



ZENITH

MARMARAMUN'26

CORPORATE BOARD SIMULATION

Agenda Item

Open Agenda

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Strive For Perfection

10th Anniversary

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ZENITH

1. Letter From the Secretary General

Dear Participants,

On behalf of the Secretariat and Organization Team, it is my great pleasure to welcome you to MarmaraMUN'26 Zenith. Following last year's pursuit of perfection, we now gather at the Zenith, the highest point, symbolizing our collective ambition in the 10th year anniversary of MarmaraMUN Society. As the Secretary General of the MarmaraMUN'26 Zenith and the Club President of the MarmaraMUN Society I am very pleased to host you at our university'

Zenith means the highest point, it comes from astronomy, where it describes the highest point in an arc traveled by a star or a planet or another celestial body. The sun reaches its Zenith when it is as high in the sky as it is going to go on that day. MarmaraMUN always represent the highest point, now we are putting a milestone for the MUN Community. You will gain experience from the best of the business in our country, almost every single one of our board members have secretariat experiences and they contributed to the community for years. This statement also goes for our organization team and its members. You will debate, meet qualified people and of course, have fun.

Our carefully selected committees and agendas promise an exceptional academic experience. I invite you to speak with courage, think openly, and engage with respect. Every single individual present in the conference is hand-picked from 1500+ applicants, so make it count and use the opportunity wisely. At the end of the day MarmaraMUN'26 Zenith is where ideas rise, friendships form, and legacies begin.

Welcome to MarmaraMUN'26 Zenith and be prepared to strive for perfection.

Sincerely,

Korcan Musa KARAŞAHİN

Secretary General of MarmaraMUN'26 Zenith

2. Letter From the Committee Board

Dear Participants of MarmaraMUN'26 Corporate Board Simulation,

We are honored to extend a warm welcome to everyone attending MarmaraMUN'26. As the CBS committee board, we promise you that during the three amazing days, we will create an unforgettable and highly dynamic decision-making environment for you to enjoy.

One of the primary focuses of this simulation is real-world corporate governance and decision-making under complex global conditions. In this context, we will be addressing key issues such as corporate responsibility, global market dynamics, and sustainable business strategies. That is why we have designed this simulation to reflect real boardroom challenges and high-level executive decision processes closely.

Corporate strategy and leadership will be the focus of our discussions throughout these three days. I sincerely hope that the discussions and strategies developed here will not only be meaningful within the simulation but also inspire your future academic and professional journeys. What may begin as an idea in this room can very well become a real-world impact in the future.

MarmaraMUN conferences are where we bring out our best selves, push our limits, and strive for perfection. And keep in mind that being part of MarmaraMUN is not just a regular experience; it is an ultimate one, it is the Zenith where every delegate reaches the highest point they can possibly achieve.

ZENITH

3. Company Profile: Turkish Airlines

3.1. Historical Background

3.1.1. Early Period

On May 20th 1933, Turkish State Airlines (Devlet Hava Yolları) was established under the Ministry of National Defense with Fesa Evresev as its first general director. With five planes and less than 30 employees, Turkey's first airline had humble beginnings and in 1935 the airline was transferred to the Ministry of Public Works under the name of General Directorate of State Airlines (Devlet Hava Yolları İşletmesi İdaresi). Three years later in 1938, it became part of the Ministry of Transportation.

During its initial years the airline operated only a few number of fleets -about 5-10- and carried mail, government officials and some passengers to a limited degree. It was not the commercial airline we know today but more akin to a government transport service. After the Second World War Turkey began opening up internationally and in 1947, the airline had its first international flight to Athens and later opened new flights to Nicosia, Beirut and Cairo. However, the airline's priority remained in domestic flights. İstanbul Yeşilköy Airport (later renamed Atatürk Airport in 1985) was opened to air traffic in 1953 and has since become an international transport hub until its closure to commercial flight in 2019.

In 1956, the airline was capitalized at TRY (Turkish Lira) 60 million and was renamed as Turkish Airlines (Türk Hava Yolları). Shortly after, the airline became a member of IATA (International Air Transport Association). With five newly added Viscount 794's to the fleet, the airlines upgraded from piston engines to jet engines in 1958, and British Overseas Airways Corporation (BOAC) began supplying technical support after acquiring a small amount of shareholding in the company.

The airline achieved its first transatlantic flight in 1961, with captain pilots Zihni Barın ve Nurettin Gürün completing a 30 hour long flight from the US to Turkey. New aircraft were added along the years and in 1971 the fleet received three Boeing 707's. Expanding its operations both within Turkey and international airways, THY increased its capital of TRY 200 million to 400 million in 1972 alone, with the company having expanded its size to 4,437 employees by 1973.

3.1.2. 1980-2000

By 1983 the airline had been delivering 2.5 million passengers across the globe with flights to Europe, Middle East, Far East and most recently to America. However, the airline had its fair issues. It developed a reputation for poor service compared to competitor and flight delays, with 47 out of 100 flights not departing on time. It also endured hijackings and suffered seven accidents between 1974 and 1983. The most notorious was the 1974 crash of Turkish Airlines Flight 981, when an aircraft design flaw led to a faulty cargo door breaking off in flight near Ermenonville, France, resulting in the deaths of 346 people. At the time of the accident, THY981 was the worst plane crash of all time.

The new government that came into power in 1983 recognized the importance of THY as Turkey's gateway to the world and steps were taken to modernize it. THY built a new and modern technical centre at Yeşilköy Airport in 1984 capable of both light and heavy maintenance on many different types of aircraft. In 1984, THY was classified as a state economic enterprise (Kamu İktisadi Teşebbüsü [KİT]) and its capital was raised to 60 billion TL and to 150 billion TL three years later. THY flew approximately three million passengers each year with a fleet of 30 aircraft and İstanbul grew in its importance as an international transfer hub for passengers. Additionally, THY became Turkey's largest source of foreign currency. In 1989, THY launched its Miles&Smiles program for passengers as well.

Even though such achievements, the company reported losses in 1987 and 1988 due to its orders to further modernizing its fleet and also suffered from the global aviation crisis following the Gulf War, reporting losses from 1991 to 1994. Nevertheless, the airline persevered and continued on its growth for the rest of the 90s especially with growth from North American destinations, reaching 10 trillion TL in 1995. The company posted a \$6 million profit on revenues of \$1 billion for the year. While profitable, THY had to contend with Turkey's exorbitant inflation, making capital improvements difficult.

The new market regulations in 1996 allowed for competition from new airlines and it faced additional competition from other international airlines. THY entered into various marketing agreements with other international airlines to face off against the competitive market such as with Japan Airlines, Austrian Airlines, Swissair and Croatia Airlines.

3.1.3. 2000-2019

THY continued onto extend their international reach with new marketing agreements with more airlines across the world. Importantly, THY withdrew from the Qualiflyer alliance led by Swissair in order to help attract a strategic investor for the company's privatization.

Turkey underwent an economic crisis in 2001 and the international aviation sector suffered losses due to September 11 attacks on the US. However, THY suffered survived through this period relatively well with minor layoffs in the middle management and part-timers and a decrease in wages by 10 percent. A news agency from Turkey attributes this success to the company's entrepreneurial management which was quick on its feet at getting rid of loss-making routes. In 2003, the airline was further pressured due to the Iraq War (2003-2011) and the SARS epidemic which resulted in flights being suspended in the Persian Gulf and Asia.

In 1998 the Turkish Airlines website was launched and in 2001 they put their call centre into service. And in 2003 it became possible for passengers to book their tickets online with e-ticket and online check-in applications.

THY continued to maintain one of the youngest fleets in Europe with a massive order of 36 jets from Airbus and an order for 15 Boeing 737s totalling \$2.8 billion. The airline had also built up a very significant technical services operation maintaining third party aircraft as well leading to the foundation of Turkish Technic in 2006 and a new technical and training facility at the then underutilized Sabiha Gökçen International Airport. In 2008, THY created AnadoluJet, a subsidiary company focused on low-cost air-travel with both domestic and international flights.

New competitors in the Turkish market met new challenge for the airline but the tourism was also rising with the expected number of tourists rising from 12 million to 20 million from 2003 to 2005. While technically a publicly traded company, the government held 98% of the shares, but in 2004 the privatization program was revived with an additional 20% of shares offered to the public on the Istanbul Stock Exchange, raising \$170 million. Currently, the Turkey Wealth Fund owns 49.12% of the stock while 50.88% is publicly traded.

The airline achieved further international successes by joining the Star Alliance in 2008, winning the bid in an auction for Bosnia and Herzegovina's B&H Airlines shares, became the

first international carrier to resume flights into a civil war torn Somalia in March 2012 and showed significant increase in presence in Africa. The airline increased its operations at Istanbul Sabiha Gökçen International Airport, reaching 199 international and 42 domestic destinations by the end of 2013.

2016 was a particularly difficult year for THY as it announced a loss of \$644.4 million for the first half of the year and an expected loss of 10 million passengers for the year as a result of worsening Turkish economy, the 2016 failed coup d'état attempt and other events. Despite this though year, the airlines recovered and returned to profitability in 2017.

3.1.4. Recent Years

The year 2019 marked one of the most significant turning points in the airline's history with "The Great Move." Over a 45-hour period in April, Turkish Airlines transferred its entire operation from Atatürk Airport to the newly constructed Istanbul Airport (IST). This \$12 billion mega-project provided THY with the capacity to expand its fleet toward a goal of 500+ aircraft, alleviating the slot constraints that had limited growth at the aging Atatürk Airport.

However, the transition was immediately followed by the global COVID-19 pandemic in 2020. While many international legacy carriers faced bankruptcy or required massive government bailouts, THY utilized its flexible fleet and geographical advantage to remain resilient. During the height of travel restrictions, the airline pivoted heavily toward logistics; Turkish Cargo rose to become one of the top five air cargo carriers globally, utilizing passenger aircraft as "preighters" (passenger-freighters) to transport medical supplies and e-commerce goods. This strategic shift allowed the company to return to profitability much faster than its European competitors, posting a profit as early as 2021.

By 2023, coinciding with the Centenary of the Republic of Turkey and the airline's 90th anniversary, Turkish Airlines announced its "Strategic Plan 2023-2033." The ambitious roadmap aimed to double the fleet to 800 aircraft and increase passenger numbers to 170 million. In late 2023, THY finalized a historic order with Airbus for 355 new-generation aircraft, including A350s and A321neos, signaling a commitment to fuel efficiency and long-haul dominance.

A major milestone in global connectivity was reached in March 2024, when Turkish Airlines launched its inaugural flights to Melbourne, Australia, followed shortly by Sydney. This marked the first time the carrier provided scheduled service to the Australian continent, effectively connecting all six inhabited continents under its own metal. In the same year, the airline officially rebranded its low-cost subsidiary, AnadoluJet, as AJet, establishing it as a fully independent entity with its own Air Operator's Certificate (AOC) to better compete in the European budget market.

As of early 2026, Turkish Airlines has solidified its position as the carrier that flies to more countries than any other airline. The focus has shifted toward digital transformation and sustainability, integrating AI-driven flight planning to reduce carbon emissions and expanding the use of Sustainable Aviation Fuel (SAF). Despite regional geopolitical tensions, the airline remains the primary engine of Turkey's service exports, with the Istanbul hub now handling over 80 million passengers annually, cementing its status as the "crossroads of the world."

3.2. Corporate Mission and Policy Statements

“Turkish Airlines Inc., its mission is to become Europe's leading air carrier of choice with a global network of coverage network thanks to its strict compliance with flight safety, reliability, product line, service quality and competitiveness whilst maintaining its identity as the flag carrier of the Republic of Türkiye in Civil Air Transportation Industry.”

As the first airline of Turkey, Turkish Airlines continues to be the national flag carrier. Thus, Turkish Airlines is not only just a business, but a symbol of the state's sovereignty and progress. The airlines promotes Turkish culture and hospitality to a global audience by carrying its name across the world.

At the core of its mission, Turkish Airlines seeks to be associated with “quality”. Turkish Airlines is credited and awarded for its high service standards, putting customers at the centre of attention. The company seeks to overcome its competition by further extending its network across the globe, good quality and being reliable.

Additionally, the Turkish Airlines policies also state a commitment for sustainability and environmental awareness with commitments to the industry wide goal of reaching net zero

carbon emissions by 2050, and modernizing its fleet and systems to be more carbon efficient. Turkish Airlines also values its employees greatly with great care for occupational safety, professional development and open communication. Furthermore, due to the massive volume of personal and financial data handled its policies are governed by ISO standards, GDPR and Turkish laws. Quite recently, the company added onto its policies the responsible use of AI with human oversight on its outputs and ethics to be held in the forefront.

3.3. Strategic Vision

Turkish Airlines strives to become one of the leading airlines across the globe, focusing on quality service, a wide global network, and positioning itself around Istanbul Airport as an international transportation hub. As the national carrier, Turkish Airlines aims to compete with major carriers such as Emirates and Qatar Airways by advancing these strategic goals and strengthening its global brand.

THY has successfully established Istanbul as a major transit center connecting Europe, Asia, Africa, and the Middle East, and continues to build on this position. The increasing importance of Istanbul as a hub aligns not only with the airline's corporate interests but also with Türkiye's national interests, contributing to economic growth and soft power projection.

In line with these objectives, Turkish Airlines continues to expand its network and aims to fly to more countries than any other airline, with a particular focus on emerging markets such as Africa. Alongside this expansion, the airline emphasizes high service standards, investing in in-flight experience, digitalization, and operational efficiency to enhance customer satisfaction. By balancing competitive pricing with full-service quality, it positions itself between premium and low-cost carriers, further reinforcing its role as a key player in global aviation.

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4. Key Subsidiaries and Operational Areas

Turkish Airlines (THY) operates through a diversified portfolio of subsidiaries, forming an integrated aviation ecosystem that supports its global operations and enhances efficiency across the value chain.

- **Turkish Technic**
Provides maintenance, repair, and overhaul (MRO) services for THY's fleet and third-party airlines worldwide.
- **Turkish Cargo**
Manages global air freight operations, connecting major trade routes across Europe, Asia, and the Middle East.
- **AnadoluJet**
Operates as a low-cost carrier focusing on domestic routes and short-haul international destinations.
- **Turkish DO&CO**
Responsible for onboard catering services, enhancing passenger experience and service quality.
- **SunExpress**
A joint venture with Lufthansa, focusing on leisure travel between Turkey and Europe.
- **Turkish Opet Aviation Fuels**
Supplies aviation fuel and manages fuel logistics at airports.
- **Turkish Flight Training Center**
Delivers training programs for pilots and cabin crew, ensuring high service and safety standards.
- **Turkish Technology**
Manages IT infrastructure, software development, and digital transformation processes.

THY's operational structure is highly integrated, with each subsidiary contributing to specific functions across different locations and processes:

- **Passenger Transportation**
Turkish Airlines operates full-service, long-haul international flights worldwide, while AnadoluJet focuses on cost-efficient domestic and short-haul international routes.
- **Cargo and Logistics Operations**
Turkish Cargo operates primarily from its hub at İstanbul Airport, managing global freight transportation and acting as a strategic logistics bridge between continents.

- **Maintenance and Engineering**

Turkish Technic conducts maintenance operations in Istanbul and international locations, serving both THY and external airline clients.

- **Catering Services**

Turkish DO&CO manages food production mainly in Istanbul while supporting international catering operations.

- **Fuel Supply Operations**

Turkish Opet Aviation Fuels operates at airports to ensure a continuous and efficient fuel supply for flight operations.

- **Training and Human Resources Development**

Turkish Flight Training Center provides professional training programs, maintaining high standards in aviation personnel.

- **Technology and Digital Infrastructure**

Turkish Technology supports digital systems, innovation, and IT operations across all business units.

- **Tourism and Leisure Aviation**

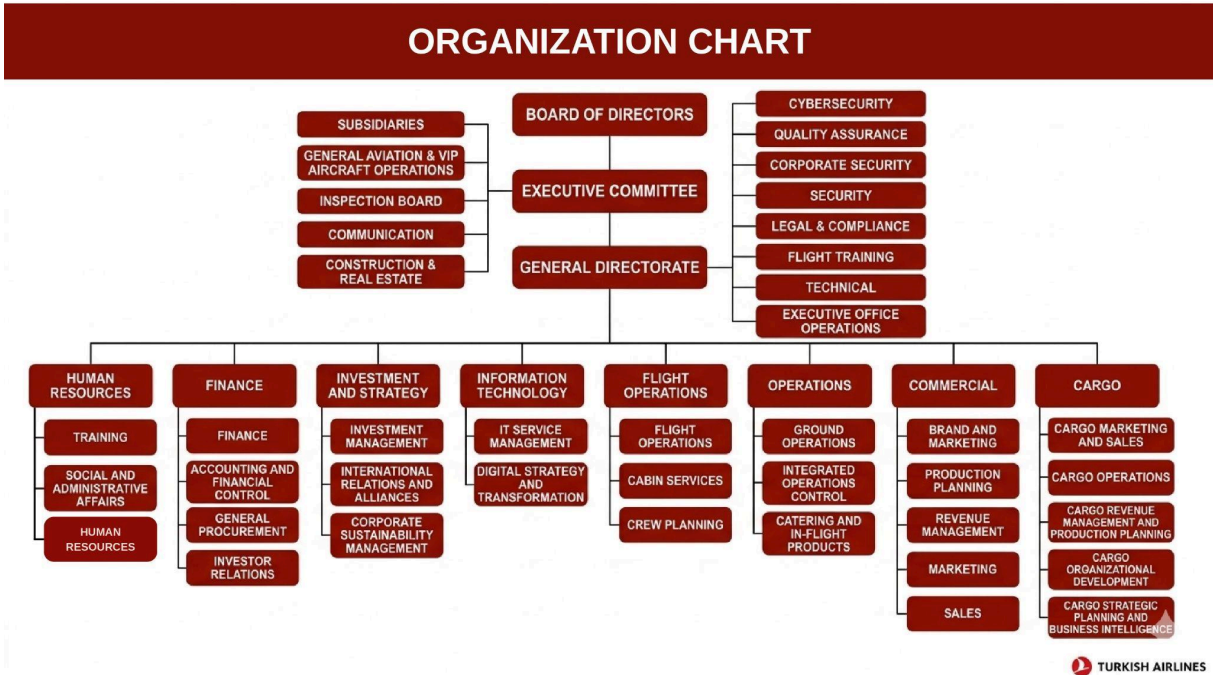
SunExpress operates mainly between Turkey and European destinations, focusing on seasonal and tourism-driven routes.

5. Organizational Structure

The organizational structure of Turkish Airlines consists of three main levels: the Board of Directors, the Executive Committee, and the General Directorate. The Board of Directors defines the company's overall strategic direction, while the Executive Committee ensures the implementation of these strategies and manages operational processes. The General Directorate is responsible for the execution of daily operations and the management of the company's activities.

Subsidiaries, General Aviation and VIP Aircraft Operations, the Inspection Board, Communications, Construction, and Real Estate units operate under the Executive Committee. These units function in coordination with one another, supporting operational

processes in line with the company’s strategic objectives.



1. Subsidiaries

The Subsidiaries Department evaluates annual budgeting and long-term strategic planning processes from the perspective of alignment with both subsidiary-level and parent company strategies, and reports its findings to the Board of Directors. It monitors the implementation of decisions taken by the General Assembly and the Board of Directors, as well as developments within the companies and their strategic plans, while ensuring that the Board is regularly and comprehensively informed. Furthermore, the department is responsible for the overall coordination of corporate investment projects between the parent company and its subsidiaries, including processes such as incorporation, mergers and acquisitions, and divestitures.

2. General Aviation and VIP Aircraft Operations

The General Aviation and VIP Aircraft Operations Department manages specialized aviation services within the scope of general and executive aviation activities. It ensures that operations are conducted in accordance with applicable regulations and standards, while providing high-quality, safe, and efficient services tailored to VIP and general aviation requirements.

3. Inspection Board

The Inspection Board carries out audit, inspection, and investigation activities in accordance with the annually scheduled inspection program. It is responsible for promptly reporting any identified, observed, or experienced incidents, as well as potential hazards, threats, safety risks, and customer complaints, to the relevant units specified in the applicable documentation, utilizing the organization's communication channels. In addition, the Board ensures, through effective coordination, the implementation, monitoring, and reporting of fraud prevention measures across the organization's sales and distribution channels.

4. Communications

The Communications Department manages the organization's marketing communication strategies in consideration of market dynamics and ensures that these strategies are revised when necessary. It is responsible for the procurement of promotional materials, the coordination of corporate publications, and the management and control of advertising by overseeing the sale of advertising and rental spaces within the organization's assets.

The department also coordinates and manages market research activities conducted both domestically and internationally to assess brand perception, brand awareness, and the effectiveness of advertising and promotional efforts. Furthermore, it oversees the design, review, approval, and publication of all printed and visual materials related to the organization and its sub-brands, ensuring compliance with corporate identity standards.

In line with the organization's corporate communication strategies, the department is responsible for the preparation, implementation, and execution of the main public relations communication action plan, utilizing external public relations agencies when necessary.

5. Construction and Real Estate Department

The Construction and Real Estate Department is responsible for managing and executing all construction, renovation, repair, and decoration activities related to the organization. It oversees the entire process, from conducting preliminary surveys, feasibility studies, and project planning to the successful completion of the work. The department ensures that all projects are finalized through proper cost accounting and acceptance procedures.

Cyber Security, Quality Assurance, Corporate Safety, Security, Legal and Compliance, Flight Training, Technical, and Executive Office Operations functions operate under the General Directorate. These units carry out their activities in coordination with one another and report to the General Directorate, ensuring that all processes are managed in alignment with organizational standards and operational requirements.

1. Cybersecurity

The Cybersecurity Department is responsible for protecting the organization's digital infrastructure, systems, and data against cyber threats and unauthorized access. It ensures the implementation of preventive, detective, and corrective security measures in alignment with national and international standards, while continuously monitoring, assessing, and improving cybersecurity posture to safeguard operational continuity.

2. Quality Assurance

The Quality Assurance Department oversees and ensures that all activities carried out by the organization, as well as the services procured, are in continuous compliance with national and international legislation, standards, regulations, contracts, procedures, and requirements, while also aligning with the organization's internal rules, policies, and strategic objectives. The department is responsible for establishing, operating, monitoring, continuously improving, reporting, and promoting corporate management systems designed to ensure sustained compliance across all processes.

3. Corporate Security

The Corporate Safety Department identifies risk areas and ensures that appropriate measures are taken to mitigate threats and hazards, with the ultimate objective of reducing accidents and incidents to zero. It provides an effective and continuous accident prevention and flight safety service, contributing to the overall safety culture and operational integrity of the organization.

4. Security

The Security Department ensures the protection of the organization's personnel, passengers, visitors, buildings, facilities, aircraft, and cargo against all forms of sabotage, attacks, hijacking, and other similar incidents that may pose a threat to safety and security. It is also

responsible for carrying out activities related to aviation and physical security, including training, planning, documentation, implementation, coordination, and monitoring, in order to maintain a secure operational environment.

5. Legal and Compliance

The Legal and Compliance Department ensures that all organizational activities are conducted in accordance with applicable national and international laws, regulations, and internal policies. It provides legal guidance, manages regulatory compliance, and safeguards the organization's interests by overseeing contractual, legal, and compliance-related matters.

6. Flight Training

The Flight Training Department plans, implements, and oversees the training of cockpit and cabin crew in accordance with national and international regulations, as well as the organization's internal rules and standards. It also ensures coordination between operational units and the flight training center in relation to flight planning and execution for the fleet, while supporting research and development projects focused on aircraft performance characteristics and maintaining the knowledge and data derived from these initiatives.

7. Technical

The Technical Department ensures that aircraft, as well as their engines, components, and equipment, are maintained in accordance with the directives of the Directorate General of Civil Aviation (DGCA), the authority granted by the organization, and applicable international rules and standards. It is responsible for overseeing maintenance, repair, modification, testing, and overhaul activities. Furthermore, the department ensures that aircraft within the organization's fleet are kept in an airworthy condition and made available for service accordingly. It also provides the necessary support at both domestic and international service locations, while ensuring the efficient use and proper maintenance of all tools, equipment, and auxiliary resources utilized in these operations.

8. Executive Office Operations

The Executive Office Operations Department manages high-level administrative and executive support processes, ensuring the effective coordination of executive-level activities.

It facilitates communication, organizes operational workflows, and supports decision-making processes at the senior management level.

There are eight main departments operating under the General Directorate. These are Human Resources, Finance, Investment and Strategy, Information Technologies, Flight Operations, Operations, Commercial, and Cargo. Each of these departments is further divided into several sub-departments, which work together to ensure the effective management and execution of the organization's activities.

1. Human Resources Department

Human Resources

The Human Resources Department is responsible for identifying workforce requirements and managing recruitment processes accordingly. It conducts comprehensive competency analysis studies to determine the core, functional, and managerial competencies required for various positions within the organization. In compliance with national and international legislation, as well as corporate rules and regulations, the department oversees employee-related matters including compensation, benefits, personnel affairs, administrative processes, healthcare, travel arrangements, and time management. Furthermore, it manages individual and collective labor relations by ensuring effective coordination across relevant units.

The department also leads initiatives aimed at enhancing employee satisfaction and engagement. In addition, it is responsible for the establishment, implementation, maintenance, and performance evaluation of the organization's Occupational Health and Safety Management System.

Training Department

The Training Department ensures that all training processes are managed in alignment with the organization's objectives, mission, vision, policies, and strategies, while also complying with relevant national and international regulations, Civil Aviation Authority requirements, and internal corporate procedures. It is responsible for organizing both online and in-class training programs across commercial, technical, administrative, ground operations, and language-related fields. In addition, the department ensures that technical advancements and regulatory updates are systematically integrated into the organization's training curricula.

Social and Administrative Affairs

The Social and Administrative Affairs Department manages processes related to general stock-controlled materials, including the preparation of requisition documents and technical specifications. It is responsible for the inspection and quality control of procured goods and services, as well as the storage of materials, monitoring of stock levels, and ensuring the timely distribution of materials to the relevant departments.

2. Finance Department**Finance**

The Finance Department is responsible for securing the organization's fleet and other financing requirements in line with the most appropriate maturity, interest rate, and currency structure. It manages treasury operations and oversees the organization's cash portfolio. The department also ensures that aircraft acquisitions are financed through international financial markets at the most cost-effective terms. In addition, it manages fuel procurement processes and the associated financial risks arising from sudden fluctuations in fuel markets. Furthermore, the department oversees insurance activities to ensure that all assets within the organization are adequately protected against potential risks.

Accounting and Financial Control

The Accounting and Financial Control Department ensures that all accounting records maintained within the accounting units under its authority are processed, reviewed, and controlled in accordance with generally accepted accounting principles, the Uniform Chart of Accounts, the regulations of the Capital Markets Board, and International Financial Reporting Standards (IFRS). It is also responsible for the preparation and presentation of periodic financial statements in a structured reporting format. In addition, the department ensures that all revenues and expenses related to the organization's operations are accurately recorded and reported.

General Procurement

The General Procurement Department carries out the procurement of goods and services, both domestically and internationally, that fall within its scope and are required by the organization's units. It is also responsible for overseeing the inspection, storage, and

distribution of these goods to the requesting departments, ensuring that all processes are conducted in accordance with the organization's internal regulations and applicable legislation.

Investor Relations

The Investor Relations Department manages communication between the organization and its investors, ensuring transparency and timely disclosure of financial and operational information. It is responsible for maintaining strong relationships with stakeholders, addressing investor inquiries, and ensuring compliance with capital markets regulations and corporate governance principles.

3. Investment and Strategy Department

Investment Management

The Investment Management Department coordinates processes related to planning, project development, investment activities, research, performance monitoring, statistical analysis, and reporting, in alignment with the organization's goals and strategic objectives. It oversees the implementation of these activities, makes necessary revisions when required, and ensures effective coordination of external relations. In addition, the department is responsible for determining aircraft requirements and conducting long-term fleet planning. Within this scope, it identifies and ensures the procurement of the most suitable aircraft types, engines, and related products and features, and facilitates their integration into the organization's fleet.

International Relations and Alliances

The International Relations and Alliances Department enhances commercial partnerships with foreign airlines in line with the organization's policies and the evolving competitive landscape. It is responsible for safeguarding and advancing the organization's rights and interests in commercial agreements and within civil aviation institutions. The department is also responsible for negotiating agreements with airlines that are members of the Star Alliance, as well as with non-member airlines, and for coordinating any amendments, extensions, or terminations of such agreements when necessary.

Corporate Sustainability Management

The Corporate Sustainability Management Department is responsible for developing and implementing sustainability strategies in alignment with the organization's long-term objectives. It ensures that environmental, social, and governance (ESG) principles are integrated into business processes, while also monitoring performance, preparing reports, and supporting initiatives that promote sustainable growth and responsible corporate practices.

4. Informations Technology

Information Technology Service Management

The Information Technology Service Management Department manages the processes of acquiring software development, software maintenance, and support services required by the organization, ensuring that such services are obtained in accordance with business, technical, and quality standards. It also oversees the identification of the organization's infrastructure capacity requirements and manages the processes through which suppliers plan and provide capacity to meet both current and future needs.

Digital Strategy and Transformation

The Digital Strategy and Transformation Department is responsible for defining and implementing the organization's digital strategy in line with its overall corporate objectives. It leads digital transformation initiatives by enhancing operational efficiency, improving customer experience, and supporting innovation through the adoption of advanced technologies and data-driven solutions.

5. Flight Operations Department

Flight Operations

The Flight Operations Department ensures that all flight operations are conducted safely, economically, efficiently, and at a high standard of quality. It is responsible for ensuring that planned flight activities are carried out in full compliance with international standards, as well as the organization's internal regulations and applicable national and international rules.

Cabin Services

The Cabin Services Department manages the planning, monitoring, and, when necessary, improvement of cabin operational activities within the framework of safety and security requirements.

Crew Planning

The Crew Planning Department is responsible for designing and managing crew planning systems and processes for all current and planned flights operated by the organization. It oversees the determination of crew requirements in the long, medium, and short term. In addition, the department ensures that all necessary information used as a basis for calculating crew salaries, per diems, and deductions is accurately transferred to the relevant units and systems responsible for these calculations.

6. Operations Department

Ground Operations

The Ground Operations Department manages processes related to the establishment of ground handling rules, ensuring that services are delivered continuously within the scheduled timeframes in accordance with national and international regulations, as well as the organization's internal rules and procedures. It is responsible for implementing necessary measures and maintaining oversight throughout these processes. The department also ensures effective communication and coordination with national and international authorities, as well as with domestic and foreign airlines and ground service providers, in matters related to its field of responsibility. In addition, it oversees the execution of all operational activities within ground operations in compliance with applicable regulations and organizational standards, ensuring safety and efficiency, and is responsible for defining, documenting, publishing, and enforcing all related rules and procedures.

Integrated Operations Control

The Integrated Operations Control Department manages operational processes within the designated time frame to ensure that flight operations are carried out as planned. It is responsible for ensuring the safe and secure continuation of flight operations and for maintaining operational continuity by implementing the necessary measures. The department also ensures effective coordination between flight crews, management representatives,

relevant authorities, and external organizations to support the seamless execution of operations.

Catering and In-Flight Products

The Catering and In-Flight Products Department manages the procurement and supply processes of onboard catering services, as well as products and services designed to enhance passenger comfort on the organization's aircraft.

7. Commercial Department

Brand and Marketing

The Brand and Marketing Department manages the organization's marketing communication strategies in consideration of market dynamics and ensures that these strategies are revised when necessary. It is responsible for the procurement of promotional materials, the coordination of corporate publications, and the management and control of advertising by overseeing the sale of advertising and rental spaces within the organization's assets. The department also coordinates and manages market research activities conducted both domestically and internationally to assess brand perception, brand awareness, and the effectiveness of advertising and promotional efforts. Furthermore, it oversees the design, review, approval, and publication of all printed and visual materials related to the organization and its sub-brands, ensuring compliance with corporate identity standards, and manages public relations communication activities in line with corporate communication strategies.

Production Planning

The Production Planning Department is responsible for the development of the organization's network structure in line with both commercial and technical criteria. It ensures the efficient utilization of fleet resources within market conditions through scheduled, additional, or charter operations, and evaluates the introduction of new destinations and frequency increases in alignment with fleet planning. The department also ensures that all necessary slot allocations and flight permits are obtained for domestic and international operations, while supporting long-term planning for network growth and operational efficiency.

Revenue Management

The Revenue Management Department oversees the analysis of route schedules, passenger load factors, market potential, fare classes, and revenue streams in order to evaluate efficiency and develop strategies aimed at increasing route profitability. It monitors market conditions and competitor strategies, manages fare determination processes in coordination with relevant units, and contributes to optimizing pricing strategies to maximize revenue performance.

Marketing

The Marketing Department manages the planning, development, and execution of marketing activities in line with market conditions, strategic objectives, and industry dynamics, with the aim of supporting revenue growth. It also oversees customer data analysis, segmentation, retention, and campaign management processes to enhance customer engagement and long-term value.

Sales

The Sales Department ensures that the organization's services are effectively delivered to customers in alignment with strategic and commercial objectives, maximizing revenue while maintaining customer satisfaction. It develops and implements sales strategies across direct and indirect channels, manages pricing and market-driven sales processes, and coordinates online and corporate sales activities. The department also monitors market performance and competitor actions, contributing to continuous improvement in sales operations and marketing effectiveness.

8. Cargo Department

Cargo Operations

The Cargo Operations function is responsible for carrying out all operational processes related to the organization's cargo activities within the framework of national and international regulations. It ensures the provision of necessary equipment and operational support, coordinates activities across relevant units, and implements efficiency-enhancing projects. The function also manages service agreements with competent organizations at destinations where operations are conducted, and oversees the performance of contracted service providers to ensure quality and compliance standards are met.

Cargo Marketing and Sales

The Cargo Marketing and Sales function is responsible for developing and implementing strategies to increase cargo demand, expand market presence, and enhance revenue performance. It manages customer relationships, coordinates with partners and stakeholders, and ensures that cargo services are effectively positioned in the market to meet customer needs while maximizing commercial outcomes.

Cargo Revenue Management and Production Planning

The Cargo Revenue Management and Production Planning function focuses on optimizing pricing, capacity, and demand to maximize revenue. It is responsible for analyzing market conditions, managing cargo capacity allocation, and ensuring efficient utilization of available resources through effective planning and coordination.

Cargo Organizational Development

The Cargo Organizational Development function focuses on improving internal processes, organizational structure, and operational efficiency. It supports change management initiatives, enhances workforce capabilities, and ensures that organizational practices are aligned with strategic goals and industry best practices.

Cargo Strategic Planning and Business Intelligence

The Cargo Strategic Planning and Business Intelligence function is responsible for developing long-term strategies in line with organizational objectives. It conducts data analysis, performance monitoring, and reporting to support decision-making processes, while providing insights that help optimize operations and identify growth opportunities in the cargo business.

6. Current Situation

Turkish Airlines reached a huge success in demonstrating financial resilience and operational strength across its global networks in the third quarter of 2025. The airline achieved its 18th consecutive quarter of growth, reporting \$1.1 billion in profit from core operations in the

third quarter of 2025. Total revenues for the July-September period reached approximately \$7 billion, representing a 4.9% increase year-on-year, primarily driven by strong passenger operations.

The airline's passenger revenue increased by 6.1% year-on-year, while capacity (ASK) expanded by 8.2% compared to the same period in 2024. In the nine-month period ending September 2025, Turkish Airlines carried more than 60 million passengers, bringing the total annual figures for 2024 to 85.2 million passengers, a 2.1% increase compared to the 83.4 million passengers in 2023. However, this growth trajectory was not without challenges. The airline operates in an environment characterized by increasingly intense competition, geopolitical tensions, supply chain bottlenecks in aircraft manufacturing, and persistent engine maintenance issues that have left a portion of its Airbus fleet grounded. As Turkish Airlines moves towards its Vision 2033 strategic plan, it must balance aggressive expansion with operational efficiency and financial sustainability.

a. Current Financial Analysis

Table 1: Turkish Airlines Q3 2025 Key Financial Metrics

Metric	Q3 2025	Q3 2024	Change (%)
Total Revenue	\$7.0 billion	\$6.67 billion	+4.9%
Passenger Revenue	\$6.3 billion (est.)	\$5.94 billion (est.)	+6.1%
Profit from Main Operations	\$1.1 billion	\$1.4 billion	-21.3%
EBITDAR	\$2.1 billion	N/A	N/A
EBITDAR Margin	29.6%	N/A	N/A

Net Profit (9 months)	\$755 million	\$263 million	+187%
Capacity (ASKs)	N/A	N/A	+8.2%

Source: [Turkish Airlines Q3 2025 Financial Results](#)

Table 2: Turkish Airlines 2024 Full-Year Financial Performance

Metric	2024	2023	Change (%)
Total Revenue	\$22.7 billion	\$21.0 billion	+8.2%
Passenger Revenue	\$18.2 billion (est.)	\$17.5 billion (est.)	+4.0%
Cargo Revenue	\$2.1 billion (est.)	\$1.55 billion (est.)	+35.0%
Profit from Main Operations	\$2.4 billion	N/A	N/A
Total Passengers	85.2 million	83.4 million	+2.1%
Load Factor	82% (avg.)	80.3%	+2.1pp

Source: [Turkish Airlines 2024 Annual Results](#)

Table 3: Turkish Airlines Fleet Composition (2025)

Aircraft Type	Number in Fleet	Average Age (Years)	Primary Routes
Airbus A321neo	85+	2.5	European, regional

Boeing 737 MAX	42+	1.8	Domestic, regional
Airbus A350-900	18	3.2	Long-haul international
Boeing 777-300ER	32	8.5	Long-haul international
Boeing 787-9	12	4.0	Long-haul international
Airbus A330-300	30	9.2	Medium/long-haul
Narrowbody Total	217	N/A	Regional operations
Widebody Total	92	N/A	International long-haul
Cargo Aircraft	20	N/A	Global cargo network

Source: [Turkish Airlines Q3 2025 Results](#), [Aviation Türkiye](#)

Table 4: Turkish Airlines Network Expansion 2025

Region	Destinations	New Routes 2025	Key Markets
Europe	135	Seville (Spain), additional cities	London, Paris, Frankfurt, Amsterdam

Asia	75	Phnom Penh (Cambodia), expansion	Dubai, Bangkok, Singapore, Tokyo
Americas	28	Denver (USA)	New York, Los Angeles, Chicago, São Paulo
Africa	65	7 new routes from Istanbul	Cairo, Johannesburg, Nairobi, Lagos
Middle East	35	Sulaymaniyah (resumed)	Tel Aviv, Riyadh, Doha, Kuwait
Oceania	2	Auckland (New Zealand, planned)	Melbourne, Sydney

Source: Turkish Airlines 2025 Network Expansion

Table 6: Turkish Airlines Competitive Positioning (2025 Rankings)

Ranking Organization	Turkish Airlines Position	Top Competitors
Skytrax World Airline Awards	6th overall	Qatar Airways (1st), Singapore (2nd), Emirates (4th)
AirlineRatings.com Safety	Top 10 safest airlines	Significant climb from 16th in 2024
Skytrax Best European Airline	1st in Europe	Ahead of all European carriers

Most Countries Served	1st globally (124 countries)	Unique positioning advantage
Istanbul Airport Connectivity	1st in Europe	Busiest European hub

Source: [Skytrax 2025 Awards](#), [Airline Ratings](#)

Table 7: Competitive Comparison - Major International Carriers

Airline	Fleet Size	Destinations	Annual Passengers (millions)	Key Strengths
Turkish Airlines	506 (2025)	285 in 124 countries	85-90	Most countries served, geographic positioning
Emirates	265	150+	52	Premium service, Dubai hub, widebody fleet
Qatar Airways	245	170+	40	Premium positioning, Doha hub, service quality
Lufthansa Group	700+	300+	130+	Scale, European market dominance, alliances

Air France-KLM	550+	320+	100+	European network, partnerships, cargo strength
Singapore Airlines	145	140+	37	Premium positioning, service excellence, Asia-Pacific

Source: Industry reports, airline financial disclosures, [CAPA Centre for Aviation](#)

b. Stock Market

Stock Market Dynamics and Turkish Airlines

The stock market plays a crucial role in evaluating the financial performance and future expectations of companies such as Turkish Airlines. Airline stocks are generally considered high-risk but high-reward investments, as they are highly sensitive to global events, economic conditions, and operational costs.

Stock Market Volatility in the Aviation Sector

Turkish Airlines stock (THYAO) is actively traded on Borsa Istanbul and is considered a large - cap airline stock with high sensitivity to global and domestic economic conditions. According to recent financial data, the company has a market capitalization of over 400 billion TRY, with strong revenue and earnings performance driven by passenger demand and

international operations.

The stock shows regular volatility due to its exposure to global aviation risks. Its performance is influenced by factors such as fuel prices, exchange rate movements, and changes in global travel demand. For example, while the airline maintains strong operational results, its share price still reacts quickly to macroeconomic developments and investor expectations.

During periods of crisis, such as COVID-19 pandemic, THY stock experienced a sharp decline due to reduced air travel demand. However, in the post-pandemic recovery phase, increased passenger traffic and financial performance supported a strong rebound in valuation. This demonstrates the cyclical nature of airline stocks, where downturns are often followed by rapid recoveries.

Overall, Turkish Airlines remains a volatile but resilient stock, where investor perception is strongly shaped by global economic trends, operational performance, and geopolitical developments.

Global Crisis Sensitivity

The aviation sector is highly exposed to global disruptions, with the COVID-19 pandemic serving as the clearest example. During this period, international travel restrictions led to a collapse in passenger demand, significantly reducing airline revenues and market valuations.

As restrictions were lifted, demand for air travel recovered rapidly. This rebound highlighted the sector's dependence on global mobility and confirmed the cyclical nature of airline stock performance.

Post-Pandemic Market Recovery

In the post-pandemic period, Turkish Airlines benefited from a strong recovery in global travel demand. Increased passenger traffic and restored international connectivity contributed to improved financial performance and renewed investor confidence.

This phase reinforced the airline industry's ability to recover from external shocks, while also attracting greater attention from investors seeking long-term growth opportunities.

Macroeconomic Drivers of Stock Performance

Several macroeconomic factors continuously influence airline stock performance:

- Fuel prices, which directly affect operating costs
- Exchange rate fluctuations, particularly the Turkish Lira
- Interest rate changes, impacting borrowing and investment behavior
- Inflation, influencing both costs and investor decisions

These elements create continuous pressure on profitability and contribute to ongoing market fluctuations.

Investor Sentiment and Market Behavior

Investor behavior plays a key role in shaping stock movements. During periods of uncertainty, risk aversion leads to selling pressure, while improving conditions encourage renewed investment and upward price momentum.

In Türkiye, rising inflation has increased interest in equity markets, as investors seek alternatives to preserve purchasing power. This has contributed to higher trading activity in companies such as Turkish Airlines.

Mini Case: Fuel Prices and Geopolitical Tensions

Airline stocks are highly sensitive to fuel prices and geopolitical developments. For Turkish Airlines, rising global oil prices and regional conflicts have periodically placed pressure on profitability.

In situations where geopolitical tensions affect airspace routes—particularly in Eastern Europe and the Middle East—airlines are often forced to reroute flights, increasing fuel consumption and operational costs. At the same time, rising oil prices directly increase one of the industry's largest expenses: jet fuel.

These conditions often lead to short-term fluctuations in stock prices, as investors react to increased costs and uncertainty. Even in periods of strong demand, higher expenses can reduce profit margins and affect market confidence.

c. SWOT Analysis

SWOT Analysis is a strategic planning tool used to evaluate a business or project by identifying its internal and external factors.

S – Strengths

W – Weaknesses

O – Opportunities

T – Threats

Turkish Airlines Group Strengths

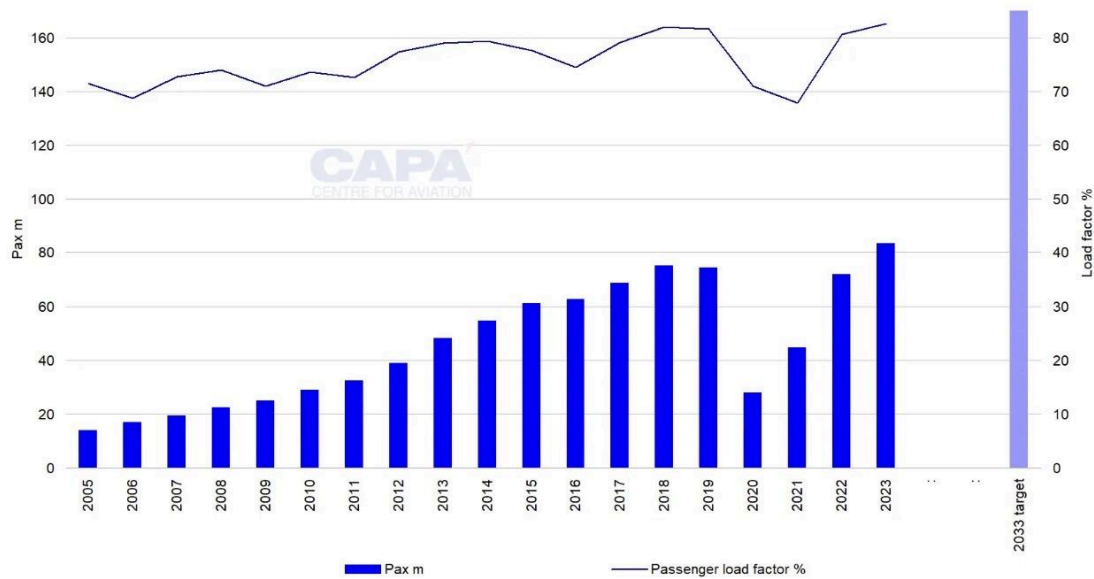
1. THY is the biggest airline in Türkiye
2. Türkiye is a large market with strong growth potential
3. THY’s Istanbul hub attracts global transfer traffic
4. THY has a large global network, with particular strength in Europe

Region	Turkish Airlines		Emirates		Qatar Airways		Etihad	
	Own aircraft	By codeshare	Own aircraft	By codeshare	Own aircraft	By codeshare	Own aircraft	By codeshare
Africa	46	25	22	46	25	86	4	31
Asia Pacific	41	87	45	101	54	120	30	117
Europe	86	69	40	91	45	134	22	106
Latin America	8	46	5	41	1	112	0	14
Middle East	23	9	11	25	24	6	10	22
North America	17	60	14	162	12	227	5	44
International total	221	296	137	466	161	685	71	334
Domestic	46	6	1	1	1	1	1	1
Total	267	302	138	467	162	686	72	335

Source: CAPA - Centre for Aviation, OAG.

5. THY has an efficient level of unit cost
6. THY has a relatively young fleet
7. THY’s growth remains robust

Turkish Airlines Group: passenger numbers, 2005 to 2023 and target for 2033



Source: CAPA - Centre for Aviation, Turkish Airlines.

8. Turkish Airlines group has a good record of profitability
9. Turkish Airlines is a strong brand

Turkish Airlines Group Weaknesses

1. THY's Asia Pacific network is small compared to the major Gulf airlines
2. THY's passenger load factor is below the European average

Turkish Airlines Opportunities

1. THY could improve its aircraft utilisation
2. AJet offers improved network and unit cost potential
3. THY's ongoing fleet improvements should enhance its network and lower unit cost
4. Asia Pacific provides further growth potential
5. The airline could achieve further growth in cargo revenue
6. THY could increase the number of codeshare destinations

Turkish Airlines Threats

1. THY is exposed to Türkiye's economic/geopolitical context
2. Airlines are vulnerable to external events
3. Costs are exposed to fluctuations in jet fuel prices
4. Competition is growing from Pegasus / LCCs
5. Gulf competition remains strong
6. The green transition is an existential threat to all airlines

d. BCG Matrix

The BCG Matrix (Boston Consulting Group Matrix) is a strategic tool used by companies to analyze their business units or product lines based on two key factors:

- Market Growth Rate (how fast the market is growing)
- Market Share (the company's position compared to competitors)

It helps companies decide where to invest, develop, or withdraw resources.

The Four Categories of the BCG Matrix**Stars (High Growth – High Market Share)**

- Strong position in a fast-growing market
- Requires high investment
- Potential to become future leaders

Cash Cows (Low Growth – High Market Share)

- Well-established and profitable
- Generate steady cash flow
- Require less investment

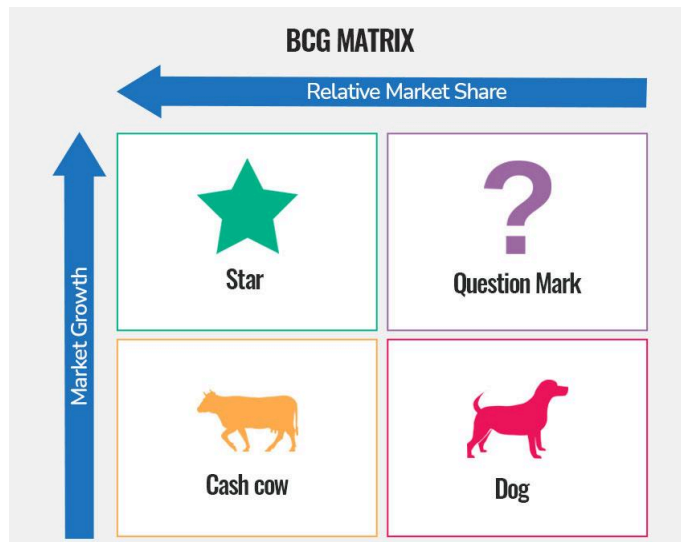
Question Marks (High Growth – Low Market Share)

- Operate in growing markets but have weak positions

- Need strategic decisions: invest or exit

Dogs (Low Growth – Low Market Share)

- Low performance in slow-growing markets
- Limited profitability
- Often considered for divestment



Turkish Airlines BCG Matrix

Stars

- Long-Haul Intercontinental Flights
- Premium Cabin Services
- Network Expansion in Emerging Markets
- Strong global network supported by its hub at İstanbul Airport

Cash Cows

- Established European and Middle Eastern routes
- Strong brand loyalty and pricing power

Question Marks

- Low-cost operations via AnadoluJet

- Expanding the air cargo segment through Turkish Cargo in global e-commerce markets

Dogs

- Highly competitive short-haul routes with low profitability
- Routes facing pressure from low-cost carriers

e. Scandals and Controversies

New Uniform Regulations

Turkish Airlines (THY) has amended its uniform regulations for cabin crew. According to the new regulations, cabin crew are only allowed to wear THY's seniority badge on their uniforms, while all other badges, including those depicting Atatürk and the Turkish flag, are prohibited.

The relevant section of the regulation states: "Necklaces and anklets are not permitted with the uniform. Rings must be worn on the ring finger or middle finger. Wedding rings must be gold, silver, or rose gold (excluding pink and its shades), and may include single, three-stone, five-stone, or full-circle rings. Any two of these may be worn together on one hand and one finger. Only one Turkish Airlines seniority badge may be worn on a jacket or vest. No badges other than the Turkish Airlines seniority badge may be worn."

The new Turkish Airlines (THY) regulation, signed by THY General Manager Bilal Ekşi, has drawn significant criticism for the restrictions it imposes on badges featuring Mustafa Kemal Atatürk and the Turkish flag.

Turkish Airlines Flight 1476

In October 2006, a Boeing 737-4Y0 aircraft took off from Tirana en route to Istanbul. It was hijacked by Hakan Ekinci in Greek airspace at 14:58 UTC and intercepted by Italian F-16 Fighting Falcon interceptors, forcing it to land in the Adriatic port city of Brindisi in southern Italy. There were 113 people on board, including 107 passengers and six crew members. Initially, two hijackers were reported, but it was later confirmed that the single hijacker had lied about having an accomplice.

A Greek Ministry of Defence official stated that the aircraft entered Greek airspace at 14:58 (UTC). The pilots transmitted the hijacking code twice at 14:55 (UTC) while the aircraft was flying approximately 25 kilometers (15 miles) north of Thessaloniki. [Source needed.] Italian Interior Minister Giuliano Amato reported that when flight attendants opened the cockpit door, the hijacker entered with a package that may have contained a bomb, and the pilots, acting according to international regulations, did what the hijacker wanted. The captain of the plane reported from Istanbul: "While the head flight attendant was entering the cockpit to ask if we needed anything, the terrorist forced his way in. I tried to push him out, but he was a big man and I couldn't stop him." The captain added that the hijacker said he had three friends and explosives. He wanted to go to Rome to speak with the Pope. Italian Interior Minister Giuliano Amato reported that the hijacker said there were other hijackers on another unspecified plane and that "if the message didn't reach the Pope, they would blow up that plane." Four Greek F-16 fighter jets scrambled and escorted the plane until it left Greek airspace. After entering Italian airspace, it was intercepted and escorted by two Italian F-16s and forced to land at Brindisi Airport in Brindisi. An airline spokesman said Greek authorities had informed their Italian counterparts about the hijacking.



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The aircraft involved in the hijacking, photographed in 2003.

“A true friend of Türkiye”: Eric Adams bribery indictment reveals years of flights and favors

Eric Adams has been accused by U.S. federal prosecutors of participating in a long-term influence scheme involving individuals connected to Recep Tayyip Erdoğan.

According to the indictment, Adams allegedly received illegal foreign campaign donations, free or discounted luxury hotel stays, and business-class flights, including flights provided by Turkish Airlines. In return, he is accused of granting political favors, such as helping approve a Turkish consular building despite safety concerns.

The case also includes allegations of bribery, wire fraud, and accepting foreign contributions, raising concerns about transparency and foreign influence. Investigations suggest these ties date back to 2015 and involved coordinated efforts by Turkish officials and business figures.

This scandal is significant as it highlights potential political risks and reputational challenges linked to Turkish Airlines through its indirect involvement in providing benefits, raising broader questions about corporate governance and international influence.

Turkish Airlines faces allegations of transporting refugees on flights to Belarus.

Turkish Airlines denied allegations that it transported illegal immigrants to Belarus. In a statement to the Public Disclosure Platform (KAP), the company said, "Some media outlets have claimed that Turkish Airlines flights to Belarus facilitate illegal immigrant trafficking. Our company, in its flights to destinations around the world, cooperates with international authorities, takes all security concerns into account, and conducts its operations accordingly. The news reports in the media do not reflect the truth."

7. Rules of Procedure

1. Meeting Format and Flow

Each session will be conducted in a semi-moderated format under the leadership of the Executive Vice President (Committee Board Member). Throughout the conference, the sessions will progress according to updates provided by the Crisis Team as well as strategic business guidance issued by the Executive Vice President.

Prior to the meetings of each formal session, the Executive Vice President will assign the relevant agenda item to the participants. The assigned topic will then be discussed by the Board Members, allowing for deliberation and analysis in accordance with corporate strategic objectives. At the conclusion of each meeting, a meeting report will be prepared and submitted to the Executive Vice President.

Sessions are not subject to predetermined time limits, allowing the Executive Vice President to exercise discretion in guiding the flow of discussion, prioritizing agenda items, and responding to emergent crises or updates as necessary.

2. Roles and Responsibilities

The Chief Executive Officer (CEO) of the company will assume the role of Under Secretary General within the committee structure. In this capacity, the CEO functions as the principal

executive authority responsible for defining the company's long-term strategic vision and operational priorities. The CEO provides overarching guidance to both the Executive Vice President and the Board Members regarding corporate objectives, investment directions, and organizational goals. Although the CEO represents the highest executive authority within the simulation, the position will not actively participate in the procedural flow of committee sessions and may not be present at all times. The CEO's involvement will primarily take the form of strategic intervention and guidance, particularly in response to the outcomes of decisions and actions adopted by the committee. The CEO influences decision-making by proposing initiatives and ensuring that the committee's deliberations remain aligned with the company's broader strategic framework.

The Executive Vice President (EVP) will serve as the Committee Board Member and will be responsible for facilitating the overall flow of the sessions. Acting as the primary moderator, the EVP will lead all semi-moderated discussions, assign agenda items prior to the commencement of formal meetings, and ensure that deliberations are conducted in an orderly and productive manner. The EVP will also be responsible for integrating updates and crisis developments provided by the crisis management team into the committee's discussions. Furthermore, the EVP will oversee procedural compliance, encourage balanced participation among Board Members, and exercise discretion in prioritizing agenda items and guiding the progression of meetings.

Board Members will represent the delegates participating in the simulation and will play a central role in the committee's decision-making processes. Board Members are expected to actively engage in discussions concerning assigned agenda items, offering analytical insights, strategic proposals, and collaborative recommendations. They will evaluate updates, reports, and guidance provided by both the CEO and the Executive Vice President, ensuring that their contributions are informed by evolving corporate developments and strategic considerations. Board Members will be responsible for preparing and submitting reports documents summarizing the main points of discussion, proposed actions, and preliminary decisions reached during each meeting. Through active participation and cooperation, Board Members contribute to the formulation of corporate strategies and the overall effectiveness of the board simulation.

Board Members will not be assigned fixed functional specializations or departmental titles. Instead, they are expected to operate as collective members of the Board, addressing strategic

and operational challenges in a holistic manner. In line with the dynamic nature of the simulation, Board Members will analyze and respond to developments, updates, and crisis scenarios based on the evolving flow of the committee. Decision-making and problem-solving processes will therefore be conducted collaboratively, requiring participants to integrate diverse perspectives and contribute to comprehensive corporate solutions rather than representing narrowly defined departmental interests.

It should be noted that the official titles of the CEO, Executive Vice President, and Board Members within the simulation will not correspond to the real-life identities of participants. Although individuals will assume distinct corporate roles and represent different characters throughout the conference, they will continue to use **their own names** during committee proceedings. For instance, CEO will be addressed by their real name and formal title, such as *Ms. Yüksel*, while an Executive Vice President will be referred to as *Mr. Yıldız*.

3. Documentation

Within the committee framework, participants will be required to produce various forms of written documentation reflecting both individual and collective decision-making processes. These documents will serve as formal instruments through which strategic initiatives are proposed, actions are undertaken, and institutional accountability is maintained throughout the simulation.

3.1 Personal Paper

A **Personal Paper** is a document submitted individually by a Board Member in order to initiate unilateral strategic or operational actions within the scope of the simulation. Through this mechanism, delegates may independently propose and implement initiatives in response to ongoing developments affecting the company.

Board Members who submit Personal Papers will be held **individually accountable** to the committee for the outcomes and potential consequences of the actions undertaken. Such actions may later influence collective deliberations and require further discussion or response at the Board level.

3.2 Joint Paper

A **Joint Paper** refers to a document collectively prepared and submitted by a group of Board Members who choose to undertake a coordinated course of action. This form of documentation reflects collaborative strategic engagement and enables delegates to pursue shared initiatives addressing corporate challenges or opportunities.

All signatories to a Joint Paper bear **collective responsibility** for the implementation and subsequent consequences of the proposed actions. The results of Joint Papers may shape future committee discussions and strategic priorities.

3.3 Committee Paper

A **Committee Paper** represents an official document adopted and submitted on behalf of the entire Board of Directors. It reflects a collectively agreed corporate decision and may be considered analogous to a formal corporate resolution or contractual commitment.

As this document carries the endorsement of the full committee, **all Board Members share joint institutional responsibility** for the outcomes, implications, and potential risks associated with the adopted action or strategy. Committee Papers are expected to demonstrate a high level of consensus and strategic coherence.

3.4 Information Paper

An **Information Paper** is a formal request submitted by Board Members when they seek to obtain official information regarding the company's operations, financial conditions, crisis situations, market dynamics, or other relevant corporate developments within the simulation.

Information Papers do not initiate actions or strategic commitments. Instead, they function as analytical tools that allow delegates to access necessary data and updates in order to make more informed decisions during subsequent deliberations.

3.5 Report Papers

Report Papers are prepared to inform the CEO about the overall direction, decisions, and operational developments of the committee. These documents ensure executive awareness and enable high-level strategic evaluation or intervention when necessary.

3.5.1 Monthly Report Paper:

This document is prepared at the conclusion of each simulated month and provides a comprehensive overview of meetings conducted during that period, decisions adopted, crisis developments encountered, and strategic actions undertaken by the Board. It serves as a cumulative institutional record of the committee’s performance.

3.5.2 Meeting Report Paper:

Although the committee operates in a continuous meeting format, the Executive Vice President may designate certain sessions as **official meetings**. In such cases, a Meeting Report Paper will be drafted to formally communicate the decisions and strategic outcomes of that particular session to the CEO.

8. Start of the Committee

Item	2026 December Projection	Key Assumptions
Total Revenue	\$24 - 26 billion	6 - 8 % annual growth driven by passenger and network expansion
Passenger Revenue	~\$16 - 18 billion (dominant share)	Strong international demand high load factors
Operating Profit	Stable to moderately increasing	Efficiency gains offsetting cost pressures
EBITDAR	Gradual Increase	Fleet modernization and operation efficiency
EBITDAR Margin	22 - 25 %	Stable fuel environment and cost discipline
Net Profit (9 months)	Positive, moderate growth trend	FX volatility remains main risk factor

Capacity (ASKs)	+5–8% increase	Fleet expansion and new route additions
Cargo Revenue	Moderate growth	E - commerce demand and global logistics activity
Load Factor	82 - 84%	Strong demand and optimized scheduling

Fleet Size

Aircraft Type	2025 Fleet	2026 December Projection	Average Age (2026 est.)	Primary Routes
Airbus A321neo	85 +	95 - 105	2.5 - 3.0	European, regional
Boeing 737 MAX	42+	50 - 58	1.8 - 2.5	Domestic, regional
Airbus A350-900	18	22 - 25	3.2 - 4.0	Long - haul, international
Boeing 777 - 300ER	32	30 - 32	8.5 - 9.5	Long - haul, international
Boeing 787-9	12	18 - 22	4.0 - 5.0	Long - haul, international
Airbus A330 - 300	30	25 - 28	9.2 - 10.0	Medium / long - haul
Narrowbody Total	217	240 - 255	N/A	Regional operations

Widebody Total	92	100 - 110	N/A	International, long - haul
Cargo Aircraft	20	22 - 26	N/A	Global cargo network

Network Expansion

Item	2026 December Projection	Key Assumptions
Total Destinations	290–310+	Continued Istanbul hub expansion
Europe	Increased frequency	High competition, stable demand
Asia	Strong expansion	Southeast Asia growth focus
Africa	New secondary cities	Emerging market strategy
Americas	Increased capacity	High-yield long-haul routes
Istanbul Hub	Stronger dominance	Global transfer hub expansion

Competitive Comparison - Major International Carriers

Metric	Turkish Airlines	Lufthansa Group	Emirates	Qatar Airways	Delta Air Lines
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Fleet Size	550–575 (expanding)	~700+	~260+ (widebody-heavy)	~250+	~900+
Destinations	300+	200+	150+	160+	300+ (incl. partners)
Hub Strength	Istanbul (bridge continent hub)	Frankfurt/Munich	Dubai mega hub	Doha hub	US domestic mega hub
Network Type	Balanced Europe–Asia–Africa	Europe-centric global	Long-haul premium focus	Premium transfer network	Domestic + transatlantic
Load Factor	82–84%	~80–85%	High (~80–85%)	Very high (~85–90%)	Very high (~85–90%)
Competitive Advantage	Geographic bridge + network breadth	Strong EU corporate base	Premium long-haul brand	Premium transit efficiency	Domestic dominance + alliances
Profitability Trend	Stable–growing	Moderate	Strong premium margins	Very strong margins	Stable high profitability

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Dear delegates,

The starting date of our simulation will be December 2026. Relevant statistical information regarding this date is provided above. As members of the Board of Directors, each of you will have equal authority. None of you will be assigned a specific area of expertise, which will allow you to expand your individual working scope within the company.