivables to Sales (%)



Commercial Cost to Sales (%)

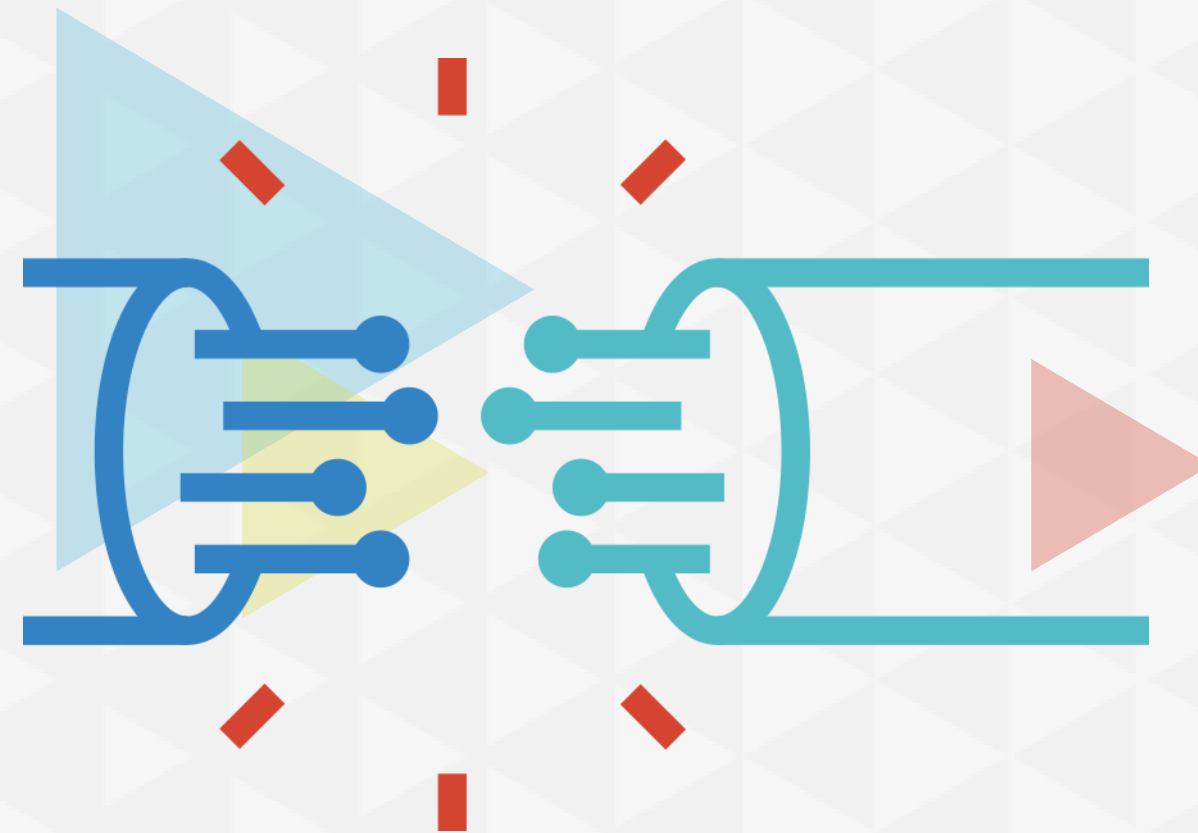


Business Lines

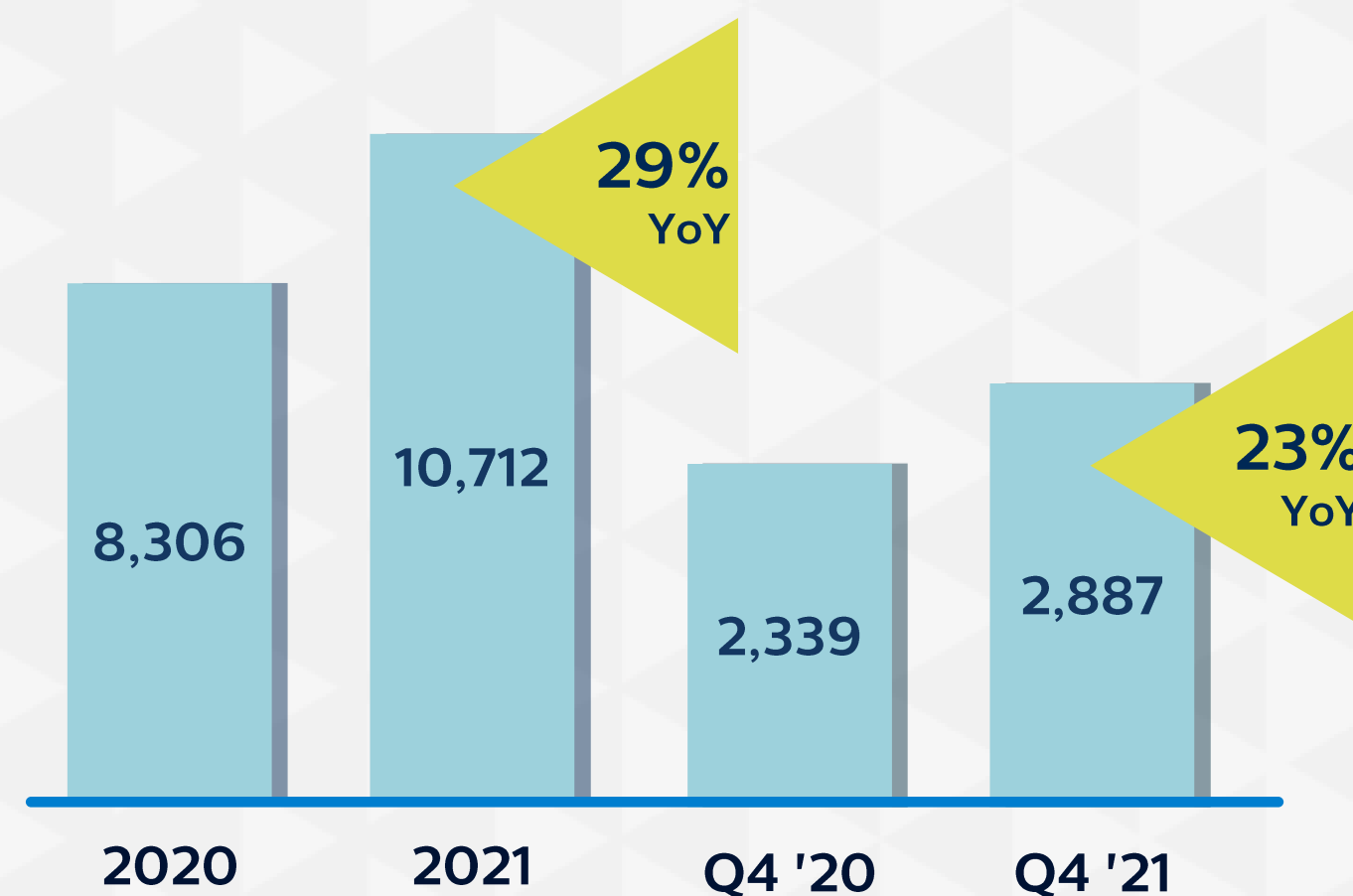


Fixed Broadband Performance

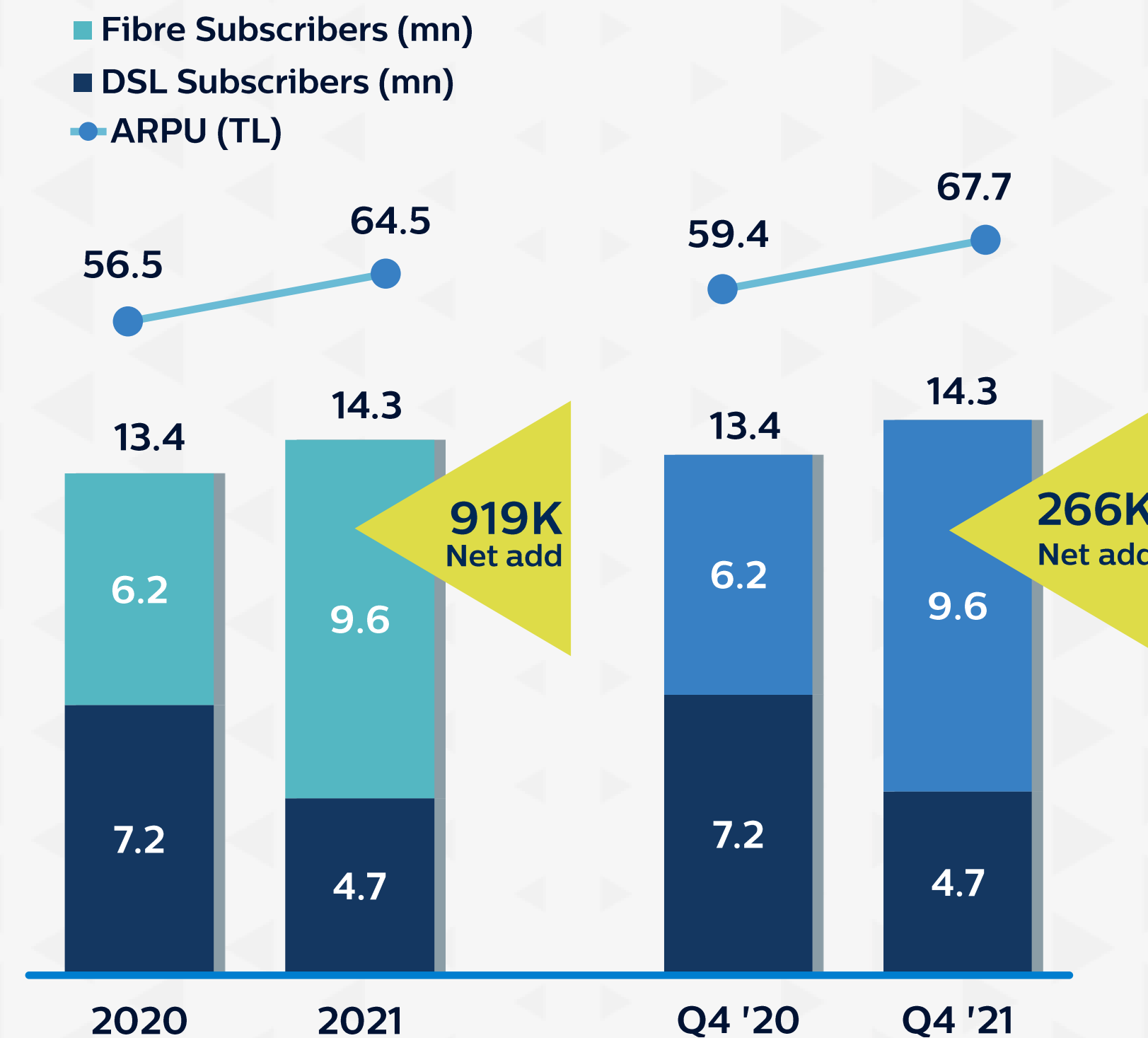
16



Fixed Broadband Revenue (TL mn)

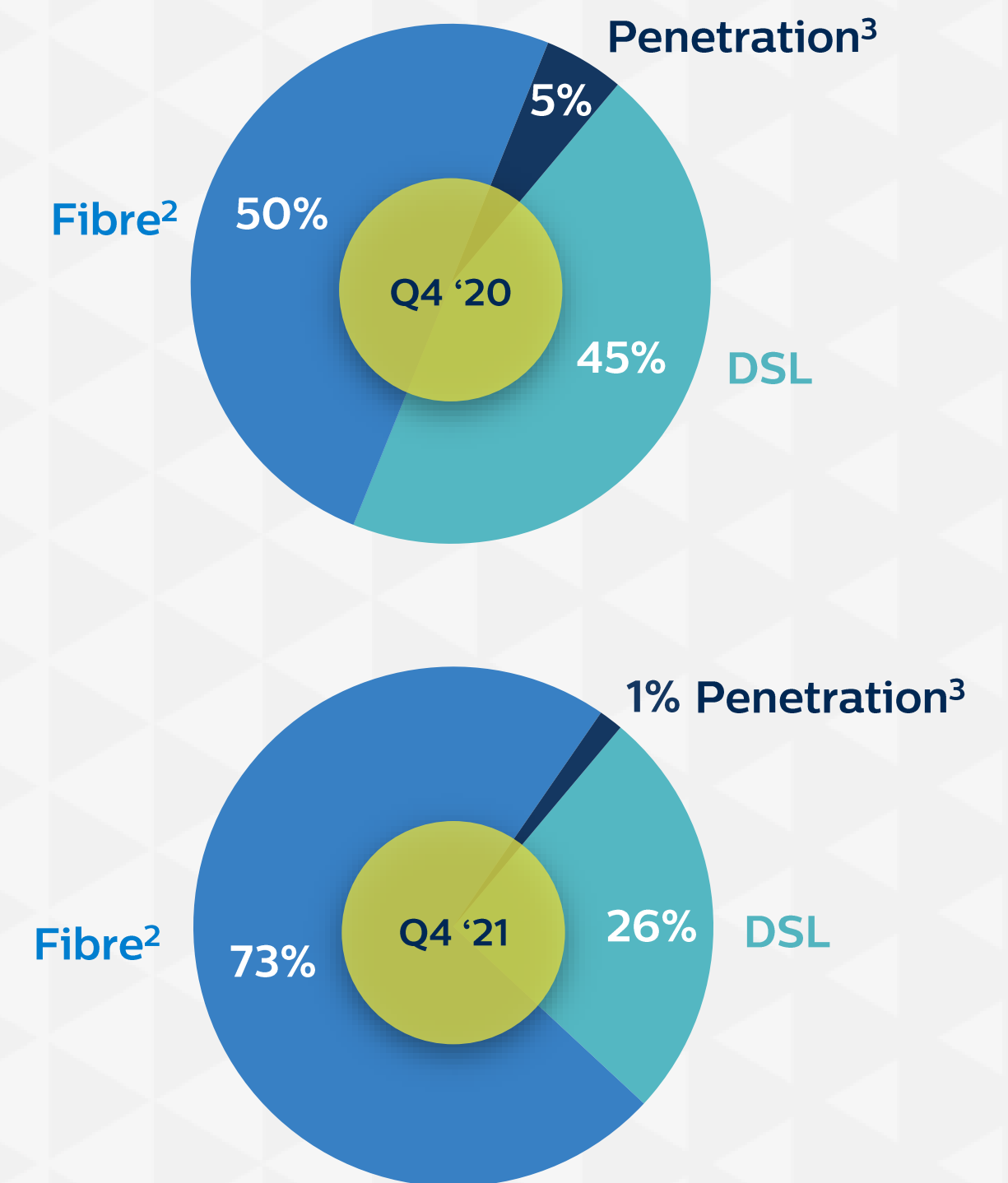


ARPU & Subscribers



Subscriber Breakdown¹

(% of Subscribers)



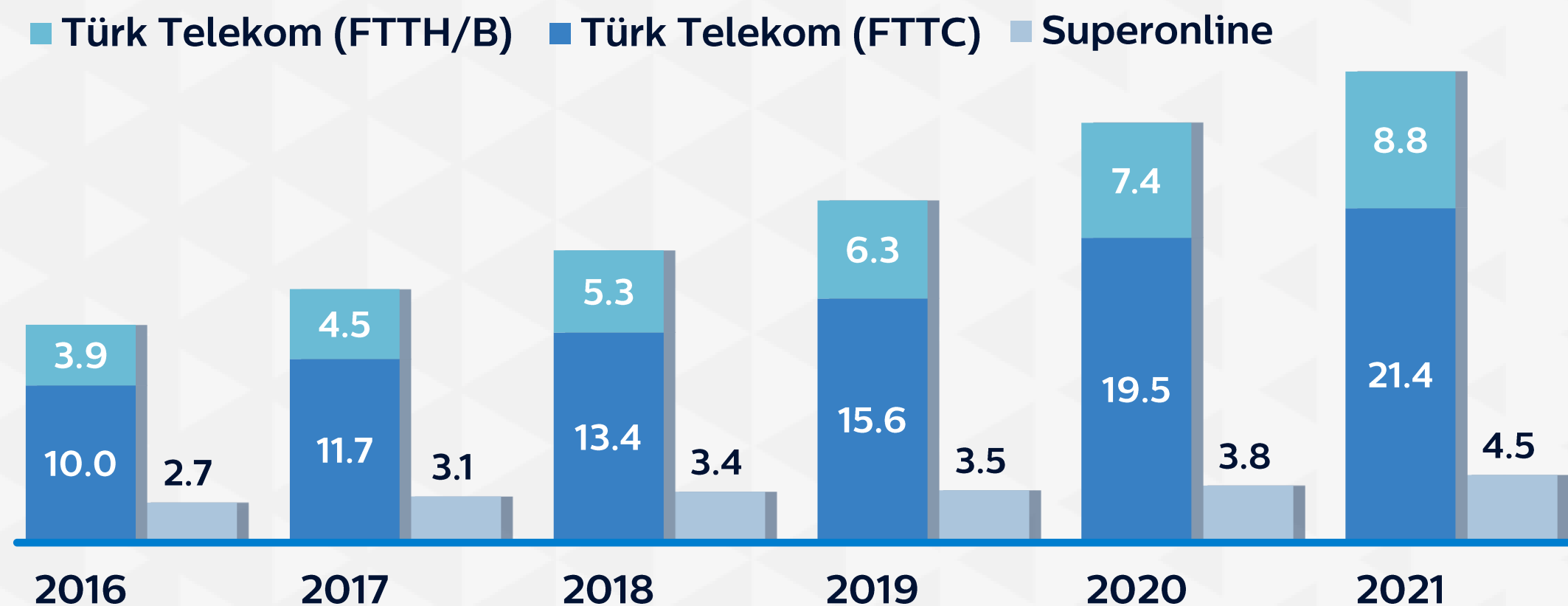
- (1) Retail only
- (2) Fibre subscribers include FTTH/B & FTTC subscribers
- (3) Customers acquired through penetration campaigns

Extensive Fibre Network

Türk Telekom Fibre Network



Fibre Homepass (mn)



All Turkcell data is based on Turkcell's own publications as of Q4 '21.

Superonline Fibre Network



- ▶ Presence in 28 cities of Turkey
- ▶ Wholesale customer of Türk Telekom

Fibre Subscribers (mn)



- ▶ Unrivalled fibre network
- ▶ Strong prospects for monetisation
- ▶ Best placed to benefit from move towards higher connection speeds
- ▶ Well-equipped to support 5G/small-cell deployment

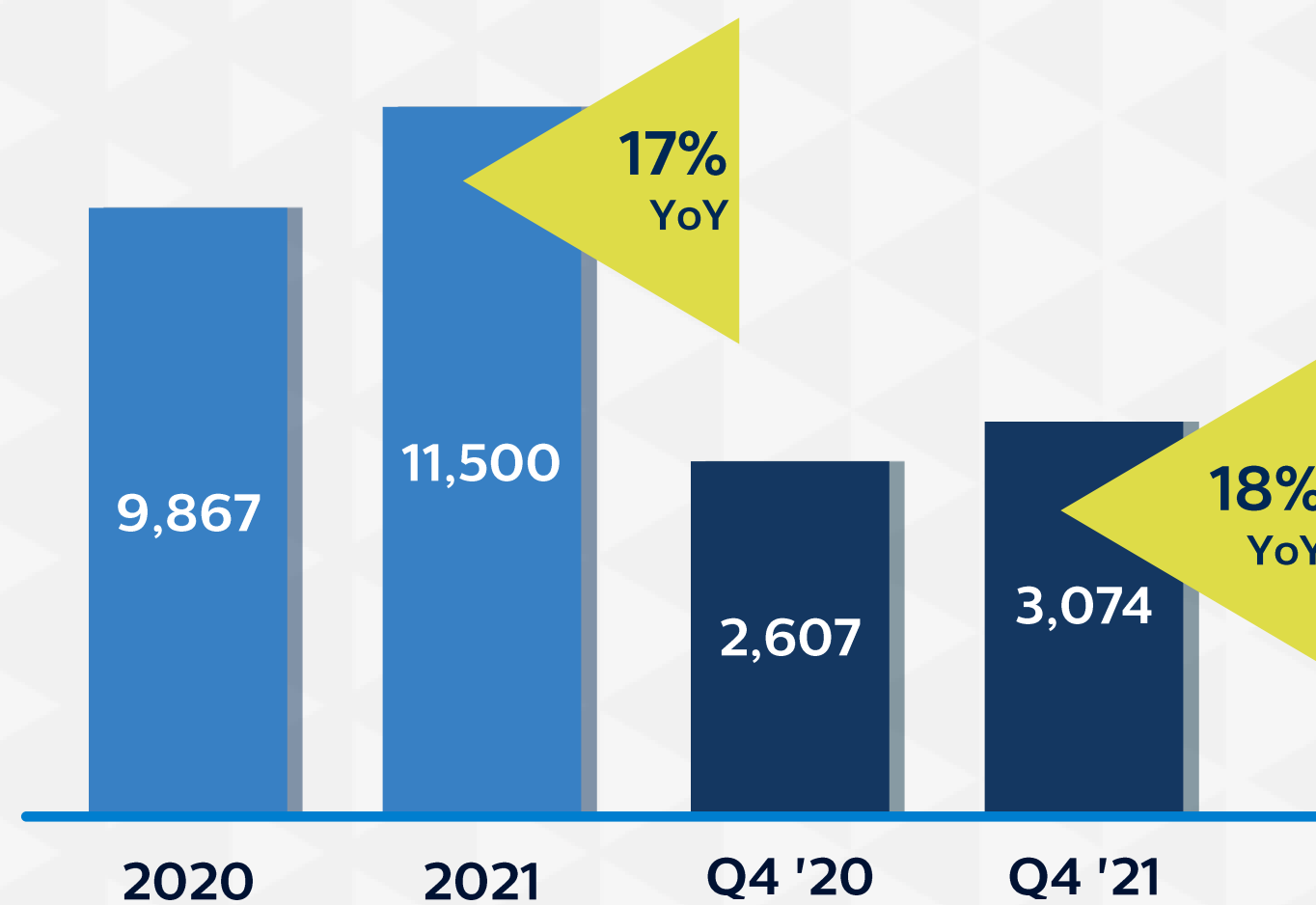
Fibre subscribers include FTTH/B & FTTC subscribers.

Mobile Performance

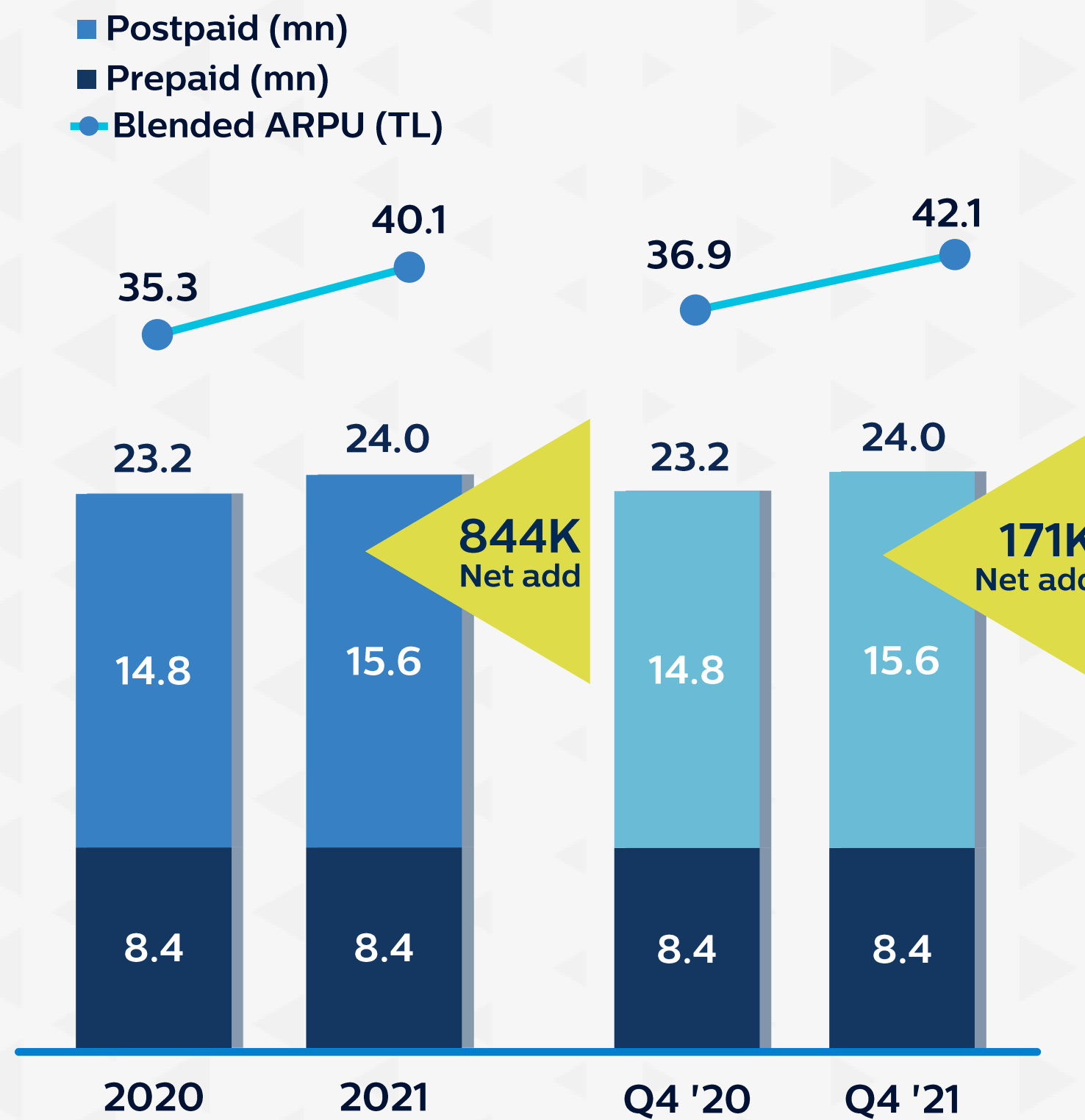
18



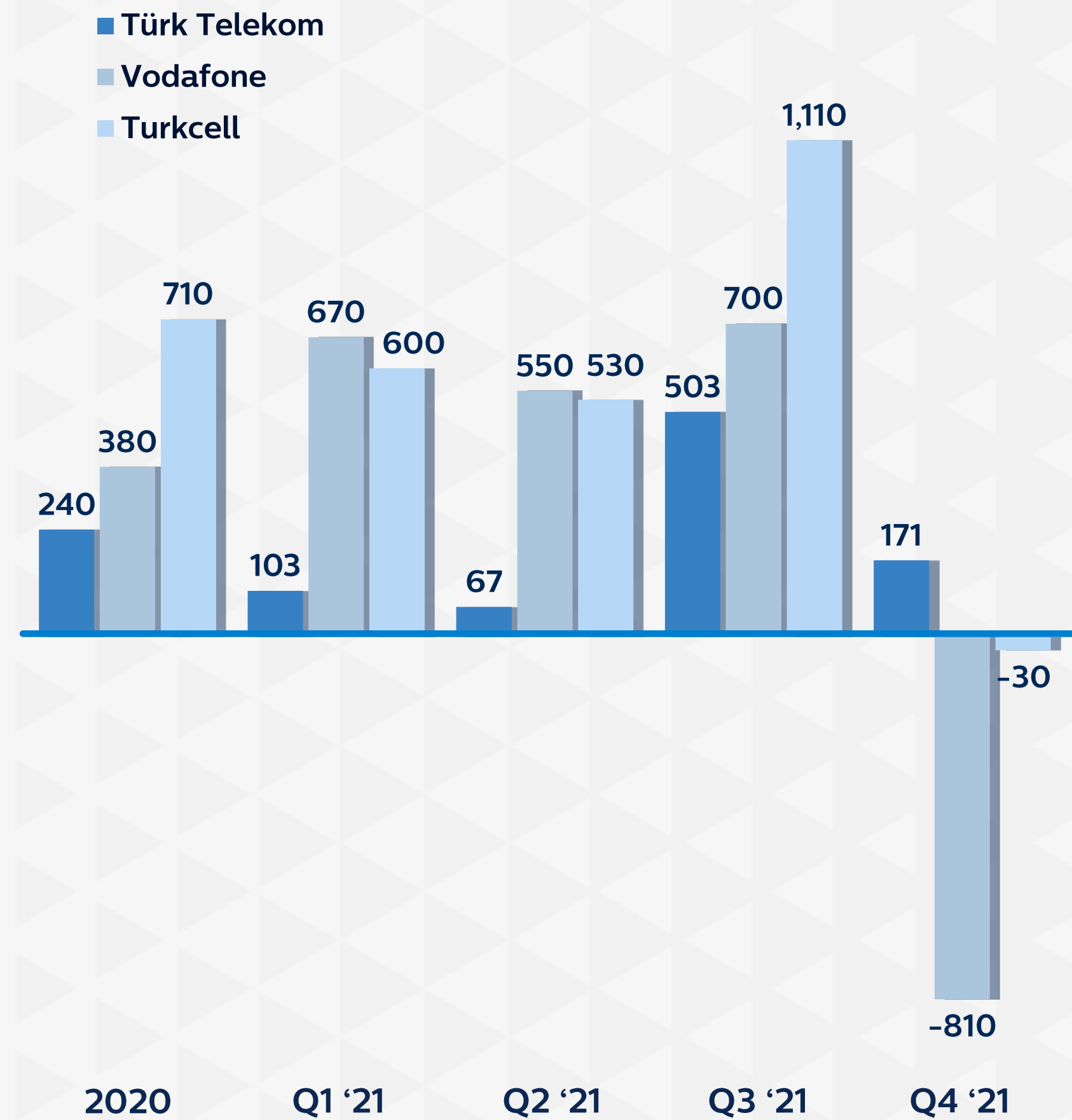
Mobile Revenue (TL mn)



ARPU & Subscribers



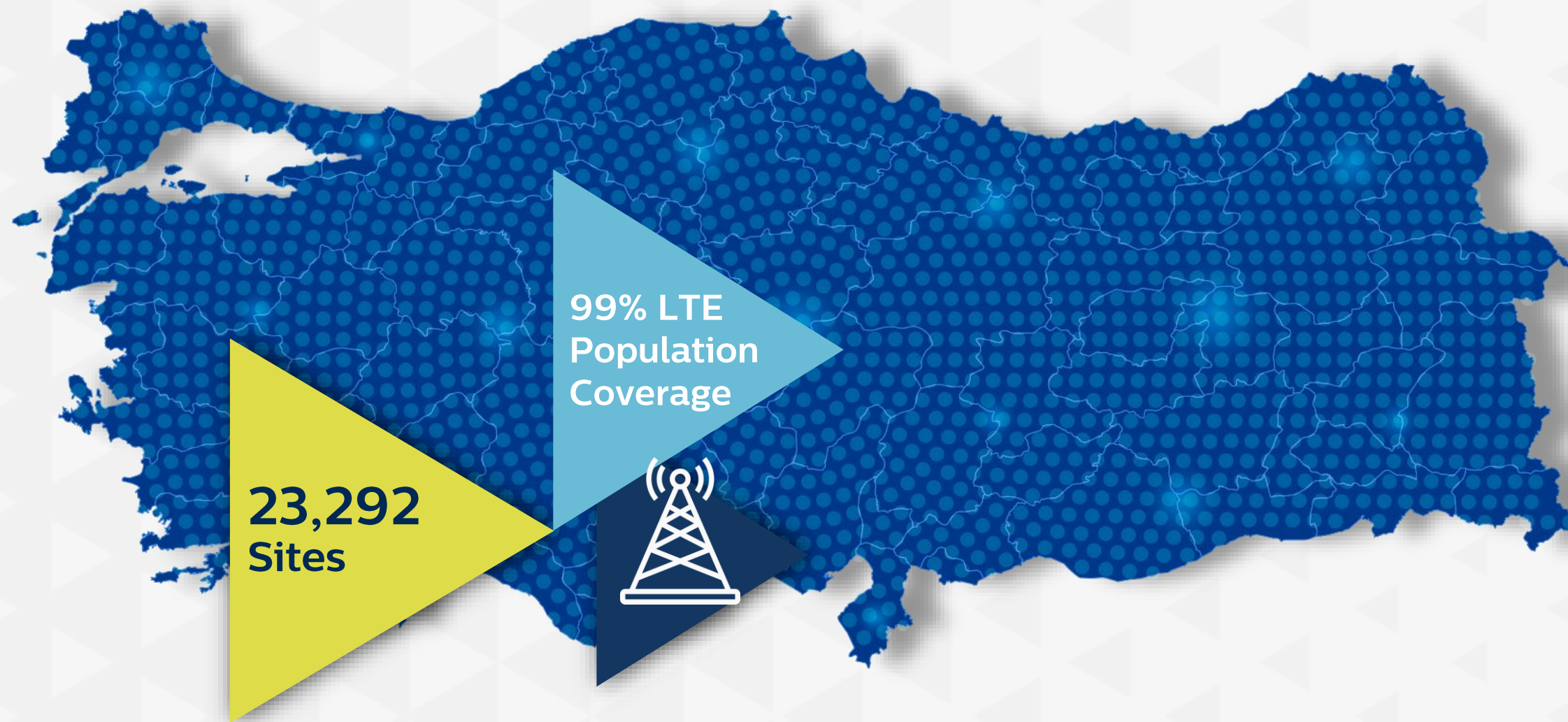
Net Subscriber Additions (thousand)



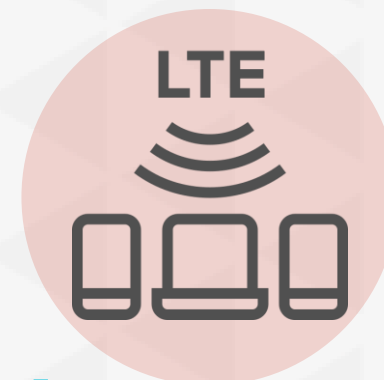
Source: ICTA, Türk Telekom

Mobile Network

Extensive Network Coverage



98%
coverage



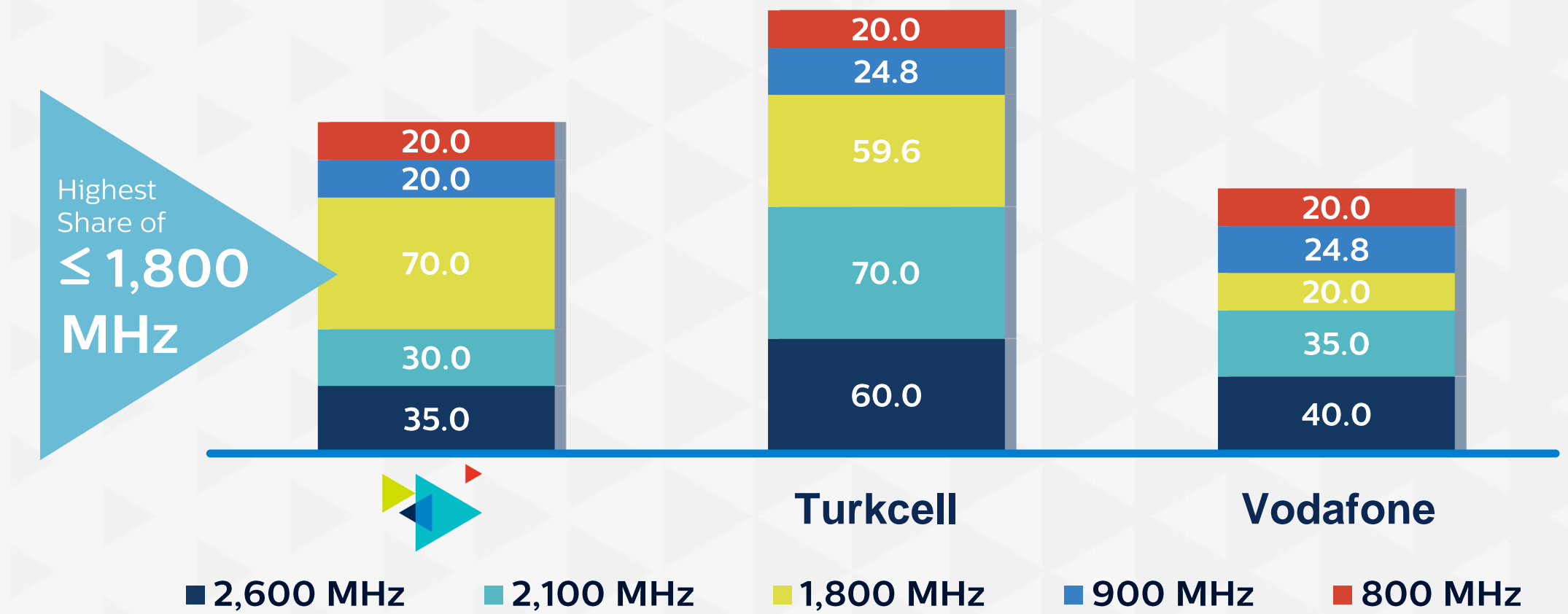
99%
coverage



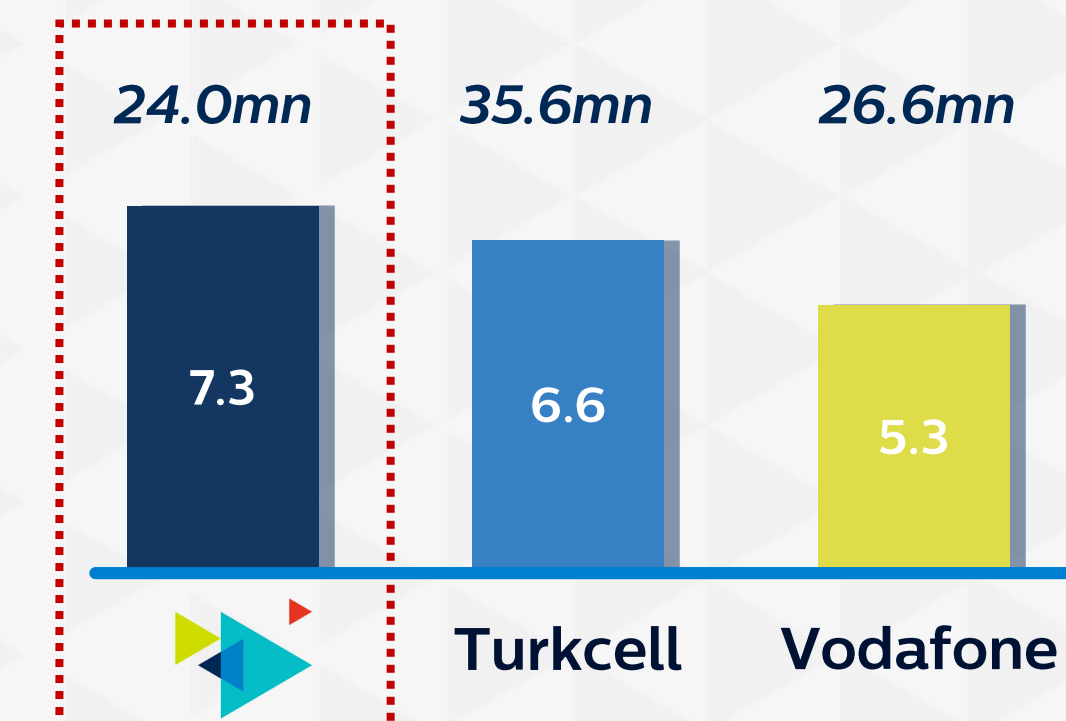
Getting ready for 5G

via ongoing studies by Argela and Türk Telekom on RAN slicing, NFV and SDN

Superior Spectrum Allocation



Highest Spectrum Capacity Per Subscriber (MHz/Subscriber)



Source: ICTA

Superior Performance in Mobile Network Experience*

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OPENSIGNAL



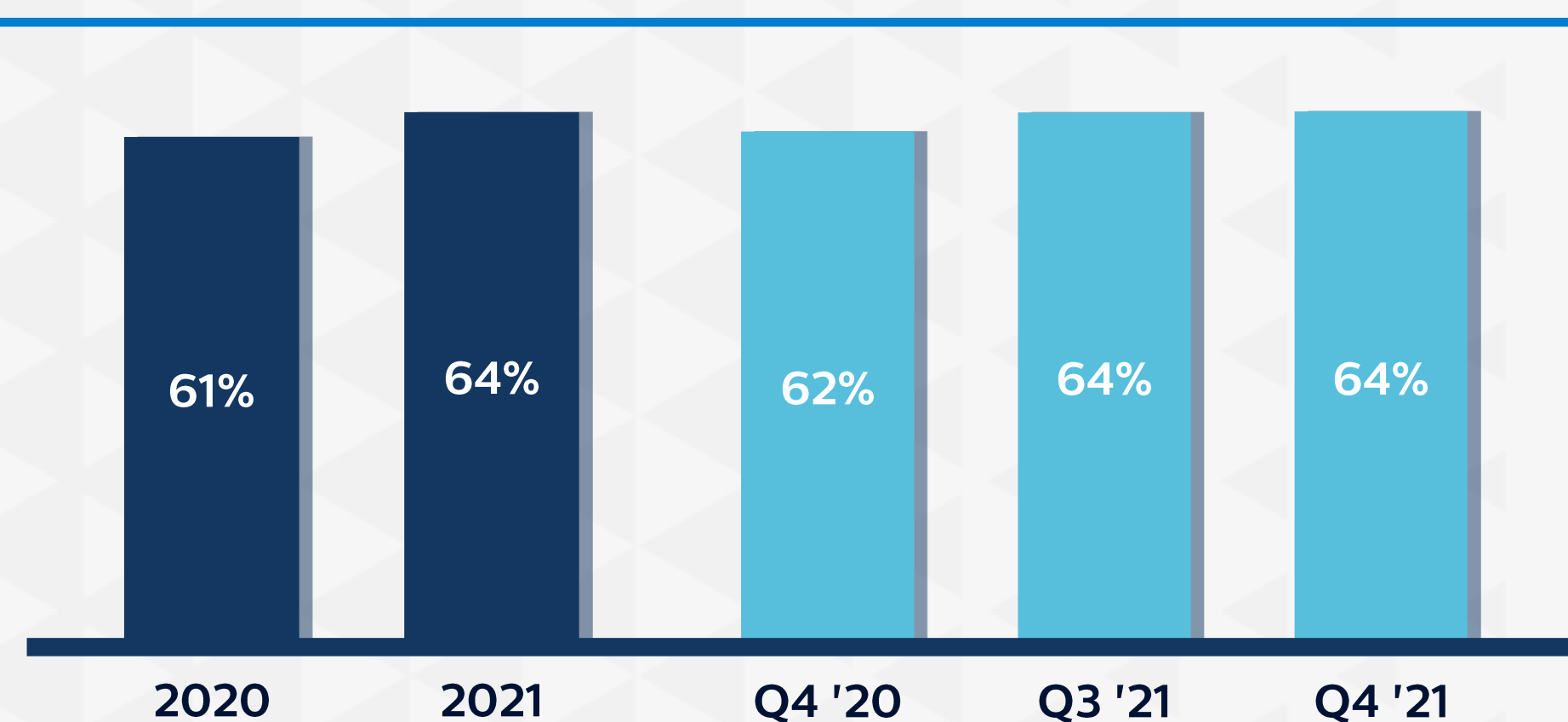
	Türk Telekom	Operator A	Operator B
 4.5G Video 3G Video	70.3  59.7	68.5 58.1	65.7 49.8
 4.5G Games 3G Games	66.1  44.8	48.4 38.1	62.1 36.2
 4.5G Voice App 3G Voice App	81.0  75.9	73.6 70.1	79.5 70.3
 4.5G Upload Speed 3G Upload Speed	12.4  3.0	11.9 2.3	7.9 2.7
 4.5G Download Speed 3G Download Speed	29.1 12.1	33.9 11.8	16.7 7.3

* According to Open Signal Dec'21 Report:
Turkey, December 2021, Mobile Network Experience Report | Opensignal

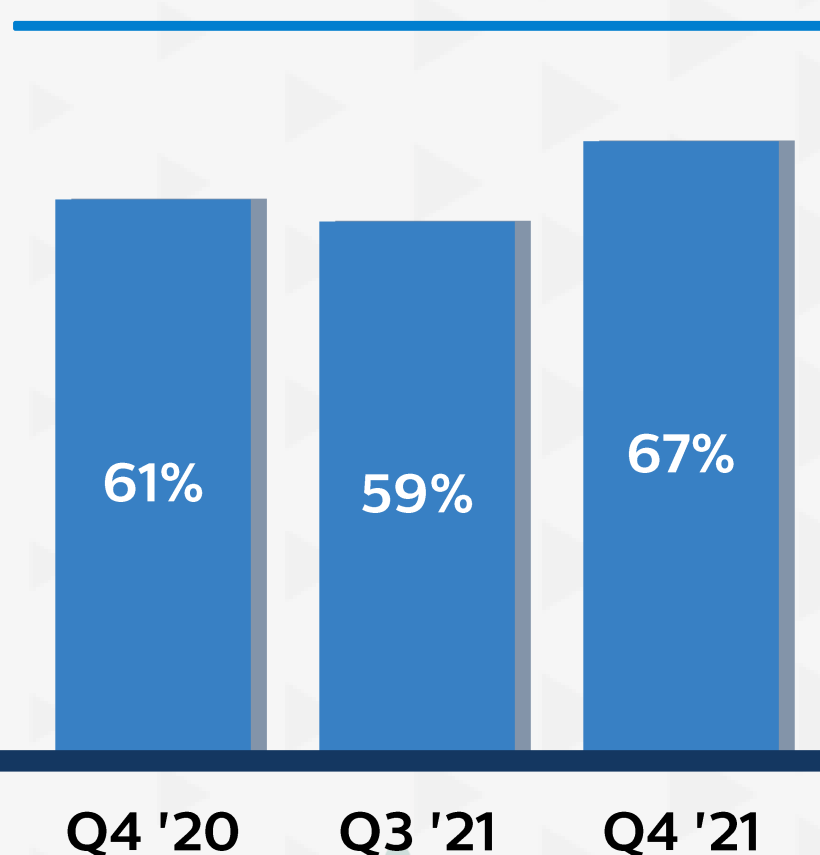
Mobile Data

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Data Revenue
(Mobile service revenue share)



LTE Users*
(Total Subscriber share)



Avg. Monthly Mobile Data Usage
(GB per LTE user)



* Subscribers who
(1) registered for LTE
(2) have LTE compatible device and simcard



2021: A Year of Records

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Fixed Broadband

- 29.0% highest revenue growth in fixed broadband
- 31.3% highest share of fixed broadband revenue in consolidated revenue
- 3.4 mn highest fibre subscriber gain

Mobile

- 13.8% highest mobile blended ARPU growth
- 55% Prime subscriber growth (70% in 2020)
- 1.9 mn subscribers transferred from non-Prime to Prime, up 61%
- 67% highest share of LTE subscribers in total base
- 1.9% lowest average monthly churn ratio
- 64% highest growth in online* postpaid upsells & contract renewals

Finance

- 47.9% highest EBITDA margin
- 1.11x lowest YE Net Debt/EBITDA ratio since 2013
- TL 5.8 bn highest net profit, up %81.3

* Includes transactions through Mobile Online Transactions Centre only

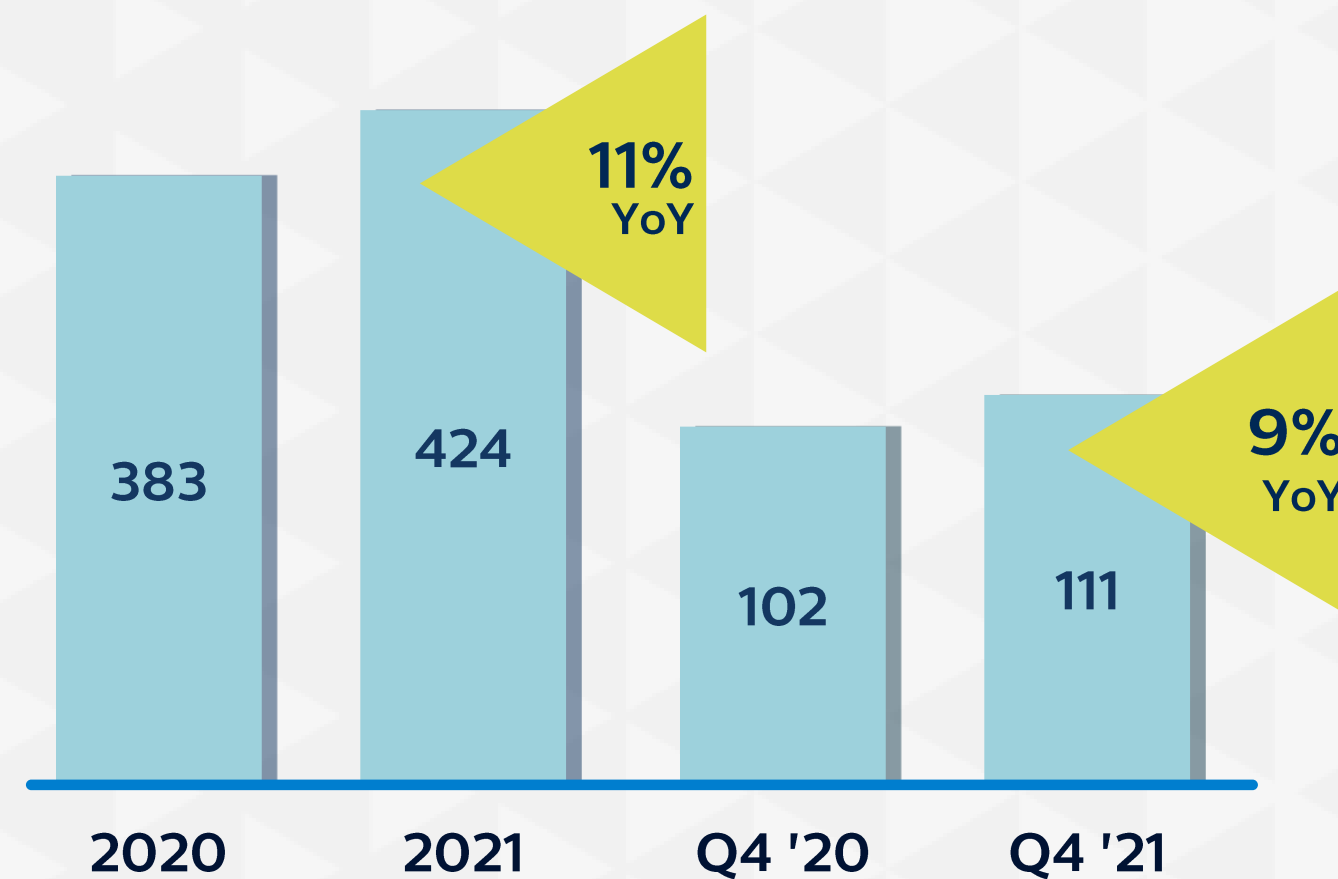


TV Performance

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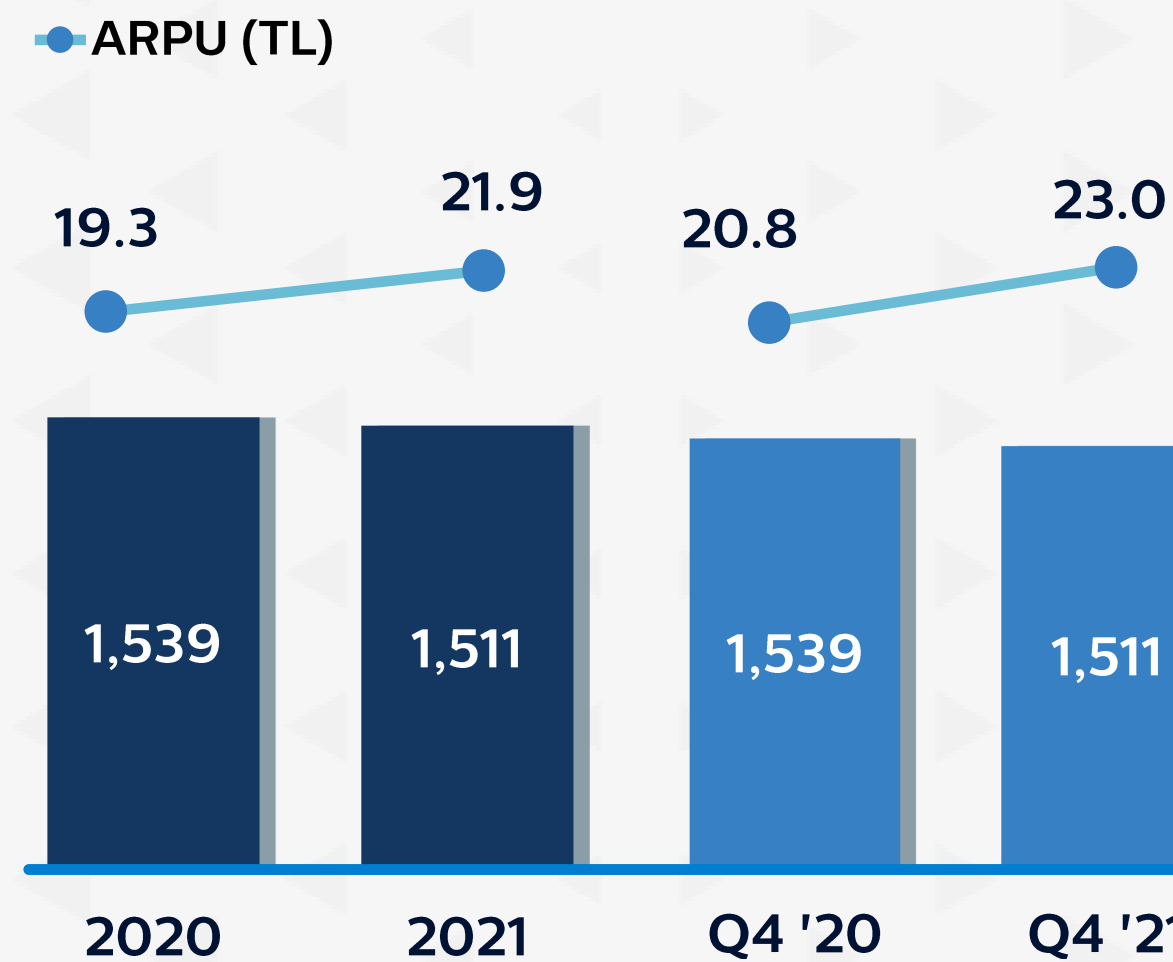
TV Revenue

(TL mn)



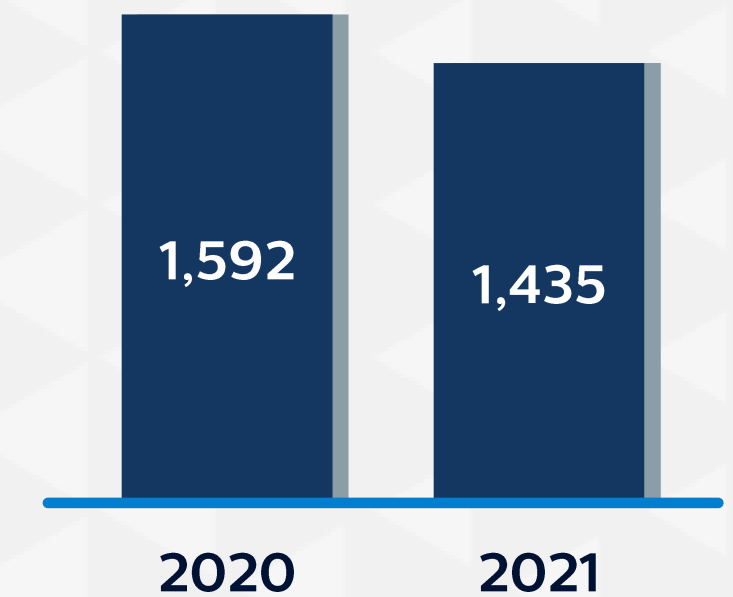
Tivibu Home Subscribers

(‘000)



Tivibu GO Subscribers

(‘000)



Platform

IPTV

DTH

Web TV

Smart TV

Mobile TV

Content

- ▶ NBA
- ▶ Basketball Champions League
- ▶ Women's Basketball Super League
- ▶ Basketball Super League
- ▶ English Premier League
- ▶ FA Cup
- ▶ Spain King Cup
- ▶ Bundesliga
- ▶ Belgium Pro League
- ▶ Formula 1
- ▶ 5 In-house Sports Channels
- ▶ Kids, Documentary, Movie, TV Series and Sports Channels
- ▶ +7,000 on demand assets

Fixed Voice Performance



Fixed Voice Revenue (TL mn)



Access Lines and ARPU

- Naked Broadband Subscribers (mn)
- Fixed Voice Subscribers (mn)
- Fixed Voice ARPU (TL)



Corporate Data

25



Corporate Data Revenue (TL mn)



Conventional Corporate Data Services



Customer-oriented, integrated communication solutions

Cloud Services, Metro Ethernet, TT VPN, Leased Line

Cyber Security Services



Managed & shared security services, cyber security centre, dedicated security services

DDoS, DDoS7+, Firewall, Active Defense (IPS), Advanced Threat Prevention (APT), Web Firewall (WAF), 24/7 Monitoring/Testing/Advisory, Attack and Phishing Simulations

Data Centre and Cloud Services



Secure, accessible services at high speeds with back up infrastructure in internationally certified data centres

Server hosting, rental, cloud server, storage, backup, cloud replication & backup, traffic forwarding, e-mail, e-work, 3 centres: İstanbul Esenyurt (10K m2 white area), Ankara Ümitköy (2.5K m2 white area) and İstanbul Gayrettepe (1.6K m2 white area).

Professional Services and New Generation Cities



End-to-end integrator services that support digital transformation journeys
Safe, sustainable and next-generation solutions for smart city projects

TT Payment & E-Money Services

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TTPayment¹ is a licensed payment and e-money institution that provides services since 2013.

Our vision is to become the biggest solution partner for all payment needs of our customers with safe, easy, fast, innovative products & services that lead digital transformation.

Mobile Payment

- Türk Telekom provides payment method services exclusive to its mobile customers.
- Contracted merchant payments are reflected to the mobile invoice or deducted from the balance without the need for a credit card or cash.
- Both postpaid and prepaid customers benefit.

Institutional Bill Payment

- Fast and secure payments of electricity, water, natural gas, telephone, GSM operator and other bills at Türk Telekom Stores/Application.

E-Wallet & Prepaid Card: Pokus

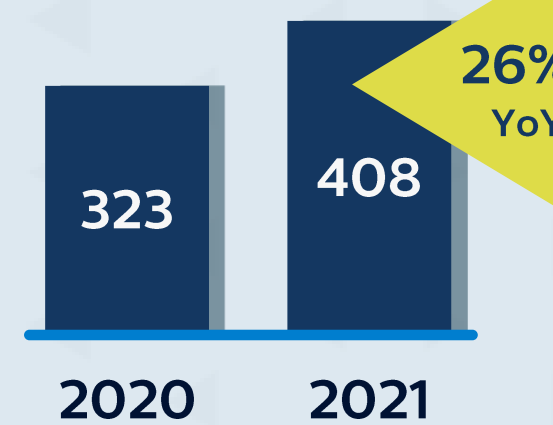
- A fast/easy-to-use digital wallet application with a user-friendly interface that provides banking services.
- App-connected, contactless and worldwide prepaid card with Mastercard scheme.
- Operator independent.

TT Payment in numbers

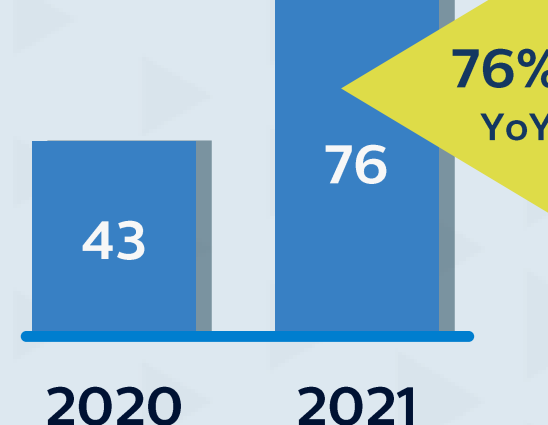
- Number of unique users up 8%
- Transaction volume up 26%,
- Revenue up 76%.

TT Payment revenues are set to expand with Pokus.

Trading Volume
(TL mn)



Revenue
(TL mn)



2016

TT Payment became a member of ÖDED*

2013

TT Payment was established in April 2013 as a 100% subsidiary of TT Mobil and TTNET.

2019

Got e-money institution license from BRSA

2017

Acquired payment services license from BRSA

2021

Launched prepaid card and mobile wallet products

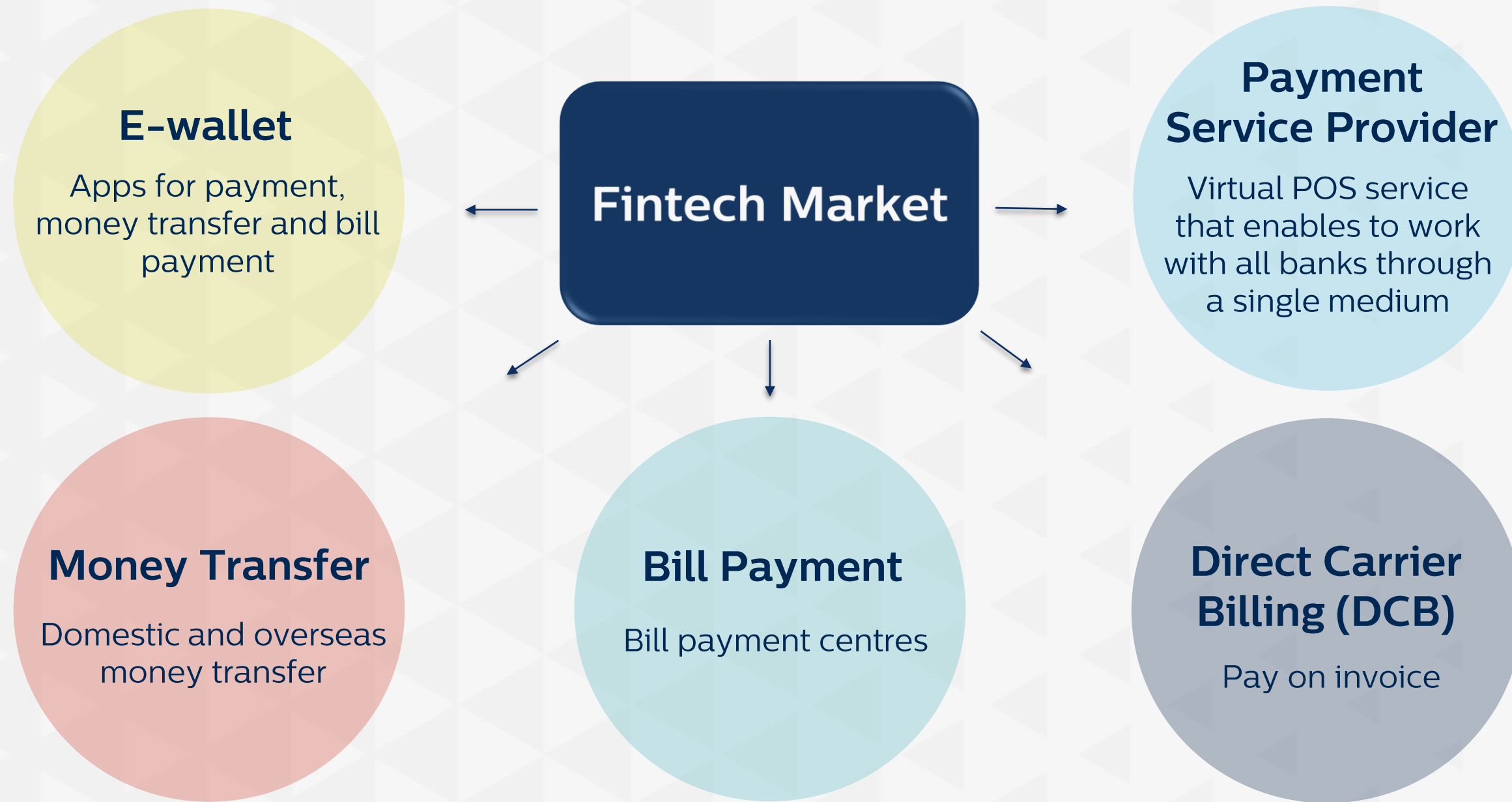
2020

Started collection services for all corporate invoices from dealers

* Payment and Electronic Money Association

(1) Türk Telekom Ödeme ve Elektronik Para Hizmetleri A.Ş. (TTÖHAŞ), TTÖdeme in short, stands for TTPayment in English.

Turkish Fintech Market

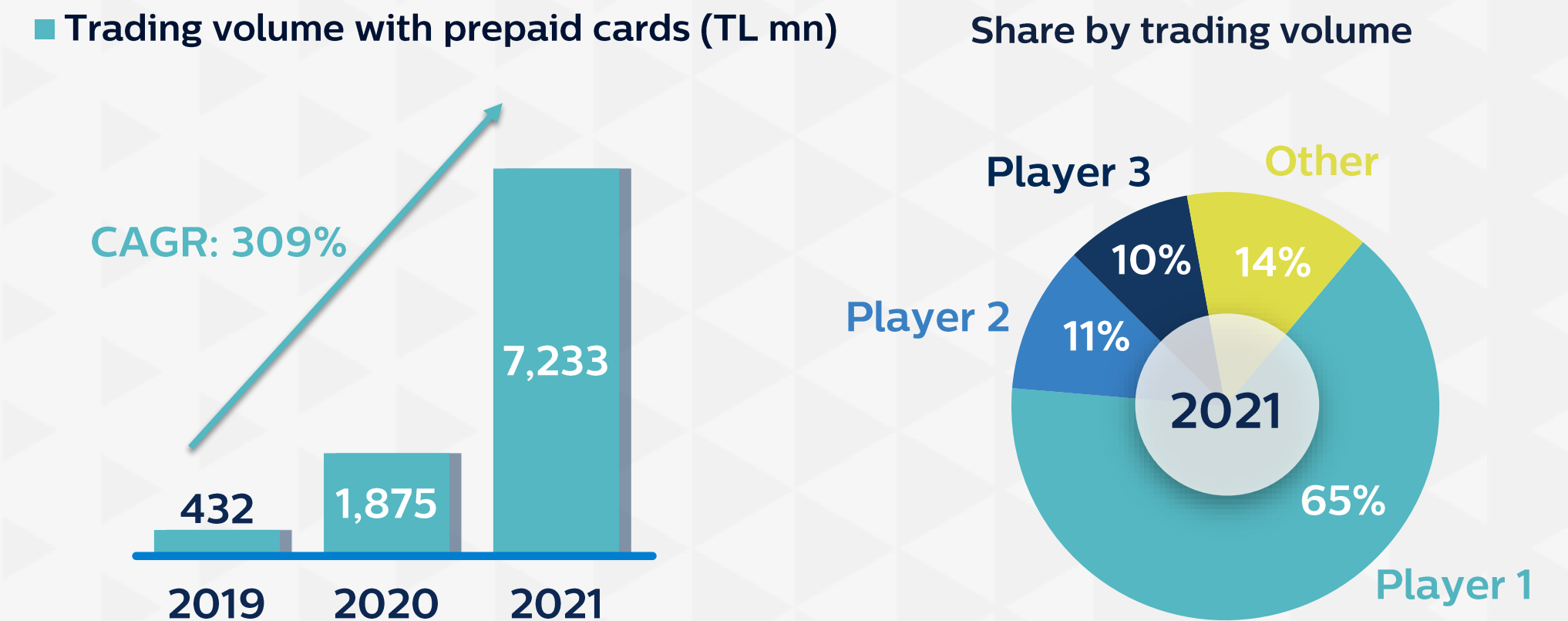


Prepaid Card Market – 2021

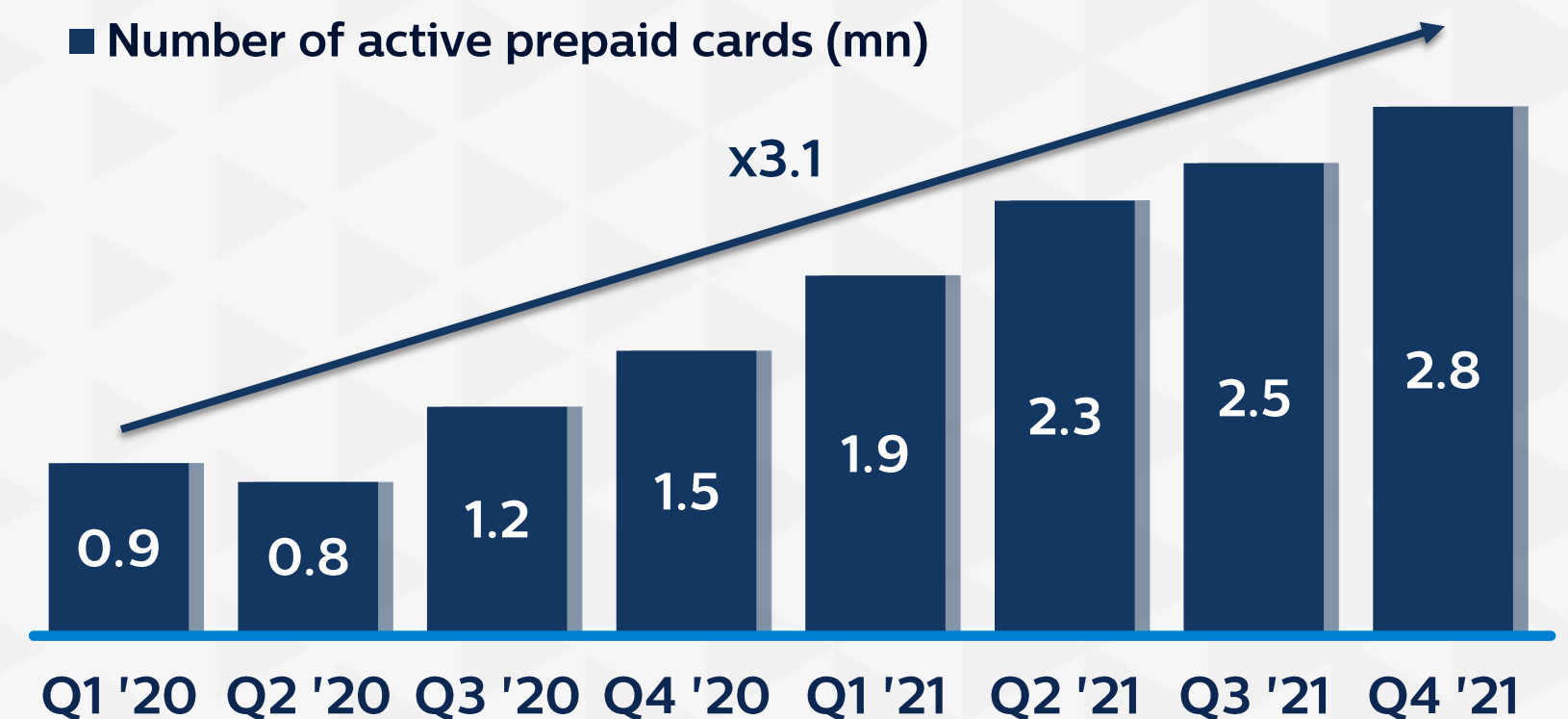
- ▶ Europe's largest card market.
- ▶ Of the total cards, 150 mn was debit cards, 84 mn was credit cards and 57 mn was prepaid cards as of 2021 year-end.
- ▶ The share of Fintechs in prepaid cards is 45%.
- ▶ The fintech card market grew 32% YoY in total number of cards.
- ▶ 79% of transaction volume in prepaid cards generated by fintechs.

Turkish prepaid card market data is from BRSA and BKM.

Turkish Fintech Companies' Trading Volume



Top 5 Players



Pokus: New E-Payment Solution



- ▶ **E-wallet application** of TTPayment + prepaid card
- ▶ Load-spend; no overdraft, **no subscription fee**
- ▶ Valid all over the world with **Mastercard** assurance
- ▶ **Easy, fast financial services** without cumbersome procedures
- ▶ App-linked, **contactless card**
- ▶ **Operator independent**
- ▶ **Money loading/withdrawal, 24/7 domestic and overseas money transfer, bill payments, spend-split transactions, P2P sending/requesting money**

Pokus: Roadmap and Targets

Strategy

- ▶ Simple/digital customer experience
- ▶ Access to financial services through one application

Synergy

- ▶ Türk Telekom technology and ecosystem
- ▶ Vast subscriber base and efficient sales channels
- ▶ Campaigns, cross-selling, retention



Number of users by end-2025

5 mn

Transaction volume by end-2025

1.5 bn TL

EBITDA and FCF by end-2023

Positive



Strategy

Strategy Focused on Sustained Profitable Growth

30

Core Services

Growth and digitalisation in main business lines

- Pioneer in Turkey's digital transformation
- Strong growth and leadership in fixed broadband with focus on fiberisation
- High-quality/high-speed internet access
- Priority in gaining revenue market share in mobile
- Intensified subscription relationship with households through increased access lines and inclusive product portfolio
- Leading digital TV/OTT platform

Efficiency

Improving efficiency with digitalisation and new operational models

- Digitalisation and virtualisation
- Effective cost control and disciplined capital management
- Improved organisation and lean technology

Customer Focus

Redefining customer experience

- End-to-end redesigned and digitalised best-in-class customer experience
- Customer-oriented, agile working models
- Personalised offers and content

New Income Areas

Growth in new areas supporting main business lines

- Next-generation 5G solutions and international collaborations
- TV/OTT and ICT/Cloud investments
- Accessible cloud/IT/IoT services
- Large scale IT projects
- Venture capital initiatives
- Fintech solutions



Broadband

- ▶ Increase fixed broadband penetration
- ▶ Efficient use of diversified sales channels
- ▶ Upsell to higher speeds



Fixed Voice

- ▶ Synergy offers & cross-sells
- ▶ Protect fixed voice position via cross-sell offerings



Mobile

- ▶ Prioritise revenue market share
- ▶ Encourage data usage
- ▶ Maximise value



Pay TV (Home and GO)

- ▶ Leverage underpenetrated market and increase market share
- ▶ Improve customer experience
- ▶ Monetise existing subscriber base

The Readiest Operator to 5G

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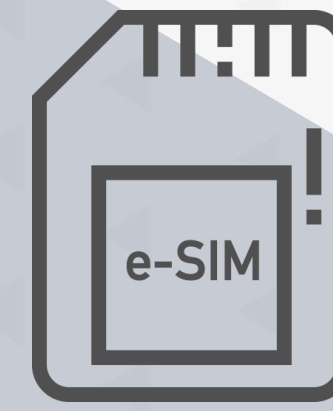
Smart Cities

9 smart cities with Türk Telekom



Media & Entertainment

Turkey's first 5G live match via 360 degrees VR technology
World record with >2.92 Gbps speed



Vehicle-to-Everything (V2X)

E-sim
E-Call



Industry 4.0

Smart factory solutions to minimise errors in industrial applications and maximise production & efficiency
Digitalisation
B2B Solutions



E-Health

LIGHT
Mobile EKG
Smart Organ Carrying Units



Cloud Network

SDN (Software-Defined Networking)
NFV (Network Function Virtualisation)
Network Slicing

Investing in Future

Türk Telekom actively participates in...



Collaborations in next-G tech

vRAN

Software-Based and
Sliceable Virtualised Radio
Access Network

Product partnership and
revenue sharing with
Juniper



5G Time Synchronisation

Cooperation with Net Insight:
Product partnership,
revenue sharing and
discounted supply advantage



- Working with Argela for SDN & NFV based cybersecurity solutions
- Turkey's largest cyber security service centre: provides 24/7 monitoring, consultancy and incident response services
- Turkey's highest capacity DDoS protection infrastructure
- Best in class cloud computing solutions



- Leading largest smart city projects in Turkey with next generation projects



- 42% of LTE base stations connected with fibre
- Work to manage the 5G network with AI technology
- Preparations at pilot 5G test networks
- First Industry 4.0 5G test in Turkey
- Türk Telekom, Arçelik and Nokia collaboration to establish Turkey's first private future-proof 5G wireless network
- Mobile network IT provisioning processes on the 5G path optimised using the Ericsson Dynamic Activation (EDA) platform

Digital Channels

Continuous expansion of digital services for **best-in-class customer experience**

Wide range of services on the **Online Transactions Application**: invoice payments, TL uploads, recontracting, upselling and application for new subscriptions

One login: accessing all Türk Telekom products; mobile, broadband, fixed voice, TV with single login

25 mn
Unique users
in 2021¹

80%
The share of
collections
through digital
channels²

57 mn
Downloads as
of 2021

45%
YoY increase
TL uploads &
invoice payments
via online
channels



(1) Online Transaction Application 12-Month active user

(2) Share in the consumer segment

Digital Service Portfolio

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**Türk Telekom has
30+ mobile
applications,
and 200+ value
added services.**



Turkey's new generation TV platform: Tivibu GO – Launch: 2010

Türk Telekom's all-in-one, multi-screen support TV platform which provides national and exclusive linear channels, thousands of movies, documentaries, series and catchup programs



Turkey's enriched digital music platform: Muud – Launch: 2008

Turkey's most preferred digital music platform to listen and download millions of songs and watch videos



Turkey's leader digital gaming platform: Playstore – Launch: 2011

Turkey's first and leader digital gaming, e-pin, console games and pysical gaming accessory sales platform platform



Türk Telekom's employee development platform: Türk Telekom Academy – Launch: 2018

Education platform for Türk Telekom employees has been relaunched and now available to all Türk Telekom internet subscribers



Turkey's interactive education platforms: Vitamin & Raunt – Launch: 2008

Turkey's biggest online education platforms: Vitamin for pre-school to high grades students, Raunt for university preparation



Award-winning application for people with visual disabilities:

EyeSense – Launch: 2018

People with visual disabilities can take pictures with the voice warning system using both selfie and the front and rear cameras of the phone.



Turkey's first smart and hyperlocal digital keyboard:

Tambu – Launch: 2017

Turkey's first local and customised smart digital keyboard



Turkey's popular online reading platform: e-dergi – Launch: 2017

Turkey's online magazine and newspaper reading platform with advantageous campaigns for Türk Telekom mobile users



Turkey's most comprehensive security platform: Türk Telekom Security – Launch: 2009

Turkey's most comprehensive and secure anti-virus and family protection service



Turkey's widest WiFi broadband network: Türk Telekom WiFi – Launch: 2006

Turkey's widest WiFi hotspot coverage and services for Turkish Airlines flights



Turkey's advantageous integrated cloud platform:

Dijital Depo – Launch: 2018

Türk Telekom's operator free new cloud storage application Digital Depo enables users to safely store photos, videos, music and all files with user-friendly design



New E-payment solution:

Pokus – Launch: 2021

Türk Telekom's simple / digital platform that provides access to financial services through one application

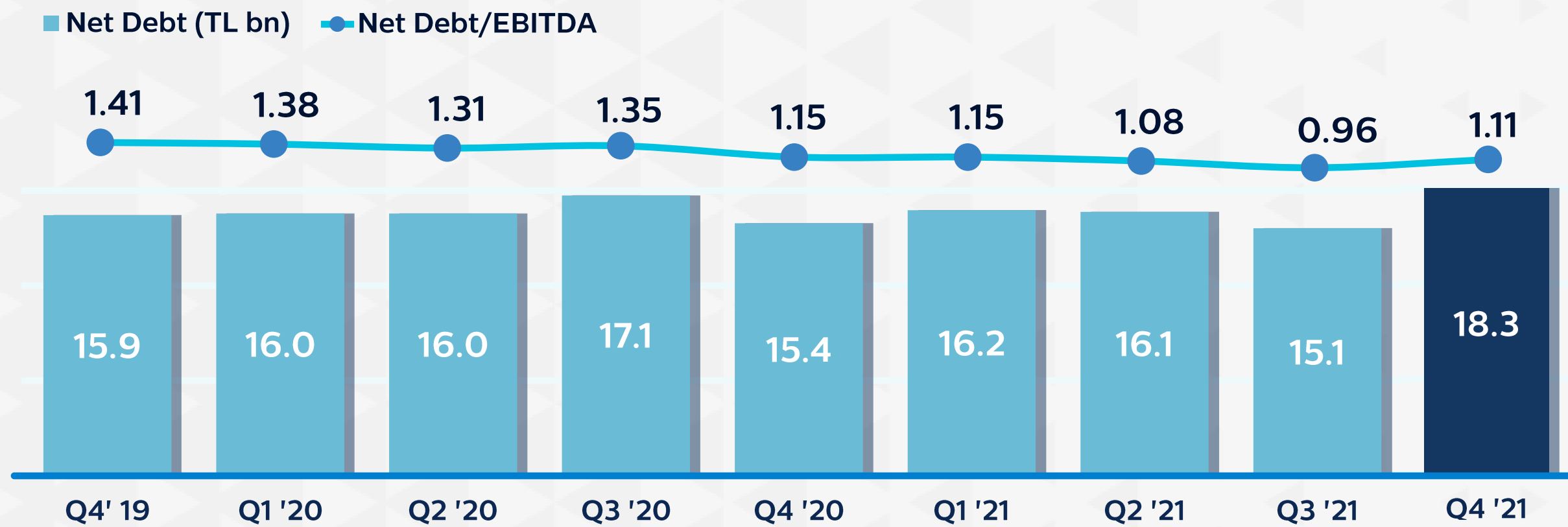
Financials



Debt Profile

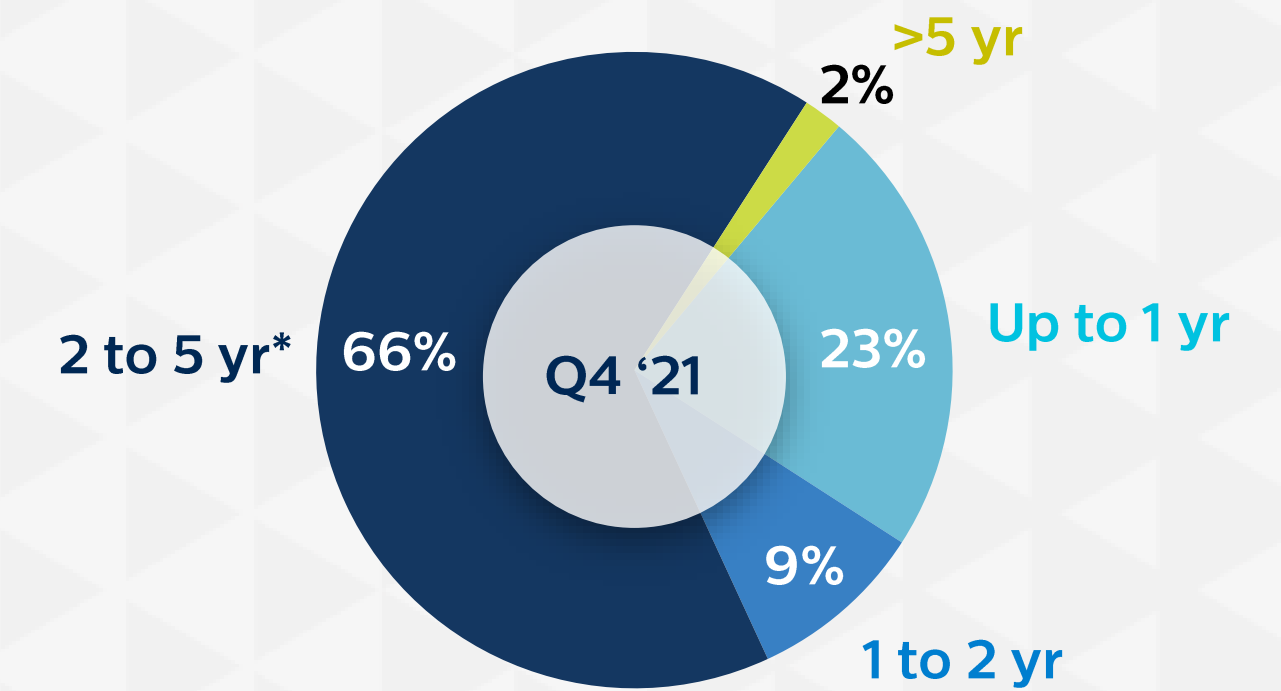
36

Net Debt



Note: Net Debt calculation includes market valuation (MTM) of Foreign Currency TL money swap transactions. Net Debt/EBITDA calculation does not include extraordinary provisions in EBITDA calculation

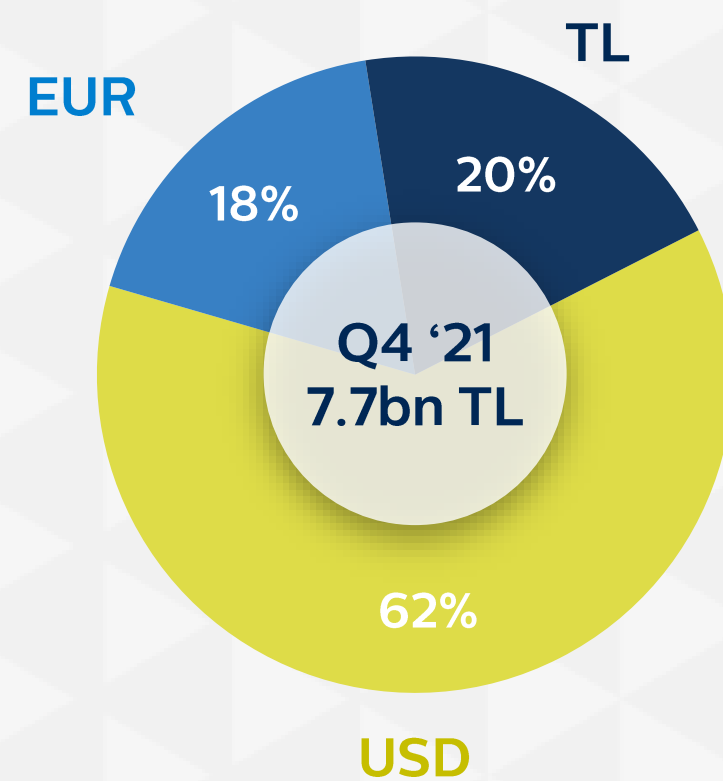
Maturity Profile



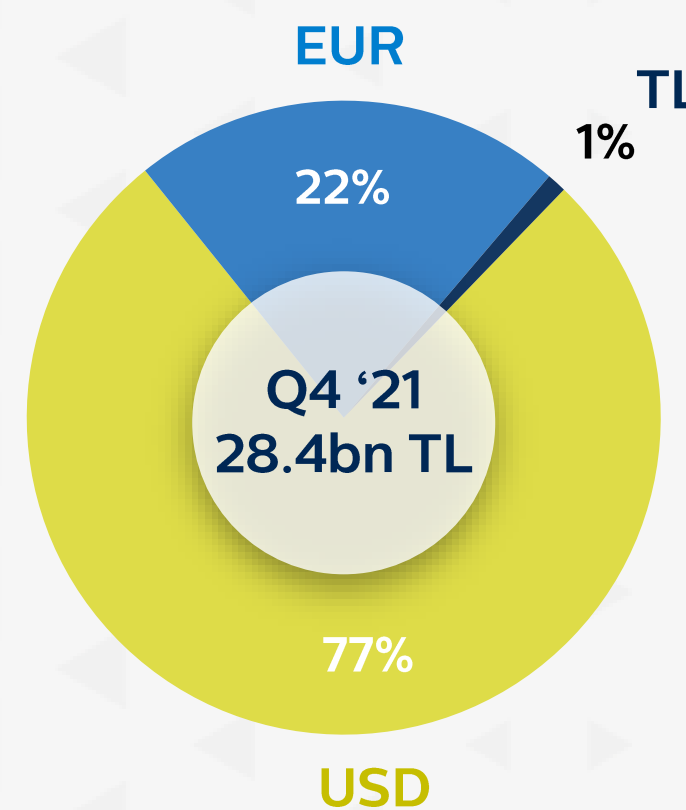
All loans are senior unsecured

* including 2024 & 2025 maturity bonds (USD 500 mn each)

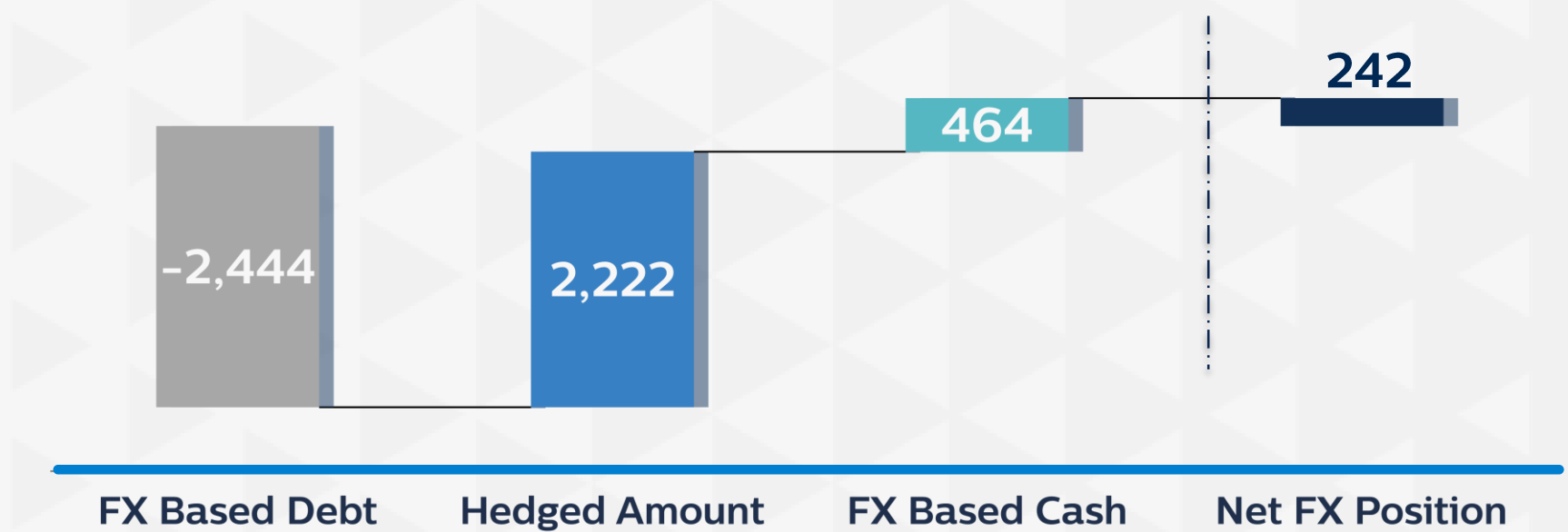
Cash – Currency Breakdown



Gross Debt – Currency Breakdown



Hedge – Composition of FX Position



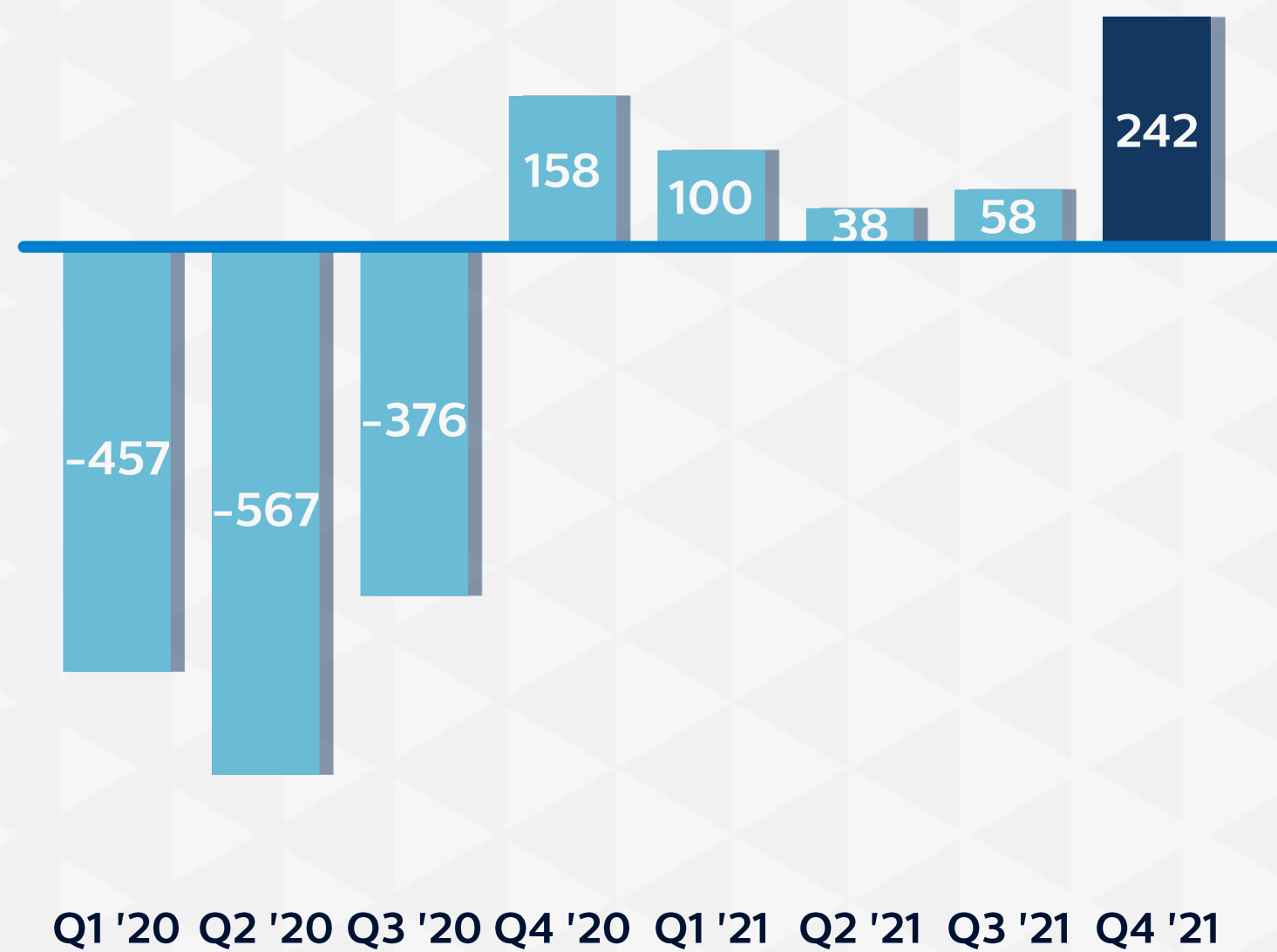
* FX Debt calculation includes FX financial debt (including FX lease obligations) and FX net trade payables. Hedged amount includes hedging of FX financial debt, hedging of FX net trade payables and net investment hedge.

Prudent Balance Sheet Management

37

Net FX Exposure*

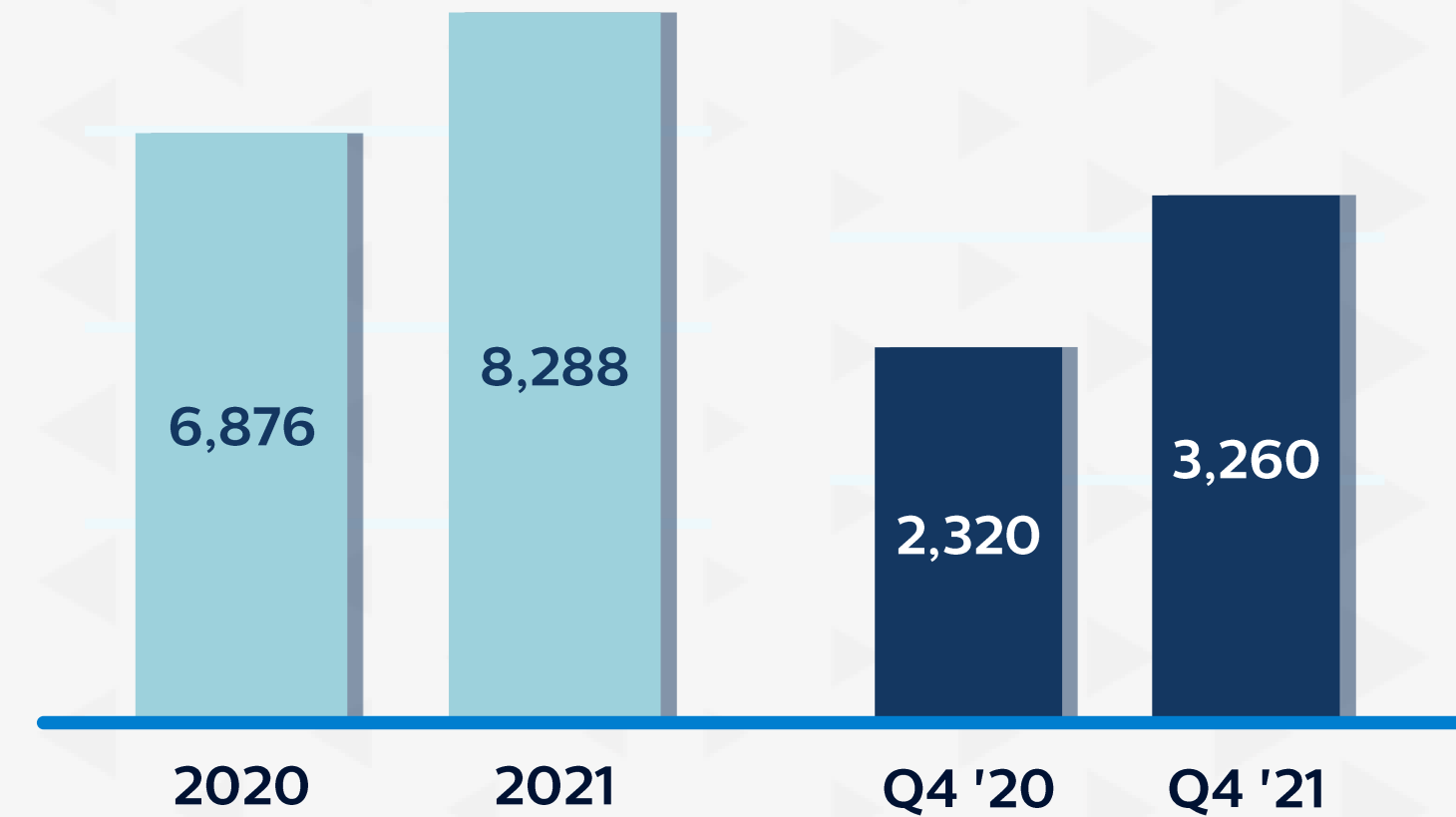
(USD mn equivalent)



* Net FX exposure is calculated as Total FX based Debt, less total Hedged Amount, less Total FX based Cash.

Cash Flow*

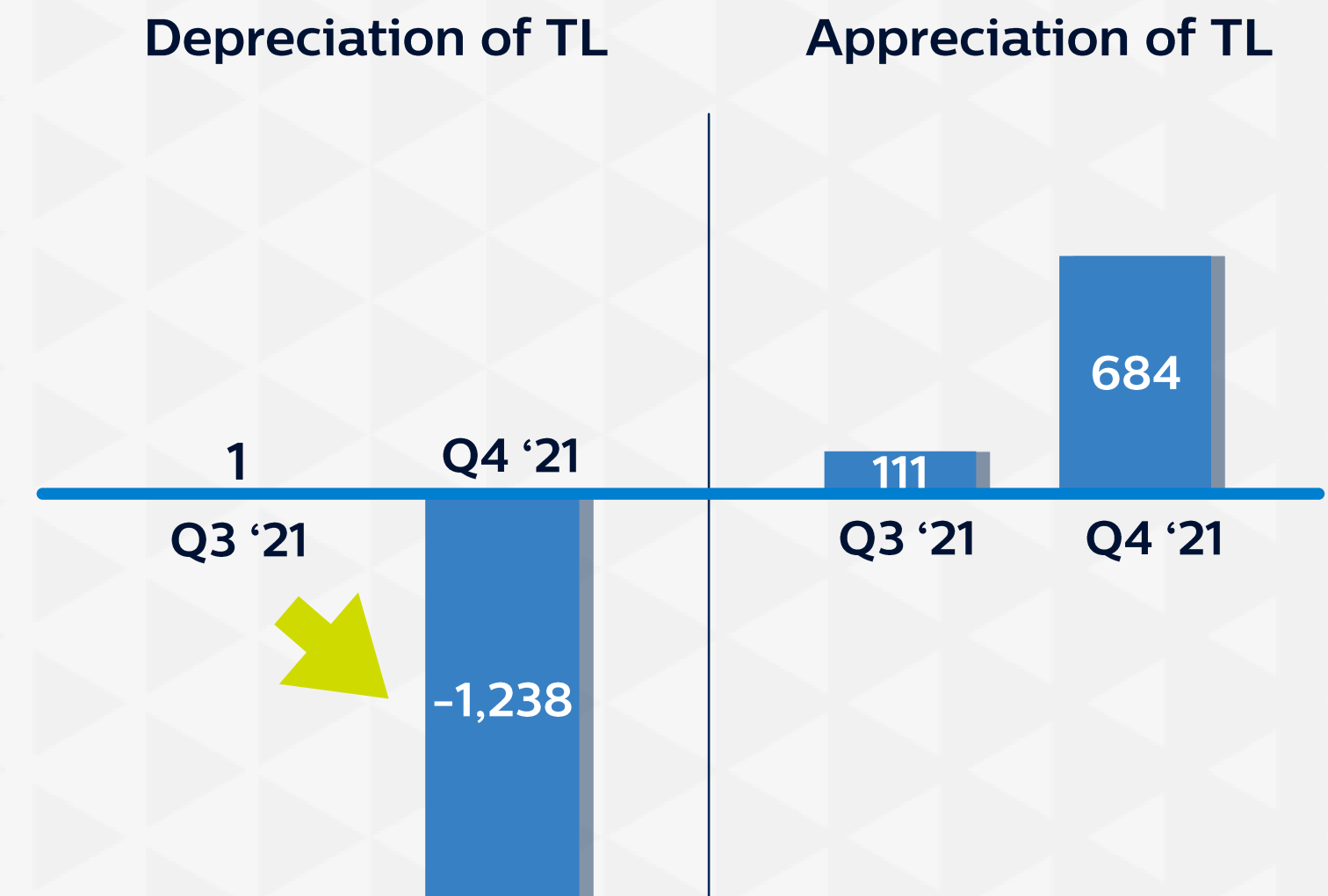
(TL mn)



* Unlevered cash flow is defined as net cash provided by operating and investing activities from operations.

Profit Before Tax Sensitivity

(TL mn, 10% change in FX rates)



Corporate Credit Ratings

38

	Fitch	S&P Global
Long Term Rating	B+	BB-
Outlook	Negative	Negative
National Long Term Rating	AAA (tur)	
Last Update	18 February 2022	15 December 2021

Rating Drivers

- ▶ Improved ability to withstand a weakening of the macroeconomic environment
- ▶ Reduced exposure to foreign currencies
- ▶ Strong market position as the country's leading converged telecoms operator
- ▶ Focus on cost efficiency translates to better free cash flow generation and debt to EBITDA
- ▶ High exposure to Turkish economy
- ▶ Foreign-Currency IDRs are affected by Turkey country ceiling

Guidance

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	2021 Actuals	2022 Guidance
Revenue (exc. IFRIC 12) ¹	19.5% growth	23% – 25% growth
EBITDA	TL 16.4 bn	TL 17.5 bn – TL 18.3 bn
CAPEX	TL 8.8 bn	Around TL 12.5 bn

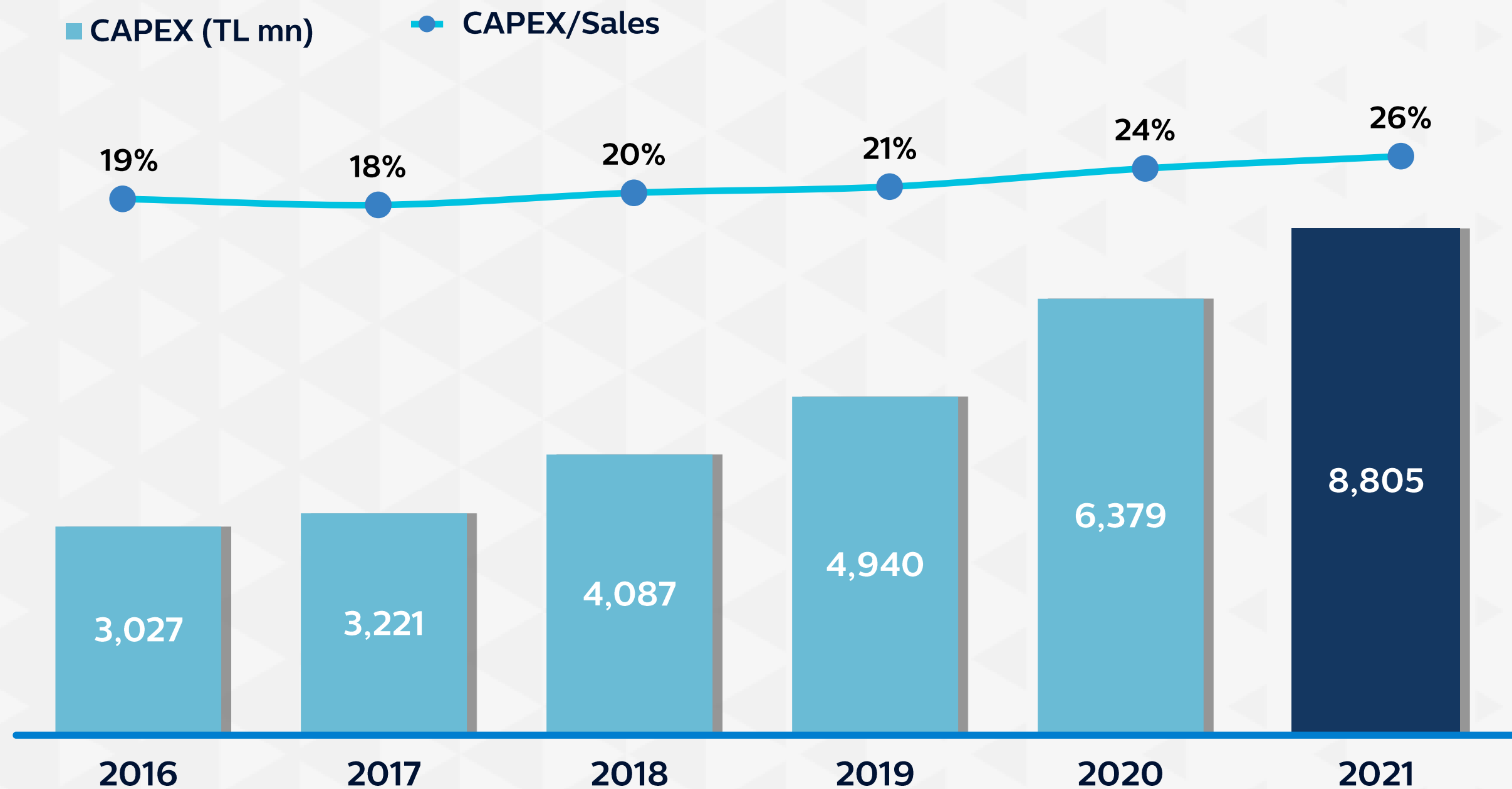
(1) IFRIC 12 adjustment is a non-operational revenue line booked in conjunction with upgrades to our fixed line infrastructure such as the upgrade from copper to fibre based network

CAPEX

40

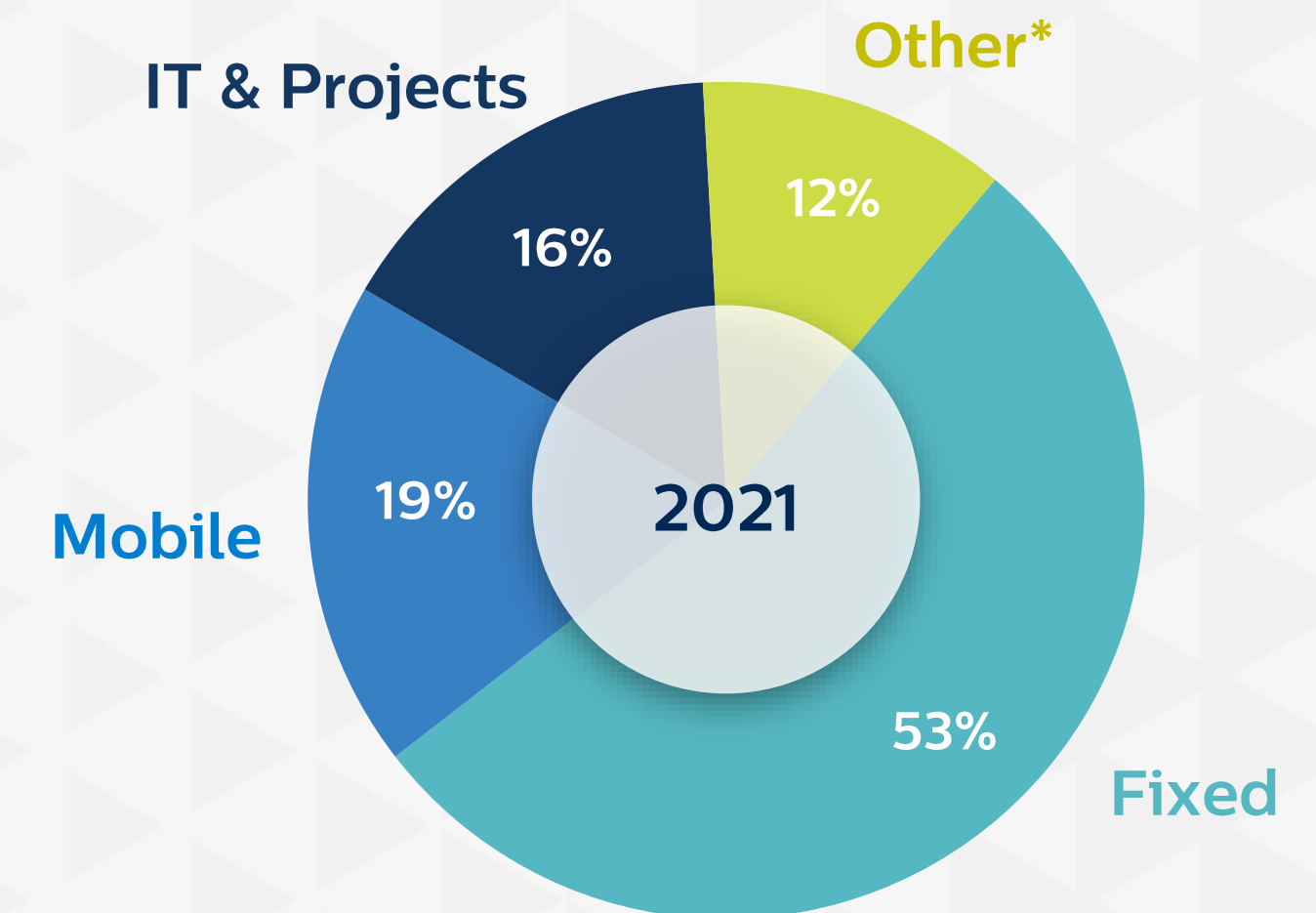
Major Capex areas are fibre network roll-out in fixed line, network investments in mobile and IT transformation projects

Capex & Capex / Sales



Note: Capex figures exclude license fees

2021 Capex Breakdown (%)



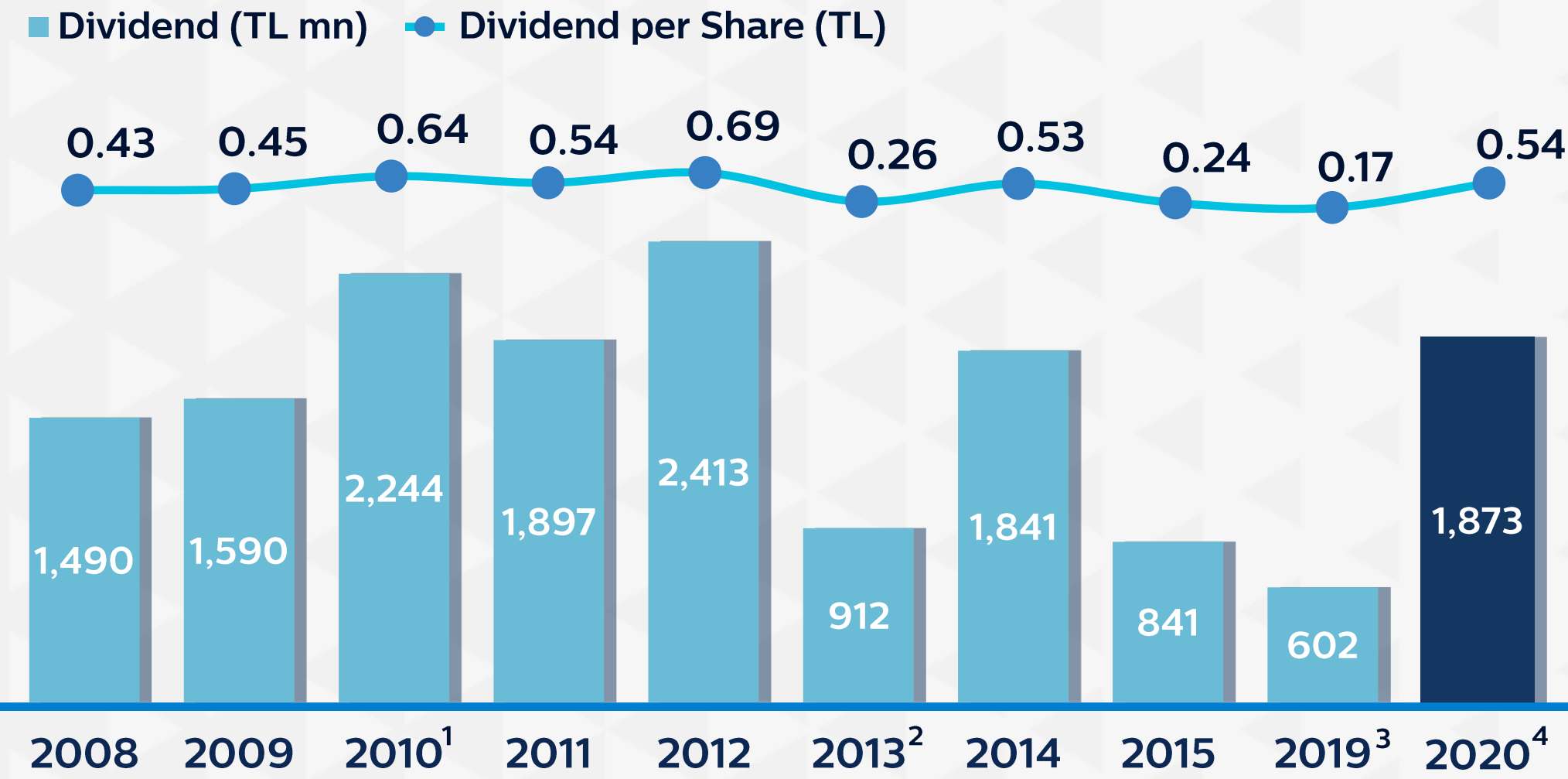
* Other Capex includes capex for subsidiaries (excl TTI), new revenue streams, IFRS 15 capitalisation, etc.

Shareholder Remuneration

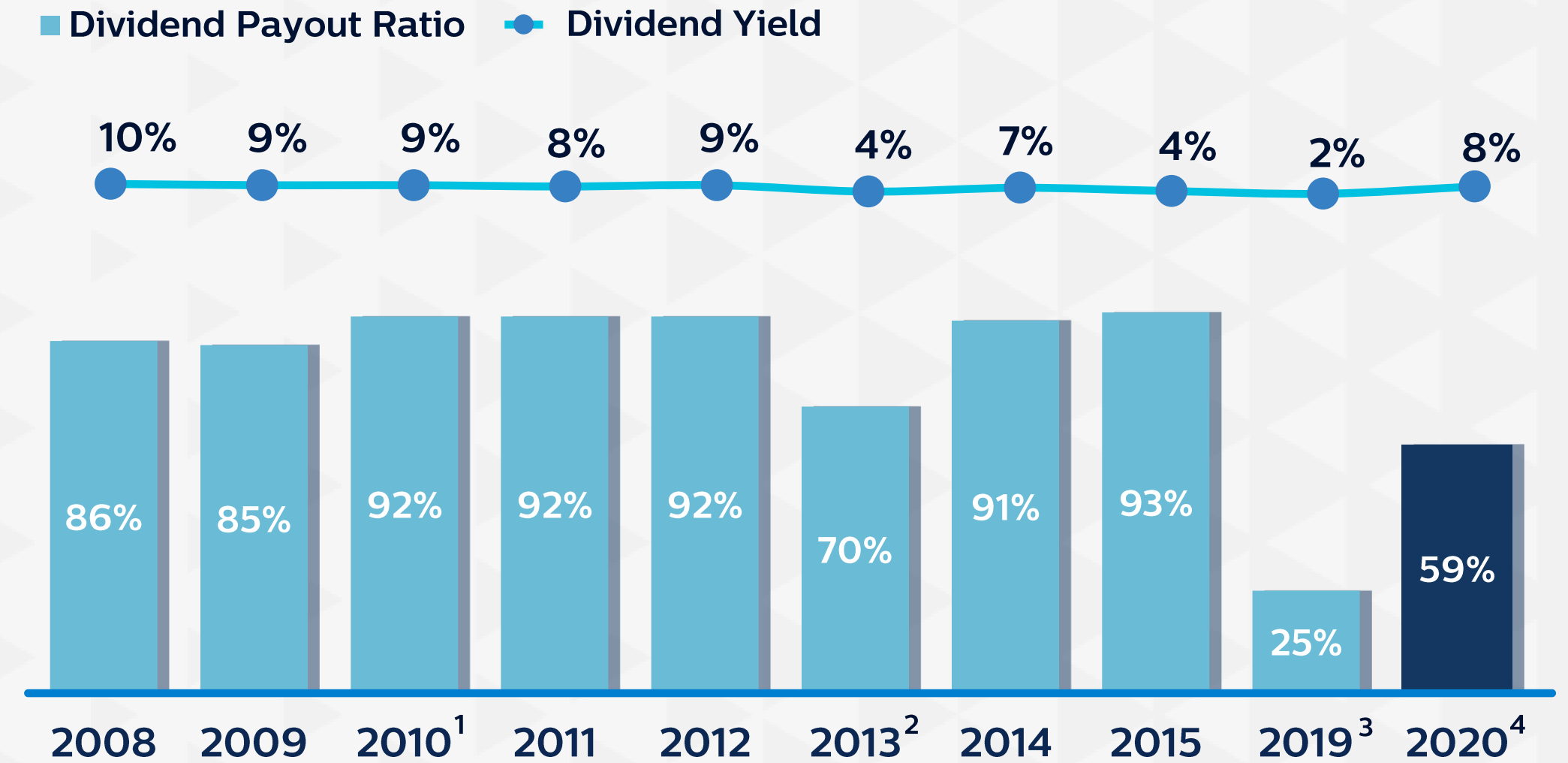
41

Dividend policy is to distribute the maximum amount of distributable profit subject to relevant articles of the Company's Articles of Association

Dividend Distribution



Dividend Yield & Payout Ratio



(1) The cap in the first legal reserve was reached in 2010.

(2) 2013 dividend payout ratio was revised to 70% with the BoD decision. This is a decision taken in order to implement the plan to integrate Türk Telekom Group companies and to prepare for potential transactions related to the integration.

(3) 2019 dividend payout ratio was decided as 25% according to the temporary CMB regulation which capped dividend payout from 2019 earnings to 25%.

(4) 2020 dividend distribution was made in three installments. Dividend yield was calculated based on the distribution dates.

Note: Based on General Assembly decision, no dividends distributed for the activity years 2016 & 2017 & 2018.



Sustainability

Sustainability Strategy and Priorities

43

▶ Customer-oriented

Customer-oriented approach in operations: continuous focus on enriching the customer experience.

▶ Contribution to Society

Offering information technologies, that drive sustainable economic growth and social development.

▶ Responsible Business Approach

Undertaking activities in a reliable, honest, legal and ethical manner.

▶ Climate Change and Environment

Aware of the risks posed by global climate change. Eager to deliver on environmental responsibilities.

▶ Human-oriented

Applying the principle of 'Makes You Feel Valuable' to all human resources policies, systems and processes by putting employees at the centre.

Sustainability Organisations & Indexes that We Are Included

WE SUPPORT



vigeo eiris



S&P Global



BORSA İSTANBUL
SUSTAINABILITY

Our SDG Aligned Targets

- ▶ Reducing carbon emissions by **35%**
- ▶ Increasing energy production from solar energy by **60%**
- ▶ Supporting our employees' development
- ▶ Serving the sustainable society and providing equal opportunity
- ▶ Encouraging women's participation in workforce



Sustainability Studies

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Environmental Sustainability

- Products and services with low carbon emissions reduce greenhouse gas emissions
- The first Turkish telecommunications company that participated in CDP (since 2011)
- E-invoice
- Digital document



Energy Efficiency

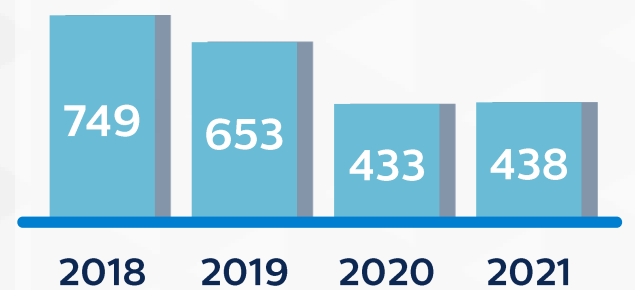
- Efficient use of resources with **Smart City** projects
- Use of **environmentally friendly air conditioners** to reduce greenhouse gas emissions at base stations
- Total power of renewable energy systems increased to **2.5MW**
- **REC (Renewable Energy Certificate)** from **The International REC Standard** for our data centres*



Water & Energy Management

- **Building Centralisation Project** to reduce water consumption
- **Decreased electricity consumption over the years** in line with the targets

■ Water Consumption (thousand m3)



Waste Management

- Reducing rapid consumption of natural resources with **waste management**
- Leaving a livable environment for future generations with the **Zero Waste** project



* The certificate has been obtained for Türk Telekom's three data centres: Gayrettepe, Ümitköy and Esenyurt.

Sustainability Values

45

Occupational Health and Safety



- ▶ Occupational Health and Safety Committees
- ▶ **ISO 14001** Environmental Management System Certificate
- ▶ **ISO 45001** Occupational Health and Safety Management System Certificate
- ▶ Occupational Health and Safety legislation training for about **20 thousand** employees
- ▶ Integrated Management System Policy
- ▶ **ISO 9001** Quality Management System
- ▶ TSE Covid-19 Safe Service Certificate

Our Employees



- ▶ **19%** female, **81%** male employee distribution
- ▶ Freedom of association and right to collective bargaining
- ▶ Türk Telekom Academy; an average of **41.1** hours of training per employee
- ▶ Inventor Idea Development System; supporting the participation of women in workforce

Information Security



- ▶ Information Security Policy
- ▶ Awareness and training on Personal Data Protection Law
- ▶ Employee training on data security and privacy
- ▶ Information Security Certifications: ISO 27001 & PCI-DSS Certificates

Our Suppliers



- ▶ Procurement Policy
- ▶ Supplier Performance Evaluation Process
- ▶ Safe working conditions
- ▶ Compliance with Human Rights Policy

Corporate Governance Highlights

46

- ▶ 9 non-executive Board Members, 3 of which are independent
- ▶ Board of Directors Women Membership; aiming to reach target in the next 5 years
- ▶ Among companies with the highest score in the category of "Stakeholders" and "Public Disclosure & Transparency"



- ▶ Separate Chairman and CEO
- ▶ Only telecom company in the BIST Corporate Governance Index since 2009
- ▶ Audit Committee composed entirely of Independent Board Members

Corporate Governance Rating

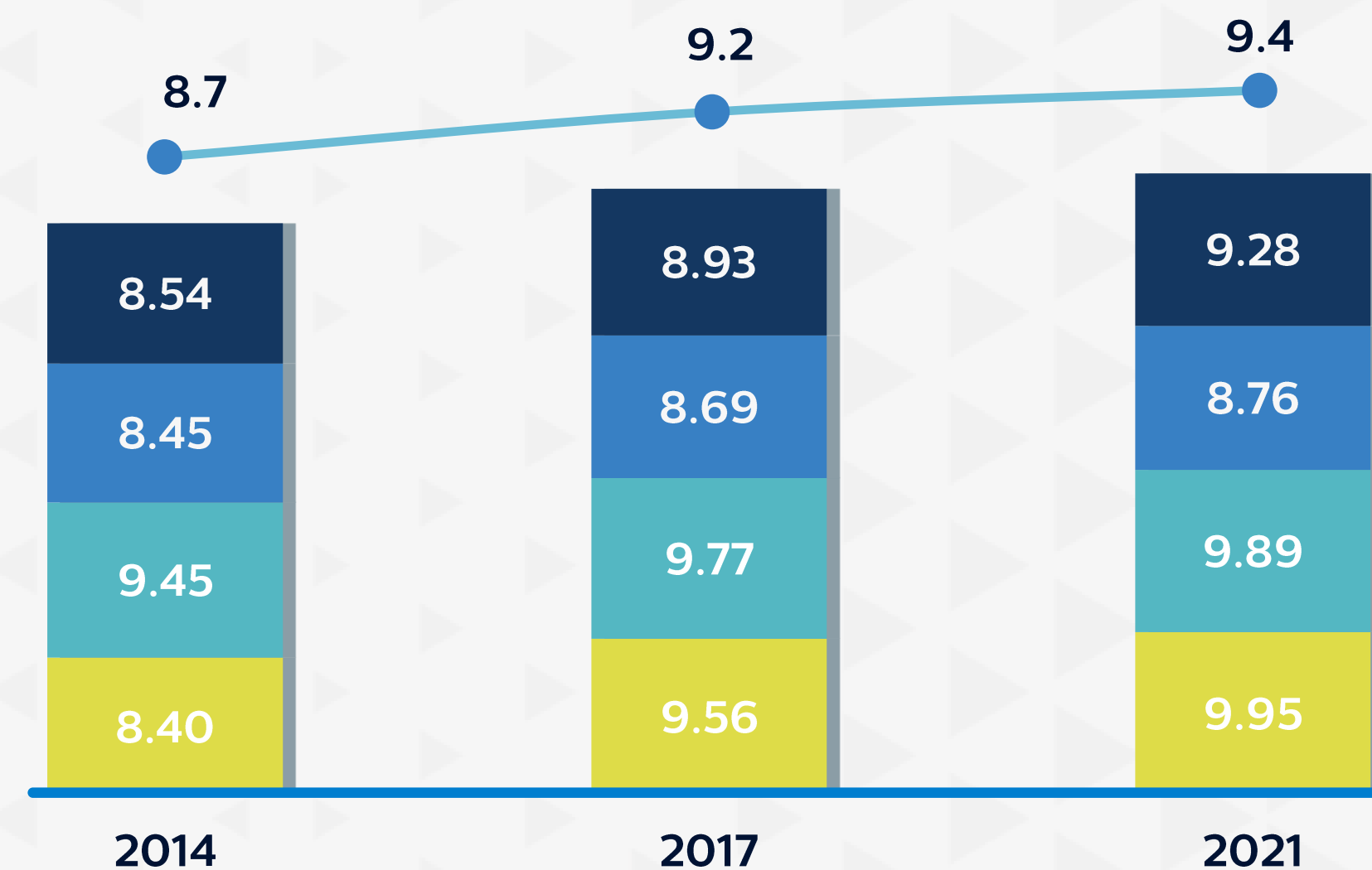
Weighted Average

Board of Directors


Shareholders

Public Disclosure and Transparency

Stakeholders



Group Companies



Group Companies

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5G and beyond next-generation telecommunication technologies R&D company and solution provider

- Netsia BB Suite: Next generation broadband access technology for fixed networks
- vRAN: SDN based Radio Access Network technology for LTE and 5G with numerous international patents
- NCA Suite: Network Performance Monitoring and Customer Experience Management (NPM/CEM) solutions used by telecom operators in Turkey and in the world
- ULAK: Turkey's first and only 4.5G (LTE-A) base station development project
- DEFINE: First domestic DPI solution device development project of Turkey under the roof of OTAK A.Ş.
- Productisation and commercialisation in R&D studies
- Member of BBF, member of ONF and ONAP with its subsidiary Netsia (USA)
- Collaboration with global producers in R&D and solution provision



Turkey's leading software developer company & system integrator

- System Integration Solutions
- Fintech Products and Solutions
- The IoT Platform and Solutions
- Artificial Intelligence and Big Data Solutions
- RPA (Robotic Process Automation)
- E-Business Solutions
- Health Solutions
- Smart City and Smart Store Solutions
- SAP, Business Intelligence, CRM, Project Management Services
- Managed Services, Consultancy Services



International arm of the Group opening up to the World in wholesale data, voice, SMS and mobile roaming services

- A fibre network spreading over approximately 45 thousand kilometres in Central and Eastern Europe (CCE), Turkey, the Middle East and the Caucasus region
- More than 110 points of presence (PoP) in 25 countries
- Billions of minutes of transit voice traffic per year, more than 800 mobile roaming agreements and over 320 LTE mobile roaming agreements with more than 200 business partners
- Value added unique solutions
- AMEERS and AMEER2: Routes connecting Western Europe to the Middle East
- SEA-ME-WE-5: Submarine cable system connecting Europe to Africa, the Middle East and Asia
- KAFOS: Submarine cable system extending from Black Sea to Europe
- MEDTÜRK: Submarine cable system connecting Middle East, Turkey and Europe

Group Companies

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The logo for aSSiSTT, featuring the word in a blue, lowercase, sans-serif font.

Leading customer service
solutions company

- Multi-channel solutions in the fields of call centre, sales-marketing, face-to-face services, outsourcing, social media management, customer experience management and revenue management
- 24/7 uninterrupted service to several sectors such as health, telecommunications, finance, transportation, retail, e-commerce, energy, through long years of experience and competent teams

The logo for SEBIT, featuring a stylized blue 'S' above the word 'sebit' in a lowercase, sans-serif font.

Turkey's leading and long-
established education
technologies company

- E-education products covering all levels from pre-school to high school
- Leading education products: Raunt, SEBIT VCloud and Vitamin
- Content and platform provider to the Ministry of Education in national e-education transformation projects

The logo for Türk Telekom Ventures, featuring a colorful triangle icon followed by the text 'TÜRK TELEKOM VENTURES' in a bold, uppercase, sans-serif font.

The Group's corporate venture
capital company

- Focus on investments which contribute to the growth of early-stage initiatives and scalable-target ventures in the areas of artificial intelligence, digital solutions, health, and education
- Health: Virasoft and DoctorTurkey
- Education: MentalUP
- Energy: Eltemtek
- Social Media: Appyap
- Digital Marketing: Earnado
- Artificial Intelligence: Syntonym, B2Metric, Optiyol, QuantWiFi

Appendix



Income Statement

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(TL mn)	Q4 '20	Q4 '21	YoY Change	2020	2021	YoY Change
Revenues	7,650	9,864	28.9%	28,289	34,273	21.2%
EBITDA	3,546	4,301	21.3%	13,237	16,415	24.0%
Margin	46.3%	43.6%		46.8%	47.9%	
Operating Profit	2,089	2,623	25.6%	7,862	10,213	29.9%
Margin	27.3%	26.6%		27.8%	29.8%	
Financial Inc. / (Exp.)	(907)	(2,176)	139.9%	(4,060)	(4,592)	13.1%
FX & Hedging Gain / (Loss)	(337)	(1,592)	372.4%	(1,765)	(2,557)	44.9%
Interest Inc./ (Exp.)	(479)	(536)	12.1%	(2,049)	(1,858)	(9.3%)
Other Financial Inc./ (Exp.)	(91)	(47)	(48.7%)	(246)	(177)	(27.9%)
Tax Inc./ (Exp.)	(78)	636	n.m.	(624)	141	n.m.
Net Income	1,104	1,084	(1.9)%	3,178	5,761	81.3%
Margin	14.4%	11.0%		11.2%	16.8%	

Balance Sheet

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(TL mn)	31.12.2020	30.09.2021	31.12.2021
Total Assets	44,723	48,340	58,338
Cash and Cash Equivalents	5,008	4,829	7,697
Tangible Assets ¹	16,083	16,915	18,989
Intangible Assets	12,137	12,561	14,332
Right of Use Assets	1,546	1,562	1,579
Other Assets ²	9,948	12,473	15,741
Total Equities and Liabilities	44,723	48,340	58,338
Share Capital	3,260	3,260	3,260
Reserves, Retained Earnings and Other Equity Items	8,777	12,007	10,990
Interest Bearing Liabilities ³	21,235	22,113	29,803
<i>Bank Borrowings and Bonds</i>	<i>19,897</i>	<i>20,765</i>	<i>28,364</i>
<i>Lease Liabilities</i>	<i>1,338</i>	<i>1,348</i>	<i>1,439</i>
Other Liabilities ⁴	11,451	10,959	14,284

(1) Tangible assets include property, building or plant and equipment and investment property

(2) Major items within other assets are trade receivables, due from related parties, inventories, deferred tax asset, tax assets and other current assets.

(3) Includes short-term and long-term borrowings and lease obligations

(4) Major items within other liabilities are deferred tax liability, trade payables, provisions, income tax payable, due to related parties, other current liabilities and provisions for employee termination benefits

Cash Flow Statement

(TL mn)	Q4 '20	Q4 '21	YoY Change	2020	2021	YoY Change
Operating Cash Flow	5,099	7,222	41.7%	13,639	15,681	15.0%
Investing Cash Flow	(2,779)	(3,963)	42.6%	(6,762)	(7,393)	9.3%
CAPEX	(2,913)	(4,483)	53.9%	(6,962)	(8,676)	24.6%
Other Investing Activities	134	520	286.9%	200	1,283	542.5%
Financing Cash Flow ¹	(2,947)	(1,138)	(61.4)%	(6,924)	(6,313)	(8.8)%
Net Change in Cash Position ²	(627)	2,122	n.m.	(48)	1,975	n.m.

(1) Includes currency translation differences

(2) Blocked deposits are included in operating activities rather than net cash position

Revenue Breakdown

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(TL mn)	Q4 '20	Q4 '21	YoY Change	2020	2021	YoY Change
Fixed Voice	686	685	(0.1)%	2,718	2,728	0.4%
Broadband	2,339	2,887	23.4%	8,306	10,712	29.0%
Mobile	2,607	3,074	17.9%	9,867	11,500	16.5%
TV	102	111	8.5%	383	424	10.7%
Corporate Data	537	629	17.0%	2,053	2,357	14.8%
International Revenues	408	612	50.1%	1,471	2,004	36.3%
Other ¹	523	728	39.4%	1,802	2,069	14.8%
Eliminations	(20)	(24)	15.6%	(81)	(92)	13.8%
Revenue w/o IFRIC	7,181	8,703	21.2%	26,519	31,702	19.5%
IFRIC-12	469	1,162	147.4%	1,770	2,571	45.2%
Total Revenue	7,650	9,864	28.9%	28,289	34,273	21.2%

(1) Includes ICT companies, device sales, domestic interconnection and other revenues

Opex Breakdown

55

(TL mn)	Q4 '20	Q4 '21	YoY Change	2020	2021	YoY Change
Direct Costs	1,795	2,147	19.6%	6,454	7,385	14.4%
Interconnection	626	746	19.2%	2,381	2,760	15.9%
Tax	668	760	13.8%	2,483	2,844	14.5%
Provisions for Doubtful Receivables	88	45	(48.9)%	279	186	(33.2)%
Cost of Equipment and Technology Sales	282	433	53.3%	888	1,050	18.2%
Other Direct Costs	131	163	24.7%	424	546	28.8%
Commercial Costs	295	353	19.7%	910	1,081	18.8%
Other Costs	1,599	2,036	27.3%	6,130	7,116	16.1%
Network & Technology	583	877	50.4%	2,129	2,788	30.9%
Personnel	1,047	1,286	22.8%	3,862	4,693	21.5%
Other	(31)	(127)	313.0%	139	(365)	n.m.
Sub Total	3,689	4,535	22.9%	13,494	15,582	15.5%
IFRIC-12	415	1,028	147.4%	1,558	2,275	46.1%
Total OPEX	4,105	5,563	35.5%	15,052	17,858	18.6%

Operational Highlights

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	Q4 '20	Q3 '21	Q4 '21	QoQ Change	YoY Change
Total Access Line (mn)	16.3	16.7	16.9	1.2%	4.1%
Fixed Voice Subscribers ¹ (mn)	10.6	10.5	10.5	(0.1)%	(1.2)%
Naked Broadband Subscribers (mn)	5.6	6.2	6.4	3.5%	14.0%
Fixed Voice ARPU (TL)	21.6	21.7	21.7	0.1%	0.6%
Broadband Total Subscribers (mn)	13.4	14.1	14.3	1.9%	6.9%
Fiber Subscribers (mn)	6.2	8.8	9.6	9.3%	54.3%
FTTH/B Subscribers (mn)	2.3	2.6	2.8	7.0%	23.8%
FTTC Subscribers (mn)	3.9	6.1	6.8	10.4%	72.0%
Broadband ARPU (TL)	59.4	65.9	67.7	2.8%	13.9%
Total Tivibu Subscribers² (mn)	3.1	3.0	2.9	(0.9)%	(5.9)%
Tivibu Home Subscribers ³ (mn)	1.5	1.5	1.5	(0.3)%	(1.8)%
Tivibu ARPU (TL)	20.8	22.1	23.0	4.1%	10.6%
Mobile Total Subscribers (mn)	23.2	23.9	24.0	0.7%	3.6%
Mobile Postpaid Subscribers (mn)	14.8	15.5	15.6	0.5%	5.4%
Mobile Prepaid Subscribers (mn)	8.4	8.3	8.4	1.0%	0.6%
Mobile Blended ARPU (TL)	36.9	42.2	42.1	(0.2)%	14.0%
Mobile Postpaid ARPU (TL)	44.3	48.7	49.5	1.5%	11.7%
Mobile Prepaid ARPU (TL)	23.8	28.3	27.3	(3.3)%	15.0%

(1) Includes PSTN and WLR Subscribers

(2) Includes IPTV, DTH, and Tivibu GO subscribers

(3) Includes IPTV and DTH subscribers

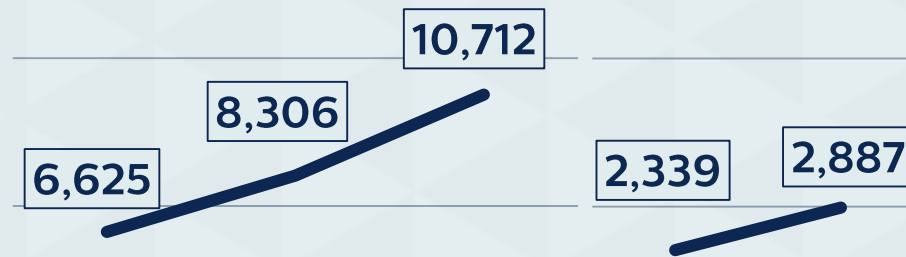
Business Lines Performance

57

Revenue (TL mn)

Growth

Fixed Broadband



CAGR: 27.2%

23.4%

ARPU (TL)

Growth

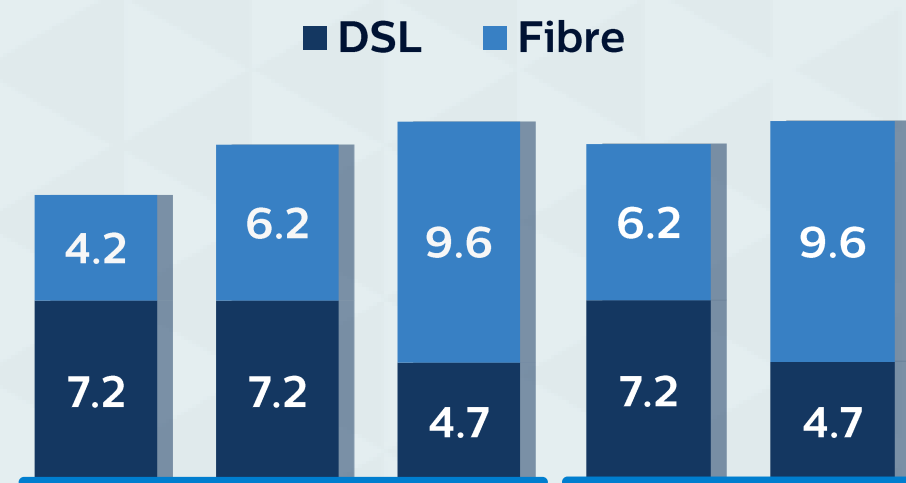


CAGR: 14.2%

13.9%

Subscriber (mn)

Growth



CAGR: 12.2%

6.9%

Mobile



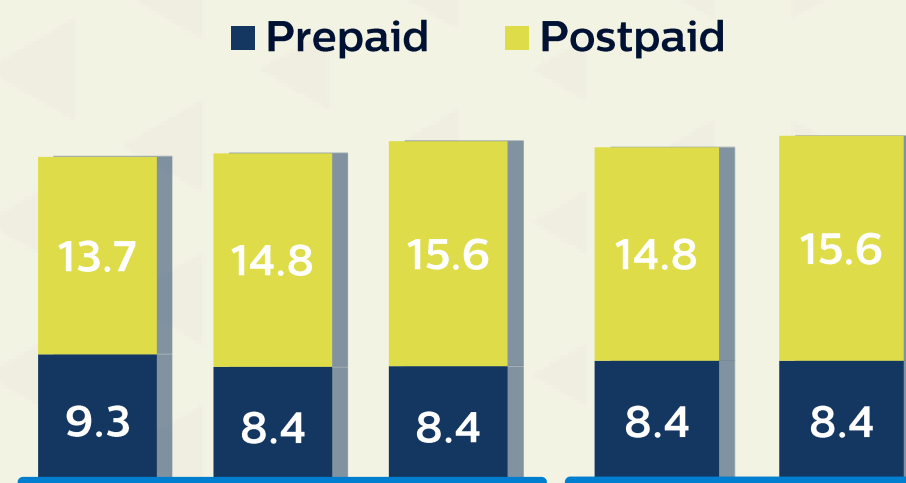
CAGR: 13.7%

17.9%



CAGR: 10.4%

14.0%



CAGR: 2.3%

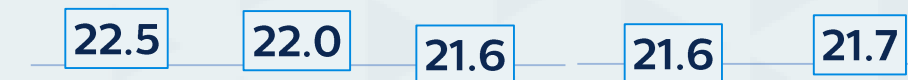
3.6%

Fixed Voice



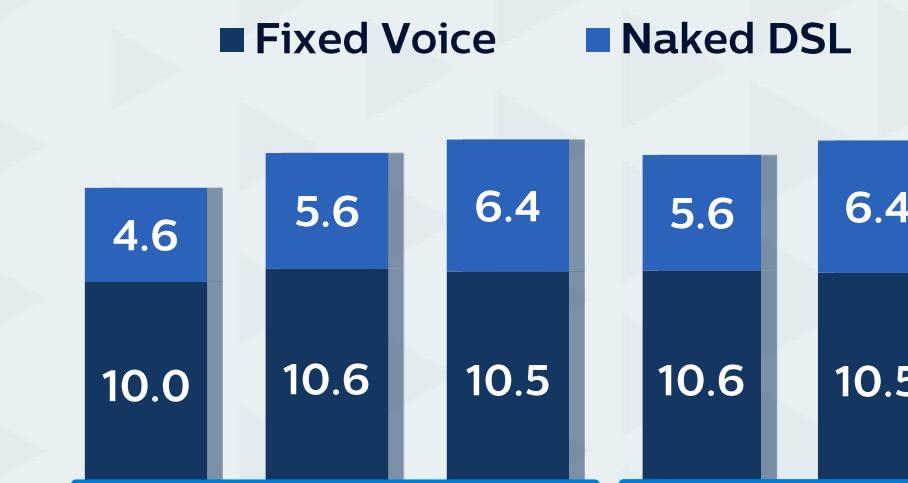
CAGR: 0.8%

-0.1%



CAGR: -2.2%

0.6%



CAGR: 7.8%

4.1%

TV (Tivibu Home)



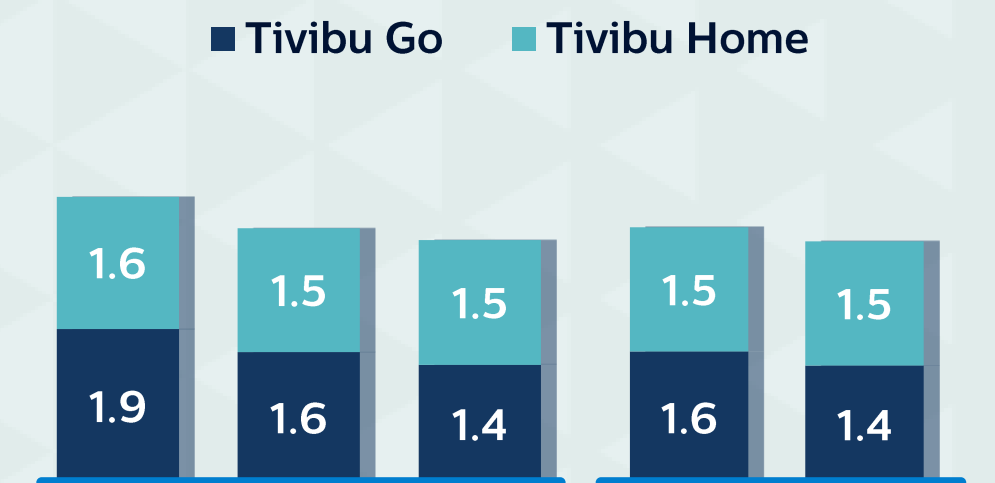
CAGR: 10.3%

8.5%



CAGR: 15.7%

10.6%



CAGR: -7.9%

-5.9%

Shareholder Structure

Ownership and Corporate Structure



55%

stake controlled by LYY (LYY Telekomünikasyon A.Ş.), an SPV of Turkish & International Banks



30%

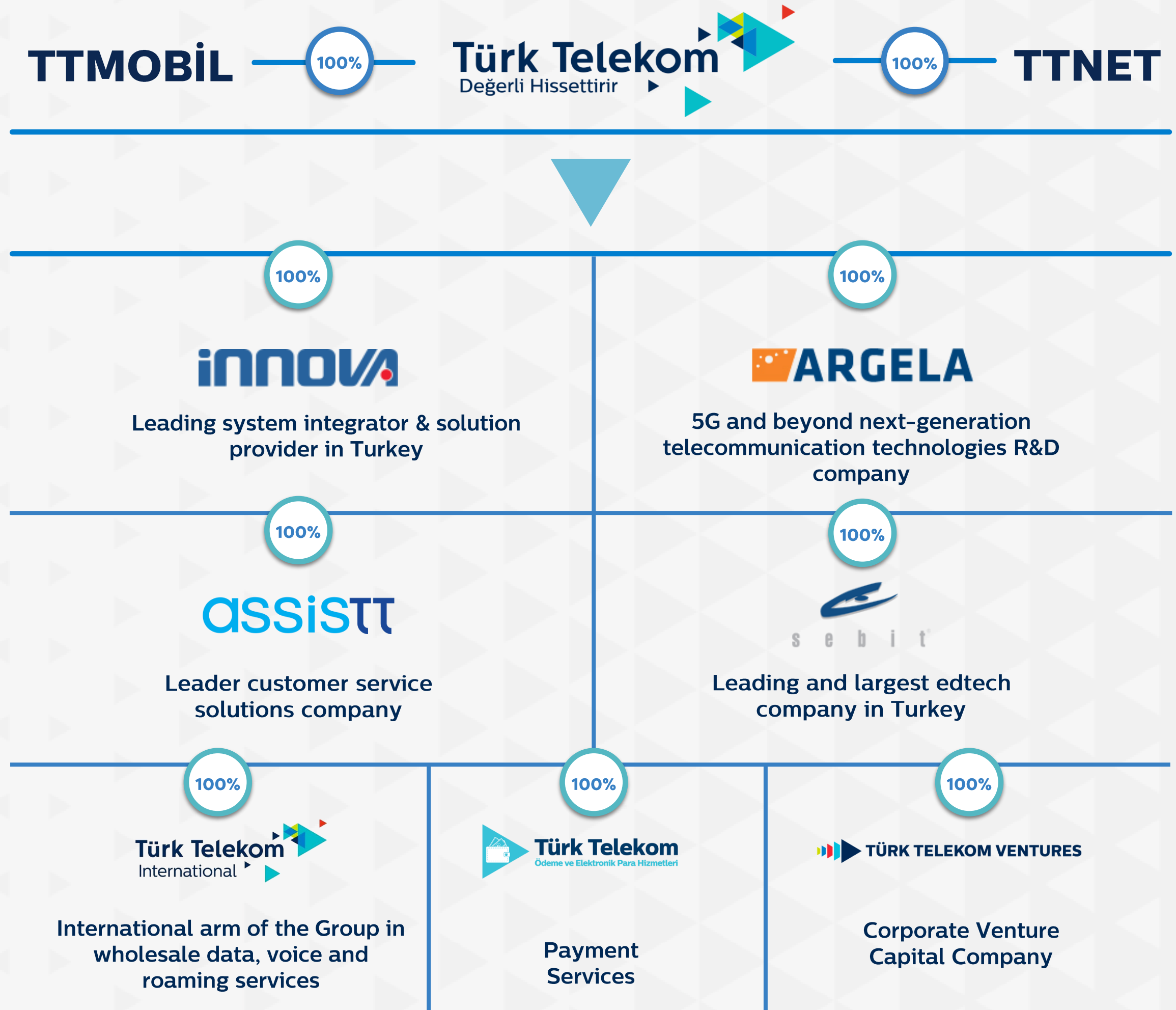
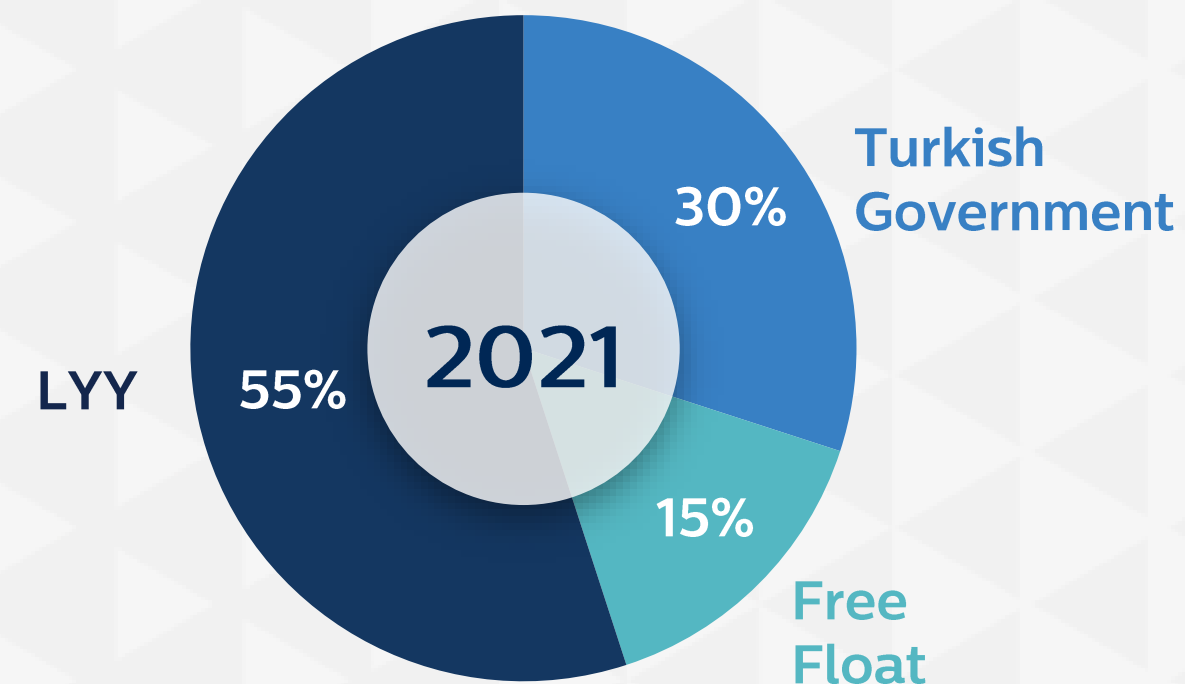
owned by Turkish Ministry of Finance and Turkish Wealth Fund (25% and 5% respectively)



15%

publicly traded on Borsa İstanbul since 2008 (of which 1.68% also owned by Turkey Wealth Fund)

Shareholding Structure



Regulatory Actions

59

April

- Interconnection rate decrease in Fixed (10%) and Mobile (33%)

November

- 3G tender held
- Mobile Number Portability introduced
- New Electronic Communications Law passed

2008

April

- About 52% reduction in MTRs
- 17% cut in double tandem FTR
- 38% decrease in GSM to GSM retail price cap
- TL per minute pricing introduced

December

- Naked Broadband services started

2010

January

- WLR was introduced

November

- Deregulation on FTRs on international calls and liberalisation on their pricing

2012

July

- Calls over fixed line infrastructure was deregulated. Accordingly, Türk Telekom is no longer designated as having SMP (significant market power) in fixed voice market

2014

April

- LTE Service launch

August

- Mobile on-net price floor regulation for TCELL was lifted

October

- The deadline to shift Port Transmission Model

2016

January

- Fair usage quota was lifted

2019

2009

January

- About 50%-55% reduction in MTRs on SMS

March

- Reduction in SCT rate (25% to 5%) on internet services

April

- On-net price floor for TCELL

May

- About 29% reduction in MTRs
- MVNO regulation in place

July

- 3G service launch

September

- Fixed number portability introduced
- Local call liberalisation

2011

April

- Mobile off-net price cap was increased by 4%
- SMS price cap was decreased by 48%

September

- Deregulation on MTRs on international calls and liberalisation on their pricing

October

- ICTA's fibre decision: FTTH/B will be excluded from the market analysis process until 25% fibre market share or for 5 years

2013

March

- Mobile on-net price floor for TCELL formulated by Mobile Termination Rate 1.7x

April

- 75% reduction in MTRs on SMS

July

- 20% reduction in MTRs

September

- Duct Sharing officially started

2015

August

- LTE tender was held

2018

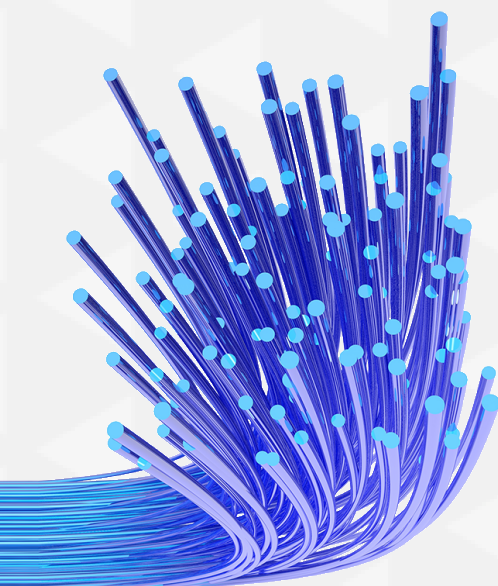
January

- SCT rates for mobile voice, fixed voice, mobile data, and fixed data was unified at 7.5%

2021

June

- Within 3 years from January 2022, mobile interconnection fees will be gradually equalised at 2.10 kurus for all operators



History

60

1995

Separation from Post Office

Türk Telekom separated from the Post Office

2004

Aycell Merger with Aria

Aycell merged with İŞ-TİM's Aria and officially named "Avea İletişim Hizmetleri A.Ş."

2006

Avea Share Transaction

Acquisition of İŞ-TİM's 40.55% stake in Avea, raising total stake in Avea to 81.12%

2010

Invitel Acquisition

Acquired Pantel (rebranded as Türk Telekom International), the leading wholesale capacity and data services provider in Central and Eastern Europe to complement its international carrier business and infrastructure

2014

Bond Issuance

Türk Telekom issued USD 1 bn bond in two tranches of USD 500 mn each, with maturities of 5 and 10 years

2016

Brand Unification

Türk Telekom unified mobile, fixed voice, fixed broadband and TV brands under single "Türk Telekom" brand, while keeping Türk Telekomünikasyon A.Ş., TTNET A.Ş., and Avea İletişim Hizmetleri A.Ş. legal entities intact

2019

Bond Issuance

Türk Telekom successfully completed its USD 500 mn bond offering with 6 year maturity

2001

Aycell Established

Türk Telekom's GSM operator, Aycell established (Aycell later named as AVEA after merging with Aria in 2004)

2005

Privatisation

Privatised through a 55% stake sale to Oger Telecom

2008

Public Offering

IPO with a listing on the Istanbul Stock Exchange and the sale of 15% stake owned by the Treasury to the public

3G

3G tender

2013

Integration Project Initiated

Integration project towards a customer oriented organisation

2015

Avea Share Transaction

Avea share transfer completed; Türk Telekom has become the sole owner of Avea İletişim Hizmetleri A.Ş.

LTE

LTE tender

2018

Establishment of CVC

The Corporate Venture Capital Company was established under "TT Ventures Proje Geliştirme A.Ş."

Shareholder Change

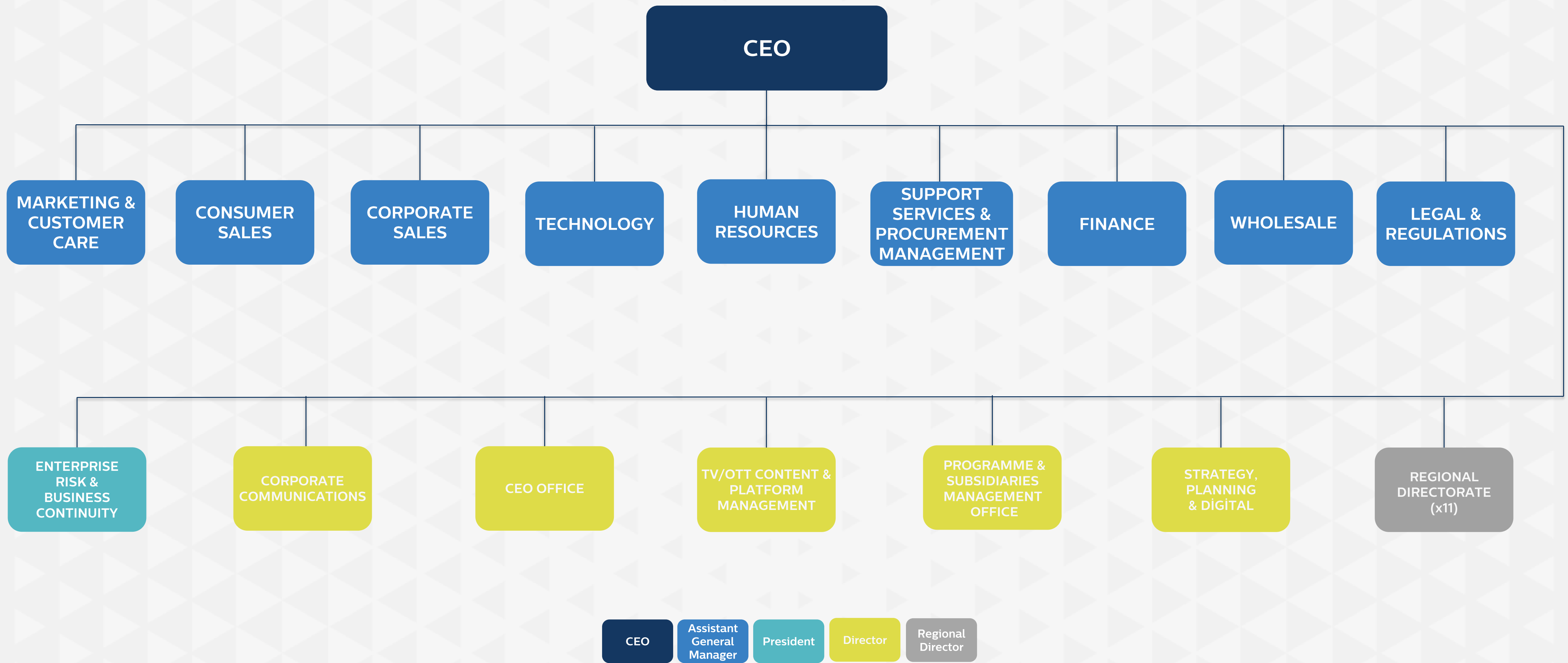
55% shares of Türk Telekom transferred to LYY Telekomünikasyon A.Ş. (LYY) from OTAS

2020

Bond Issuance

Türk Telekom issued the first domestic bond of TL 150 mn with a maturity of 402 days.

Organisational Structure



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Türk Telekom
Değerli Hissettirir

