

Number: 5 -

...../...../2023

Subject : Announcement on Changes Made in BIST Market
Cap-Weighted Indices Methodology

To Whom It May Concern

Equity Indices Methodologies are periodically reviewed by the Borsa İstanbul Financial Benchmarks Committee (the Committee), reflecting the developments in the markets and changes arising from local and international legislation, meeting the requests of market participants and making the necessary updates.

In this context, it was decided by Borsa Istanbul Management;

- From the data in the notifications made by the companies whose shares are traded on our Exchange on PDP with the template named "Notification Regarding Buyback of Shares";
 - Has an ongoing share buyback program,
 - Has repurchased a number of shares representing at least 0.1% of its share capital under the program,
 - Actual share buybacks in the last 12 months prior to the Valuation Date

"BIST Buyback Index" to be calculated from the shares of companies.

- To start calculating the "BIST Dividend 25 Capped 10" Index, which is a 10% weight capped version of the BIST Dividend 25 Index, taking into account market needs,
- To change the publication frequency of the BIST Dividend 25 Index to 1 per second,
- To calculate and publish the Return versions of BIST Equity indices, which are currently calculated and published only once at the end of the day, with the same frequency as the Price versions during the day,
- In the BIST Sustainability and BIST Sustainability 25 indices, the existing provisions on giving companies that fail to meet the required criteria in the periodic valuations one more index period to meet the criteria to reorganize in order to make them easier to understand.
- Amendments to articles 5.2.f.iii and 7.2 to make it easier to understand,
- In the periodic valuations of the BIST Dividend indices, since it can be seen that some companies that change their fiscal period do not pay dividends for the short-term accounting periods that occur, but this does not change the long-term dividend payment habits of the company, in order to prevent such companies from being excluded from the index, the sentence "Short-term accounting periods of 6 months or less that occur in companies that change their fiscal period may not be taken into account as "fiscal years" in terms of the "last 3 fiscal years" criterion." to be added to Article 6.11.b,
- To change the name of the regulation mentioned in Article 6.15 in accordance with the Presidential Decree,
- To add Article 12 titled "Update Frequency",

- To follow the procedures and principles set out in Article 7.6 "Non-fundamental Changes" of the Financial Metrics Management Procedure for all of the listed changes,
- To accept the changes shown in track-changes format version and having final version of the BIST Market Cap Weighted Stock Indices Methodology in Appendices,
- "BIST Buyback" and "BIST Dividend 25 Capped 10" indices will start to be calculated with the codes shown below as of 15 August, 2023, from simultaneous data and their starting values will be the closing values of "BIST 100" and "BIST Dividend 25" indices (TL - Price) on 14 August, 2023, respectively,
- To determine the scope of the BIST Buyback Index by taking into account the PDP notifications as of 31 July, 2023, and to announce it on 11 August, 2023, at the latest.

The announcement and relevant appendices can be reached from the "Index Announcements" section of Borsa İstanbul corporate website (www.borsaistanbul.com/en).

Kindly submitted to your information.

Regards,

Murat BULUT
Deputy General Manager

New Indices to be Calculated

<u>Code</u>	<u>Turkish Name</u>	<u>English Name</u>
XUGRA	BIST Geri Alım	BIST Buyback
XTM25S	BIST Temettü 25 Ağırlık Sınırlamalı 10	BIST Dividend 25 Capped 10

Appendices:

BIST Market Cap Weighted Stock Indices Methodology (Track-changed version 29 pages)

BIST Market Cap Weighted Stock Indices Methodology (Final version 29 pages)

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