WorqCompany

FUND ALLOCATION AND IMPACT REPORT OF SOCIAL SUKUK

MARCH 2025

SUSTAINABLE DEVELOPMENT GOALS

CONTENTS

List of Abbreviations

E-commerce – Electronic Commerce

GIFIIP – The Global Islamic Finance and Impact Investing Platform

SDG – Sustainable Development Goals

SME – Small and Medium-sized Enterprises

UN – United Nations

UNDP – United Nations Development Program

Introduction

Fund Allocation and Impact Report of Social Sukuk serves as a vital resource in understanding the implications of the social sukuk issuance by WorqCompany Dış Ticaret A.Ş., facilitated by Emlak Varlık Kiralama A.Ş. as the issuer and Türkiye Emlak Katılım Bankası A.Ş. as the authorized investment institution. The issuance aligns with the Social Bond Principles of the International Capital Market Association (ICMA) (1) and the Sustainable Finance Framework of the Islamic Development Bank (IsDB). The report is developed in collaboration with the United Nations Development Programme Istanbul Private Sector and Development Center (UNDP ICPSD) and the Global Islamic Finance and Impact Investing Platform (GIFIIP).

Executive Summary

WorqCompany's Fund Allocation and Impact Report of Social Sukuk summarizes the company's financial and social contributions toward UN Sustainable Development Goals (2). The report highlights the issuance of Türkiye's first private sector Social Sukuk, which generated significant funds to support SMEs, women, and young entrepreneurs.

WorqCompany supports e-commerce entrepreneurs through a revenue-sharing model that enables entrepreneurs to scale their businesses sustainably while retaining ownership. With this inclusive approach, WorqCompany reaches a diverse range of entrepreneurs, supporting resilience and economic empowerment across regions. The report also emphasizes WorqCompany's technological support, including AiDA, an AI-powered tool that provides data-driven insights to enhance decision making for clients. These tools improve business efficiency, contributing to digital transformation within the e-commerce sector. The Social Sukuk issuance has allowed WorqCompany to support inclusive growth across various regions in Türkiye, making significant strides toward sustainable development.

In conclusion, the Fund Allocation and Impact Report of Social Sukuk clearly demonstrates WorqCompany's commitment to contributing to Türkiye's e-commerce ecosystem, social inclusion, and UN Sustainable Development goals through its pioneering Social Sukuk issuance. This Sukuk has been instrumental in enabling WorqCompany to mobilize substantial resources for underserved entrepreneurs, driving inclusive economic growth and setting a benchmark for impact-driven investment in Türkiye.

About WorqCompany

WorqCompany is a pioneering e-commerce enabler firm dedicated to empowering e-commerce merchants to reach their full potential in the digital marketplace. WorqCompany plays a leading role in increasing the share of e-commerce in overall trade and growing the Turkish e-commerce sector worldwide. Through its Revenue Sharing E-Commerce partnership model, WorqCompany utilizes artificial intelligence to analyze sales performance, marketing, product, and market related operational and financial data. This enables businesses to make the right amount of stock purchases needed for sustainable growth. Additionally, WorqCompany provides data analytics and insight services to help businesses optimize their performance.

The company purchases products wholesale and upfront from suppliers on behalf of firms selling on e-commerce marketplaces and/or their websites, then sells these products to the e-commerce sellers, taking a share of the revenue from product sales at pre-agreed purchase price and terms.

WorqCompany developed this "Revenue Sharing E-Commerce" model in 2022, a first in Türkiye. By sharing revenue and profit with merchants, WorqCompany aligns its success with the success of its clients, fostering a collaborative and mutually beneficial relationship. WorqCompany has taken on a pioneering role in its segment in Türkiye and operates with the vision of becoming a significant player in the global e-commerce market.

Additionally, WorqCompany's ability to understand the unique challenges and opportunities of online sellers sets it apart, allowing the company to offer personalized solutions that traditional financial institutions may overlook. Thanks to its inclusionary business model, WorqCompany has managed to attract a significant number of SMEs. With a broad and strong investor network, continuously growing business volume, and its commitment to supporting merchants in maximizing their online sales and expanding into new markets, WorqCompany is a key business partner for e-commerce sellers looking to scale and thrive in the dynamic digital economy.

WorqCompany's growth is intertwined with impact investment principles and the UN Sustainable Development Goals. Within the scope of impact investment, it also works for social welfare through Sustainable Development Goals (especially gender equality, economic growth, innovation, and the financial development of underprivileged communities and society as a whole). WorqCompany also employs Sukuk, an Islamic financial instrument, to support socially beneficial projects, ensuring compliance with Islamic principles and promoting sustainable development.

WorqCompany's Social Impact Approach

WorqCompany is committed to fostering sustainable business growth in Türkiye while prioritizing public welfare. Our approach aligns with impact investment principles and the United Nations' Sustainable Development Goals (SDGs). We believe that economic prosperity and social progress are interconnected, and our initiatives are designed to contribute to both.

Key Focus Areas:

- **Gender Equality**

  We actively support women entrepreneurs through initiatives like the "E-Commerce Women's Club." Our efforts have resulted in a significant increase in the number of women-owned businesses in our client portfolio, surpassing the national average.

- **Decent Work and Economic Growth**

  WorqCompany contributes to the UN Sustainable Development Goal of Decent Work and Economic Growth by helping SMEs grow their businesses. Our revenue-sharing e-commerce model helps businesses expand sustainably, benefiting individuals who might otherwise be excluded by traditional financial structures.

- **Industry, Innovation, and Infrastructure**

  WorqCompany's ecosystem impact extends to advanced technological tools like AiDA, an AI-powered assistant that provides valuable insights to marketplace sellers. This tool enables data-driven decision-making, effective marketing strategies, and increased sales and profitability for our clients.

- **Reduced Inequalities**

  WorqCompany has significantly broadened the geographic reach and operational scope of its SME clients across diverse regions in Türkiye. By supporting businesses in both major metropolitan areas and smaller regions, we are contributing to reduced inequalities and promoting inclusive economic development.

WorqCompany is a catalyst for change in the Turkish e-commerce landscape, driving economic growth and social progress through our innovative financial solutions and commitment to sustainability.

A detailed breakdown of the specific numerical impact of the social sukuk issuance on the UN Sustainable Development Goals will be examined in the later sections of the report.

Social Sukuk Issuance Summary

Type of Security	Social Sukuk	
Obligor	WorqCompany Dış Ticaret A.Ş.	
Issuer	Emlak Varlık Kiralama A.Ş. (It is a 100% subsidiary of Türkiye Emlak Katılım Bankası)	
Lead Manager & Bookrunner	Türkiye Emlak Katılım Bankası A.Ş.	
External Evaluation Service Provider	CGE Sürdürülebilirlik Değerlendirme ve Yazılım Hizmetleri A.Ş.	
Technical Support Providers	United Nations Development Programme Istanbul Private Sector and Development Centre (UNDP ICPSD) and Global Islamic Finance and Impact Investing Platform (GIFIIP), Türkiye Emlak Katılım Bankası A.Ş.	
ISIN	TRDEMVK32527	TRDEMVK22536
Issuance Date	15/03/2024	07/02/2024
Maturity Date	28/03/2025	12/02/2025
Issuance Amount	₺50.000.000	₺50.000.000

WorqCompany always aims to increase its contributions to society by servicing underserved parts of the society and promoting their economic inclusion, supporting gender equality and boosting economic growth.

Allocation of Sukuk Proceeds by Categories

Due to its unique business model, WorqCompany utilizes its available capital to facilitate a Revenue-Sharing model with e-commerce merchants, subsequently collecting the generated revenue over various timeframes and using these funds to support further growth opportunities for merchants. Through this model, WQ has achieved a total sales volume of ₺790.265.870 using funding of ₺100.000.000 raised from its Social Sukuk issuance between 07.02.2024 and 31.12.2024 (3).

Category	Number of Customers	Customer %	Number of Transaction	Sales Amount	Sales %	Estimated Total Trade Volume
 SME	264	100%	688	₺790,265,870	100%	₺2,765,930,543
 Women Entrepreneurs	65	25%	151	₺152,330,470	19%	₺533,156,645
 Young Entrepreneurs	50	19%	115	₺77,063,628	10%	₺269,722,698

Due to the nature of the business model, all merchants served are SMEs, meaning 100% of the funding was allocated to support SMEs. Of the total sales amount, ₺152.330.470 was directed to women entrepreneurs, representing 25% of the unique customer base and 19% of the total sales volume. Similarly, young entrepreneurs accounted for 10% of the sales volume, with ₺77.063.628 in sales, comprising 19% of the total customer base (3). It is important to note that these categories are not mutually exclusive, as some women entrepreneurs also belong to the young entrepreneur category, reflecting WorqCompany's inclusive support across multiple demographics.

The amount labeled as 'Estimated Total Trade Volume' in the table reflects an estimation that considers the broader impact of WorqCompany's Revenue-Sharing model on other parties involved in the transactions. WorqCompany purchases goods from suppliers and sells them to merchants, who then generate trade volume by selling these goods on e-commerce platforms through both B2C and B2B channels.

Contribution of Sukuk Proceeds to Sustainable Development Goals

Category	Fund Distribution	UN Sustainable Development Goals
	100%	 
	19%	 
	10%	

Summary of The Fund Allocation and Impact Report of Social Sukuk

Fund Allocation and Impact Report of Social Sukuk highlights WorqCompany's commitment to promoting gender equality and economic growth through its social sukuk issuance. By supporting women entrepreneurs and leveraging innovative solutions like the AI assistant AiDA, the company enhances business performance and fosters inclusivity. Its initiatives extend across various regions, empowering diverse communities and young entrepreneurs, and aligning with the UN's Sustainable Development Goals. Overall, WorqCompany plays a pivotal role in driving sustainable development and social progress in Türkiye, not only by supporting entrepreneurs but also by fostering a more inclusive, resillient, and technology-driven SME ecosystem that prioritizes equal opportunity and long-term impact.

References

(1): ICMA Impact Report. (2024). https://www.icmagroup.org/assets/documents/Sustainable-finance/2024 updates/Handbook-Harmonised-Framework-for-Impact-Reporting-June-2024.pdf

(2): UN (United Nations) Department of Economic and Social Affairs Sustainable Development https://sdgs.un.org/goals

(3):WorqCompany: WorqCompany's data

(4): TUIK (Turkish Statistical Institute) https://www.tuik.gov.tr/

(5): BDDK (Banking Regulation and Supervision Agency) Monthly Banking Sector Data https://www.bddk.org.tr/BultenAylik/en

Disclaimer

This Impact Report has been prepared for the sole purpose of providing information regarding the social sukuk whose originator is WorqCompany ('WQ') and does not contain any investment advice, offer or commitment whatsoever.

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