



# 2025 Annual Report



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### Contact Us

## REPORT AND COMPANY INFORMATION

Accounting Period to Which the Report Relates: 01.01.2025 - 31.12.2025

### TRADE REGISTRY INFORMATION

**TRADE REGISTRY NUMBER:** 8907

**BUSINESS TITLE:** ÇATES ELEKTRİK ÜRETİM  
ANONİM ŞİRKETİ

**ADDRESS:** ŞAHİNLER MAHALLESİ ŞAHİNLER  
(KÜME EVLER) YATAĞAN TERMİK  
SANTRALİ SİTESİ NO: 259/1 YATAĞAN/MUĞLA

**ISSUED CAPITAL:** TRY 165,200,000.00

**REGISTERED CAPITAL CEILING:** TRY 300,000,000.00

**COMPANY REGISTRATION DATE:** 19.09.2014

**MERSİS NO:** 0165029763900019

**Trading Date on the Stock Exchange (BIST):** Dec 07 2023

**Stock Exchange Traded on:** Borsa İstanbul

**Traded Market:** Yıldız Pazar

**Trading Code:** CATES

**ISIN:** TRECATS00015

**Traded Indices:**

BIST Services / BIST Electricity / BIST Main / BIST IPO /

BIST All / BIST All-100 / BIST Participation All / BIST 500 / BIST Corporate Governance



## Message from the General Manager

***"As Çatalağzı Termik Santrali (ÇATES), bearing the responsibility of being the first thermal power plant of our Republic, we continue to fulfill our mission of contributing to our country's energy supply security with strong determination."***

In line with the experience we draw from our deep-rooted history and our forward-looking vision, we completed 2025 as a year in which we enhanced our operational efficiency, strengthened our production strategy based on domestic resources, and achieved significant progress in line with our sustainability goals.

Throughout the past year, we maintained our plant's availability rate above 80%, achieving a performance above the sector average. This success is a concrete reflection of our effective maintenance management, operational discipline, and efficiency-oriented approach. While increasing our energy generation capacity through our investments, we also took important steps to minimize our environmental impact. In particular, the environmental improvements carried out in our ash storage area and our cooling water recycling projects enabled us to use our resources more efficiently.

Within the scope of our vision of production based on domestic resources, we accelerated our activities in the Çankırı Orta and Zonguldak Bağlık-İnağzı coal fields and took strategic steps to increase the use of domestic coal. Through the technological advancements implemented in these fields, we made our production processes more efficient and environmentally friendly, while also contributing to our country's energy independence and the reduction of the current account deficit.

With a clear awareness of the transformation taking place in the energy sector, in the upcoming period we will focus on increasing energy efficiency, reducing our environmental impact, and advancing low-carbon production practices. By expanding our efforts in sustainable production, we will continue to prepare today for the energy needs of the future in alignment with national energy policies.

In 2026, supported by our strong infrastructure, competent human resources, and trust-based collaborations with our stakeholders, we will continue to move forward in line with our growth targets. As ÇATES, we will steadfastly maintain our mission of being a reliable and responsible producer in our country's energy future.

On this occasion, I would like to thank all our employees for their dedicated efforts contributing to our achievements, our business partners, and our valued shareholders for their trust in us.

### **Rıdvan Edip Akdeniz**

General Manager of ÇATES Elektrik Üretim A.Ş.



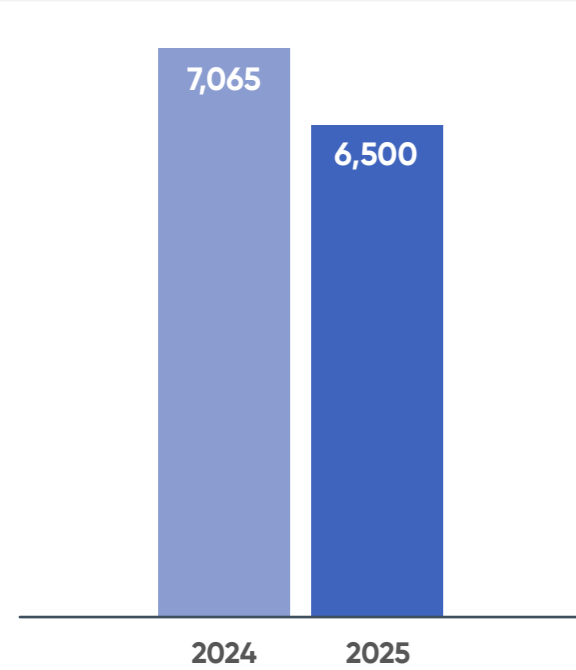
## 2025 in Figures

Installed Capacity  
**314.68 MW**

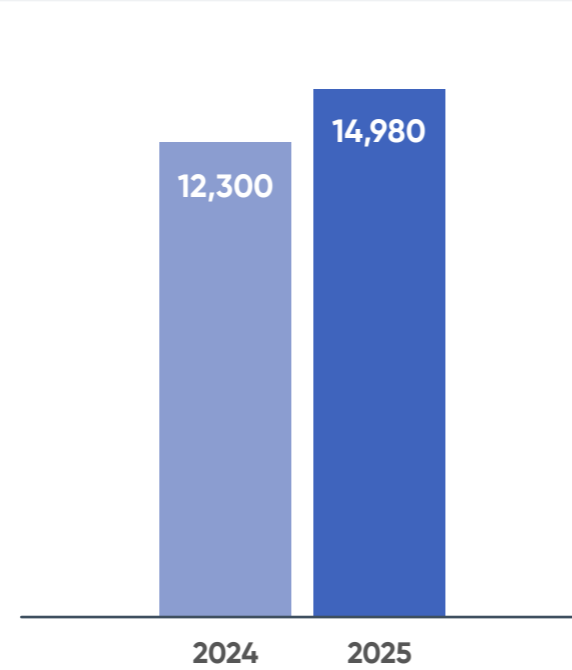
Total Number of Employees  
**395 Person**

Long-Term Average Generation Capacity  
**2,286 GWh**

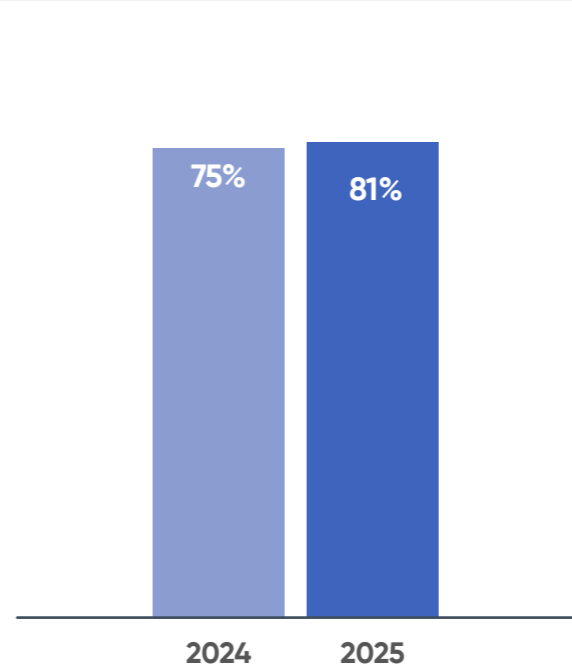
### Net Sales Revenues (TRY Million)



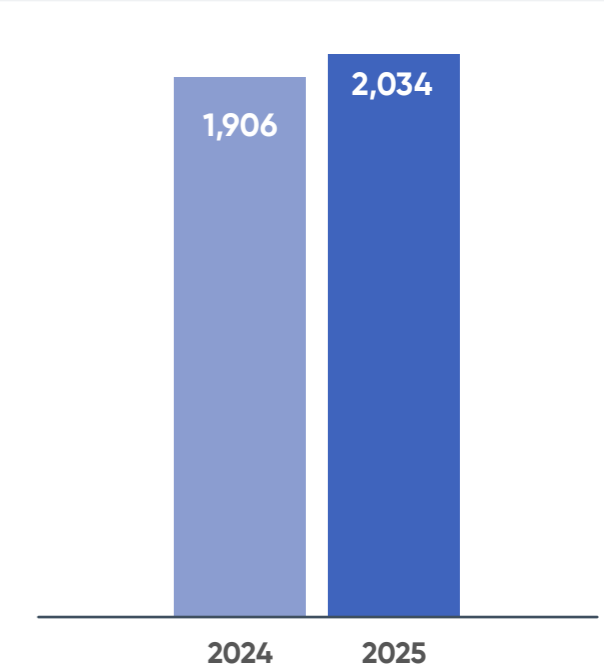
### Total Assets (TRY Million)



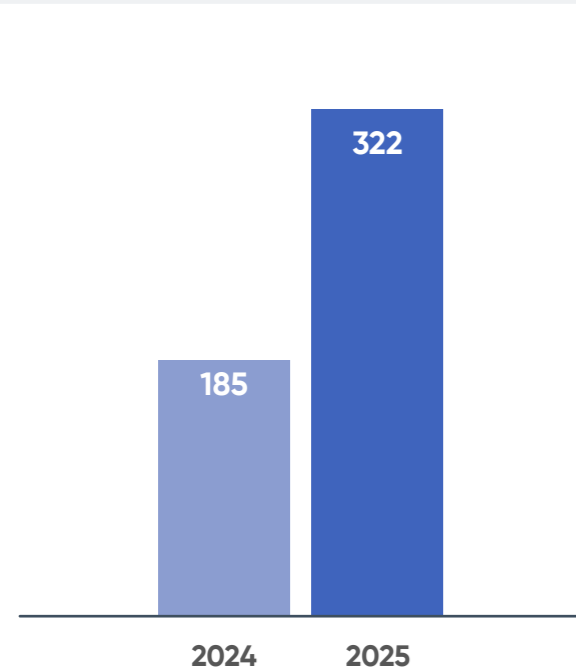
### Availability Rate (%)



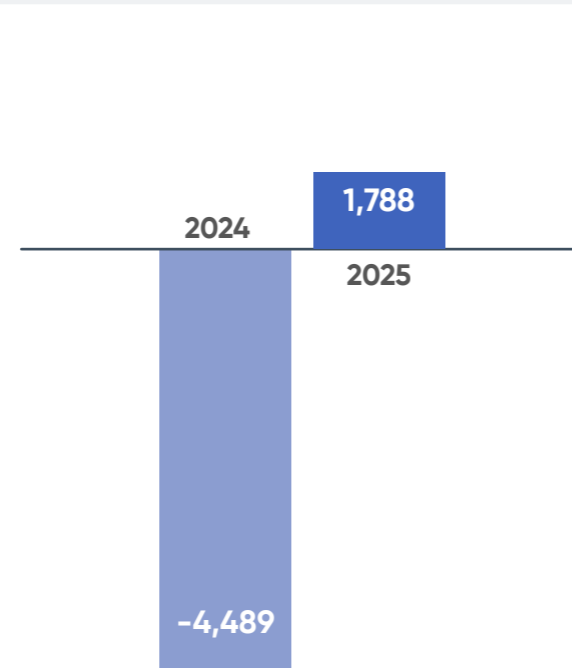
### Electricity Generation (Gross)



### Operating Profit / (Loss) (TRY Million)



### Total Investment Amount (TRY Million)



Summary Items	31.12.2025	31.12.2024
Net Sales Revenues (TRY Million)	6,500	7,065
Total Assets (TRY Million)	14,980	12,300
Operating Profit/(Loss) (TRY Million)	368	185
Gross Electricity Generation (GWh)	2,034	1,906
Availability Rate	81%	75%
Total Number of Employees	395	381
Generation Capacity (GWh)	2,286	2,286
Installed Capacity (MW)	314.68	314.68

## 2025 in Figures

Summary Items	31.12.2025	31.12.2024
<b>Revenue (TRY Million)</b>	<b>6,500</b>	<b>7,065</b>
<b>Gross Profit/(Loss) (TRY Million)</b>	<b>592</b>	<b>598</b>
<b>EBITDA (TRY Million)</b>	<b>1,194</b>	<b>1,367</b>
<b>Operating Profit/(Loss) (TRY Million)</b>	<b>368</b>	<b>185</b>
<b>Net Profit/(Loss) for the Period (TRY Million)</b>	<b>1,788</b>	<b>(4,489)</b>
<b>(Loss)/Gain Earnings Per Share (TRY)</b>	<b>10,83</b>	<b>-27.13</b>

Summary Items	31.12.2025	31.12.2024
<b>Cash and Cash Equivalents (TRY Million)</b>	<b>1,201</b>	<b>528</b>
<b>Net Financial Debt / Equity (%)</b>	<b>-8,67</b>	<b>-3.82</b>
<b>Net Financial Debt / EBITDA</b>	<b>-0,93x</b>	<b>-0.31x</b>

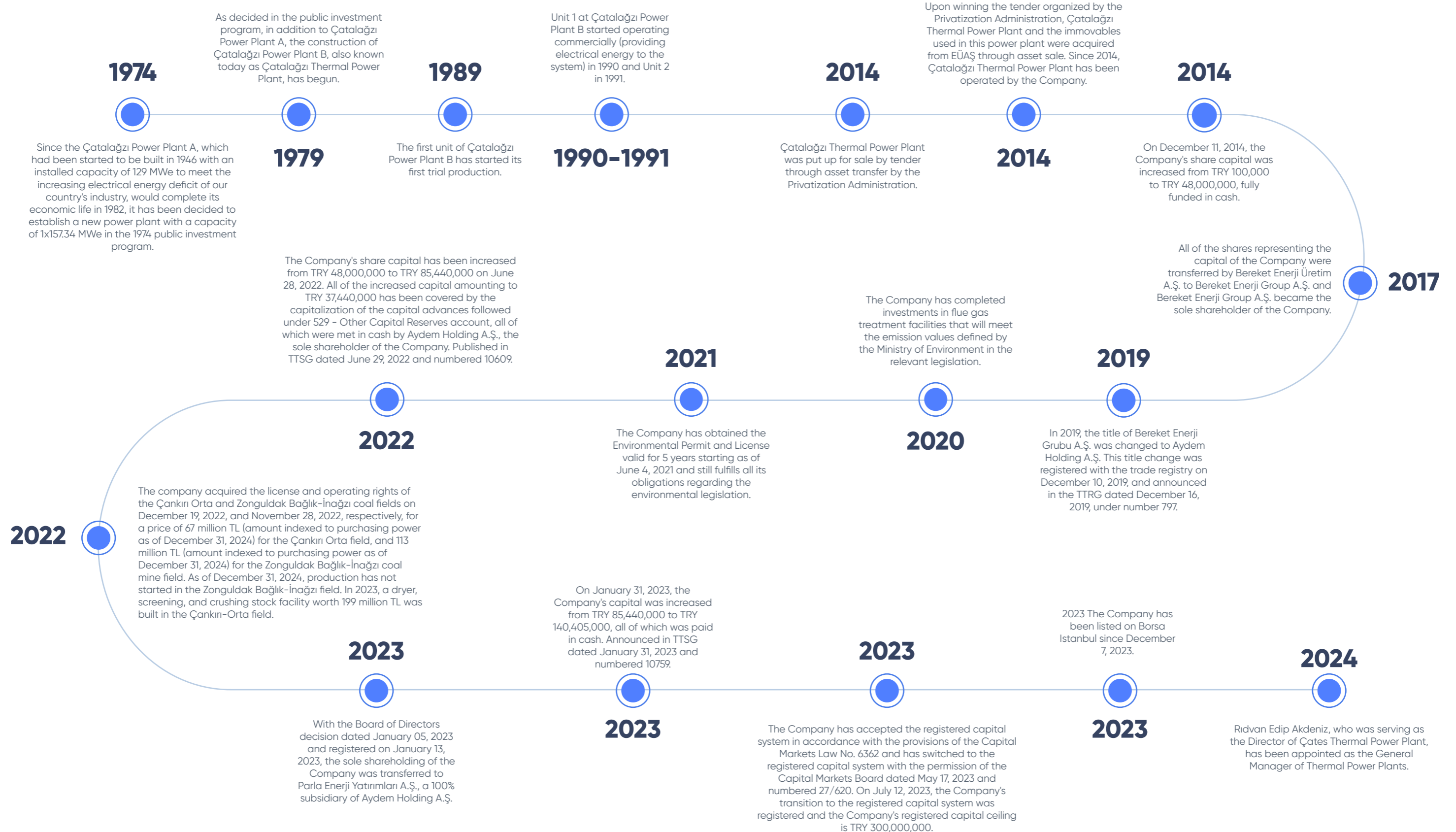
2025	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
PTF- TRY	2,508.80	2,478.28	2,183.83	2,452.67	2,458.15	2,202.23	2,965.16	2,939.24	2,729.02	2,739.5	2,784.1	2,973.04
PTF-USD	70.82	68.75	59.11	54.66	63.59	64.58	73.96	72.20	66.24	65.67	66.05	69,84
2024	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
PTF- TRY	1,942.90	1,957.68	2,190.11	1,764.04	2,047.32	2,095.23	2,588.83	2,574.15	2,395.78	2,335.71	2,463.14	2,446.22
PTF-USD	64.84	63.85	68.71	54.66	63.59	64.58	78.82	76.76	70.56	68.36	71.70	70.14

Balance Sheet Items (TRY Million)	31.12.2025	31.12.2024
Total Assets	14,980	12,300
Total Equity	12,759	10,985
Total Financial Debt	95	108
Net Financial Debt	-1,106	-419

Summary Statement of Financial Position (TRY)	31.12.2025	31.12.2024
Current Assets	2,957,787,503	2.267.645.753
Fixed Assets	12,022,113,421	10.032.703.470
<b>Total Assets</b>	<b>14,979,900,924</b>	<b>12.300.349.223</b>
Short Term Liabilities	394,992,089	391.374.126
Long Term Liabilities	1,825,477,610	924.101.079
Equity	12,759,431,225	10.984.874.018
<b>Total Liabilities and Equities</b>	<b>14,979,900,924</b>	<b>12.300.349.223</b>

Summary Profit/Loss Statement	31.12.2025	31.12.2024
Revenue	6,499,754,327	7,065,327,226
Cost of Sales (-)	(5,865,497,553)	(6,467,814,029)
<b>Gross Profit / (Loss)</b>	<b>634,256,774</b>	<b>597,513,197</b>
General administrative expenses (-)	(696,896,384)	(519,809,283)
Other income from main activities	535,991,804	132,718,210
Other expenses from main activities (-)	(105,391,804)	(25,121,814)
<b>Operating Profit/(Loss)</b>	<b>367,960,205</b>	<b>185,300,310</b>
Income from investing activities	2,750,273,560	1,281,069
Expenses from investing activities	-	(5,923,003,340)
<b>Operating profit before financial expenses</b>	<b>3,118,233,766</b>	<b>(5,736,421,961)</b>
Financing Income, Net	(357,293,008)	64,177,427
<b>Continuing operations pre-tax profit</b>	<b>2,760,940,757</b>	<b>(5,672,244,534)</b>
Continuing operations tax income / (expense)	(973,031,849)	1,183,344,668
<b>Net Profit / (Loss) for the Period</b>	<b>1,787,908,908</b>	<b>(4,488,899,866)</b>

## Milestones



## Shareholding Structure

The company's partnership structure and the breakdown thereof as of the report date are as follows:

Information on Direct Shareholding of the Company

Partner's Name-Surname/ Trade Name	Share in Capital (TRY)	Share in Capital (%)
Parla Enerji Yatırımları A.Ş.	132,150,000	79.99
Publicly Traded	33,050,000	20.01
<b>Total</b>	<b>165,200,000</b>	<b>100.00</b>

Information on Direct Shareholding of Parla Enerji Yatırımları A.Ş.

Partner's Name-Surname/ Trade Name	Share in Capital (%)
Aydem Holding A.Ş.	100.00
<b>Total</b>	<b>100.00</b>

Real and Legal Persons Holding Indirectly more than 5% of the Capital

Partner's Name-Surname/ Trade Name	Share in Capital (TRY)	Share in Capital (%)
Ceyhan Saldanlı	96,074,253.27	58.16
Ali Yağlı	31,453,554.92	19.04

## Subsidiaries

It is not available.

## Aydem Energy Group Companies

As of the date of the report, all of the shares of Parla Enerji, which owns 79.99% of the Company's shares, belong to Aydem Holding. Aydem Holding has been founded by Ceyhan Saldanlı (58.16%) and Ali Yağlı (19.04%). The history of Aydem Group dates back to 1980. Aydem Group has started to operate in the energy sector with Elsan Elektrik, the first company established by Ceyhan Saldanlı and Ali Yağlı. Aydem Group is one of the groups operating in the energy sector. Aydem Group is the first private hydroelectric power generation company, the first private electricity distribution company and the first integrated energy group (incorporating generation, distribution and retail sales activities) in the energy sector. As of December 31, 2025, Aydem Energy has 25 power plants with a total installed capacity of 2,163 MW and 6.4 million customers. In the twelve-month period ending on December 31, 2025, Aydem Energy has sold 26,356 GWh of electricity and distributed 28,682GWh of electricity.

The power plant, which previously operated under Elektrik Üretim Anonim Şirketi (EÜAŞ), has been taken over by Aydem Group through asset sale in 2014 and has been operated by the Company since the date of transfer.

Parla Enerji has been incorporated in Türkiye as a subsidiary of Aydem Holding A.Ş. on December 1, 2022. The registered address is Adalet Mahallesi Hasan Gönüllü Bulvarı No:15/1 Merkezefendi/Denizli.

Its main purpose and field of activity is to establish or participate in companies to operate in the energy sector, to determine the management of these participated or newly established companies and to make investments through these companies, to provide consultancy services to these companies or other companies operating in the energy sector on technical, financial, IT and human resources management and other issues, to provide support to the technical, financial and administrative organizations of these companies and to establish service units to serve such companies.



Aydem Group companies operate in the following sectors:

- Aydem Yenilenebilir Enerji A.Ş. (Aydem Renewables) operates in the field of renewable energy. This company went public in 2021 and has 20 hydroelectric, 3 wind, 1 geothermal and 1 hybrid solar power plants. As of December 31, 2025, Aydem Renewable's installed capacity is 1,198 MW and its total production in 2025 is 2,085 GWh.
- Aydem Group's electricity distribution companies are ADM Elektrik Dağıtım A.Ş. and GDZ Elektrik Dağıtım A.Ş., which distributed 10.33 TWh and 18.36 TWh of electricity in 2025, respectively. ADM Elektrik Dağıtım A.Ş. operates in Aydın, Denizli and Muğla provinces, while GDZ Elektrik Dağıtım A.Ş. operates in the provinces of İzmir and Manisa. ADM Elektrik Dağıtım A.Ş. provides service to 2.4 million users connected to its electricity distribution system as of 2025, while GDZ Elektrik Dağıtım A.Ş. serves to 4 million users connected to its electricity distribution system as of 2024.

- Aydem Group operates in the retail electricity sales sector with Aydem Elektrik Perakende Satış A.Ş. and Gediz Elektrik Perakende Satış A.Ş. companies. Aydem Elektrik Perakende Satış A.Ş. is the authorized supply company for Aydın, Denizli and Muğla provinces whereas Gediz Elektrik Perakende Satış A.Ş. is the authorized supply company for the provinces of İzmir and Manisa. These companies sold 28,682 TWh and 16,80 TWh (including K3) of electricity, respectively, in 2025.

- Aydem Group operates Yatağan Termik Enerji Üretim A.Ş. located in Muğla/Yatağan. This thermal power plant has an installed capacity of 650 MW.

Other companies of the Aydem Group operate in areas such as copper and aluminum coil production, construction, internet service provision, solar panel and cell production, natural stone production, vehicle fleet service, software service, and telecommunications.

## Corporate Values

### Sensitivity

While carrying the organization into the future by doing our job in the best way possible, we fulfill our responsibilities towards individuals, society, our country and the environment. We ensure that our work is carried out within the framework of our business ethics while performing our work at the targeted time and quality. We adopt a transparent and accountable working style in accordance with procedures and rules. We speak up if we encounter an unethical or unfair practice. We take into account how our behavior affects others.



### Dynamism

We follow the needs of our colleagues and stakeholders that arise under changing conditions, and we make the necessary improvements in our working environment, business conduct system, products and services. We pioneer the electricity sector with the steps we take and guide development and change in the sector. With curiosity in our soul, we try new ways to fulfill products, processes and services more efficiently and quickly in an error-free manner.



### Touching Life

"People" are at the focus of every work we do and every step we take. Our continuous development, curiosity, inquisitive spirit and the expertise we have gained over the years enable us to develop solutions that add energy and value to every moment of life. We allow our colleagues to express their different ideas, value their social needs and celebrate their successes together. We work to improve the quality of life of our stakeholders by accurately analyzing their needs and expectations.



## Çates Electricity Generation Portfolio

Commissioning works have been completed in 1989 and 1991 for Unit 1 and Unit 2, respectively. The plant consists of two units with a total capacity of 314.68 MWe, 2x157.34 MWe. Unit 1 has started commercial operation (supplying electricity to the system) in 1990 and Unit 2 in 1991.

The Company has been established to utilize the coal obtained from the Zonguldak region for generation of electricity and has been acquired through assets sale after the tender opened by the Privatization Administration in 2014. The Company has an electricity generation license for 49 years starting as of 2014. Prior to privatization, it was operating under EÜAŞ.

The Company generates and sells electricity through a thermal power plant based on various mines and coal with the electricity generation license numbered EÜ/5358-1/03178 and dated December 18, 2014. The license in question is valid until December 22, 2063.

Çatalağzı Thermal Power Plant, as the first thermal power plant of our Republic, has played an important role in the development of the country's industry. *The company's long-term average power generation capacity is 2,286 GWh. City/District where the power plant is located License Number Licensed Installed Power License*

City/District where the Power Plant is Installed	License Number	Licensed Installed Capacity	License Issue Date	License Period as of Date of Issue	Date of Commissioning
Zonguldak / Çatalağzı	EÜ/5358-1/03178	314,68 MWe/ 319,6 MWm	18.12.2014	49	22.12.2014

The table containing the annual installed capacity and production values of the power plant is given below:

Explanations	2022	2023	2024	2025
Installed Capacity (MWe)	314.68	314.68	314.68	314.68
Gross Production Quantity (MWh)	1,867,412	2,033,353	1,906,197	2,034,137

The coal obtained from Çatalağzı and Zonguldak regions under the Directorate General of Turkish Hard Coal Corporation consists of washing residues that are not utilized in the places of use due to low efficiency. The coal in question is used for thermal power plants in terms of energy production by blending it with coals with low moisture content and making it suitable for use, and constitutes an important source of the Power Plant.

The power plant burns a mixture of slime, run-of-mine coal from Çatalağzı and Zonguldak coal washing plants, lignite from outside the region, light schist mix and imported coal for enrichment of the coal burned in case of need. The daily coal consumption of the plant is approximately 2,800 tons for one unit and 2,530 kcal/kg of energy is consumed for 1 kWh of energy generation.

### Power Plant Equipment

- **Boiler:** Reheater, single furnace, domed natural circulation boiler. (The boiler is a process in which the energy required is obtained by burning coal and converting pure water into superheated steam. The brand name is Transelektro). Capacity: 480 t/h Steam Temperature: 535 °C Vapor Pressure: 139,5 kg/cm<sup>2</sup>

- **Turbine:** Two cylinder, double exhaust, reheater line turbine with condenser. (Superheated steam rotates the turbine at 3,000 rpm, enabling the coupled generator to rotate. Its brand is Mitsubishi.) Capacity: 157,340 kW/h Steam Temperature: 135 kg/cm<sup>2</sup> Temperature: 535 °C Rotation Speed: 3.000 rpm

- **Generator:** Hydrogen cooled, 3-phase generator. (While rotating at 3,000 rpm with the turbine to which it is coupled, it generates energy with the excitation of its rotor and feeds the step-up transformer to be transmitted to the interconnected system. The brand is Mitsubishi.) **Capacity:** 180 MVA Output Voltage: 15 KV Frequency: 50 Hz

The coal to be burned at the power plant is supplied from the Turkish Hard Coal Corporation (TTK) Çatalağzı Plant via conveyor belts, from Kozlu and Üzülmöz Plants via wagons of the Turkish State Railways (TCDD) and from private royalty companies via trucks. The average daily coal requirement of the Power Plant is 5,600 tons/day for 2 units and the annual requirement is approximately 1,650,000 tons/year.

The coal stockpile capacity of the power plant is 170,000 tons. Electric power generation is achieved when the superheated steam obtained as a result of heating pure water with the heat emitted by the coal burned in the boiler is transferred to the turbine and the energy it has is released to the rotational motion created by hitting the blades of the turbine and the coupled generator is excited.

### Availability and Capacity

2025 availability rate is 81%,  
Capacity utilization factor is 74%.

Operational data regarding Çatalağzı Thermal Power Plant is presented in the table below:

Availability Rate (*)				Capacity Factor (**)			
2022	2023	2024	2025	2022	2023	2024	2025
76%	80%	75%	81%	68%	74%	69%	74%

(\*)Availability Ratio indicates how much of the total time (365 days\*24 hours= 8,760 hours) the power plant is ready for production, excluding planned shutdowns due to maintenance and repair and unplanned shutdowns due to breakdowns.

(\*\*) Capacity Factor is the total energy produced by the power plant in a certain period divided by the energy it can produce full capacity.

# 2025 ACTIVITIES

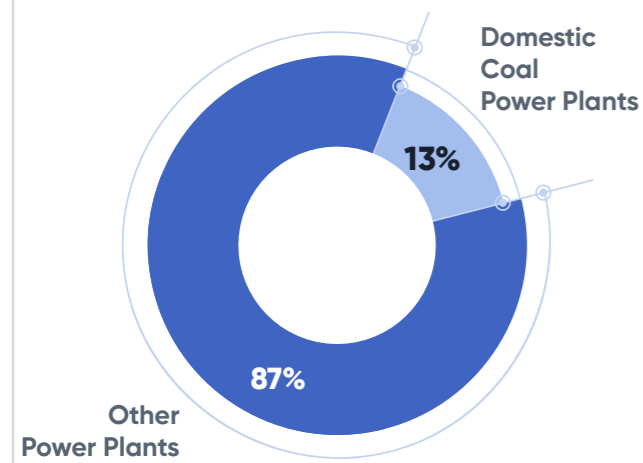


## Türkiye's Thermal Power Sector in 2025

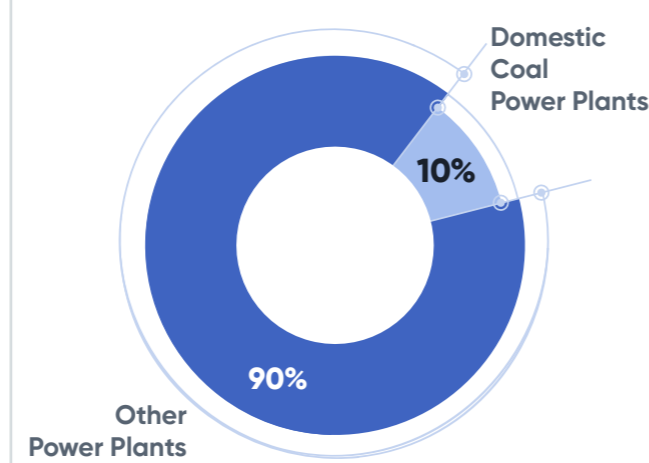
In 2024, the total generation amount is 341.848 GWh where the Domestic Coal generation holds for 45.375 GWh. The share of Domestic Coal generation in total generation is 13.27%.

In 2024, the total installed capacity is 115.4 GW where the Domestic Coal installed capacity holds for 11.5 GW. The share of Domestic Coal installed capacity in total installed capacity is 9.95%.

### 2024 Generation Amount (MWh)



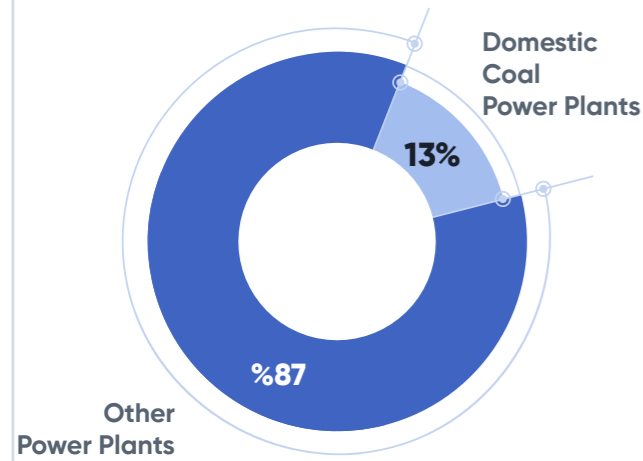
### 2024 Installed Capacity (MW)



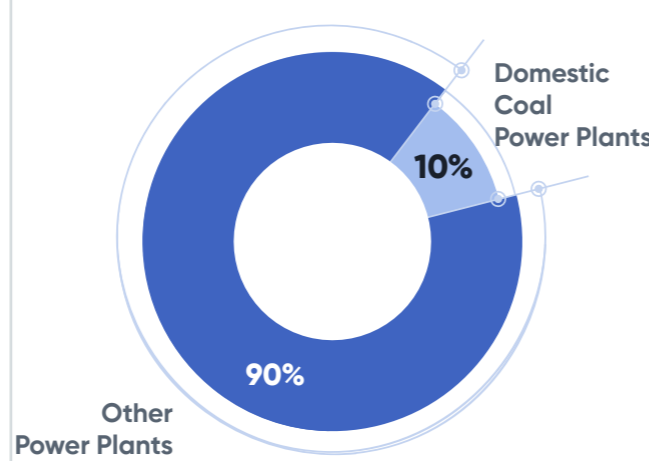
In 2025, the total generation amount is 356.670 GWh where the Domestic Coal generation holds for 44.247 GWh. The share of Domestic Coal generation in total generation is 12.41%.

In 2025, the total installed capacity is 122,4 GW where the Domestic Coal installed capacity holds for 11.5 GW. The share of Domestic Coal installed capacity in total installed capacity is 9.4%.

### 2025 Generation Amount (MWh)



### 2025 Installed Capacity (MW)



Energy policy objectives of Türkiye include providing affordable electricity, increasing security of supply and enhancing market liberalization.

Security of electricity supply is a particular focus of the current policy for two main reasons (external dependency and current account deficit).

As of December 31, 2025, the total installed capacity in Türkiye is 122.4 GW, of which 28.27% is dependent on imported thermal energy sources (natural gas, LNG, fuel oil, diesel, naphtha and imported coal). This situation prevents Türkiye from solving the current account deficit problem. Any reduction in energy imports in Türkiye would help to reduce the current account deficit.

**The basic strategies Türkiye has followed to reduce the current account deficit are as follows:**

- Increasing the use of domestic lignite and exploring and discovering new natural resources,
- Increasing renewable generation capacity,
- Investing in nuclear capacity,
- Increasing the efficiency of installed power utilization.

Türkiye does not have a significant amount of fossil fuel resources other than lignite coal. Increasing the utilization of domestic lignite coal resources is an important element of energy policy to reduce external dependency.

## Fields of Activity and Investments

### Fields of Activity:

Çatalağzı Thermal Power Plant played an important role in the development of the country's industry as the first thermal power plant of our Republic. The Company's installed capacity is 314.68 MWe and the long-term average electricity generation 2,286 GWh.

The table below shows the annual installed capacity and production values of the Power Plant:

Explanations	2022	2023	2024	2025
Installed Capacity (MWe)	314.68	314.68	314.68	314.68
Gross Production Amount (MWh)	1,867,412	2,033,349	1,906,197	2,034,137

The coal to be burned at the Power Plant is supplied from TTK Çatalağzı Plant via conveyor belts, from Kozlu and Üzülmöz Plants via Turkish State Railways (TCDD) wagons and from private royalty companies via trucks. The average daily coal requirement of the Power Plant is 5,600 tons/day for 2 units and the annual requirement is approximately 1,650,000 tons/year. The coal stockpile capacity of the power plant is 170,000 tons.

The coal obtained from Çatalağzı and Zonguldak regions, which are affiliated to the Directorate General of Turkish Hard Coal, consists of washing residues with high ash content, which are not utilized in the places of use due to low efficiency. This coal in question is used for thermal power plants in terms of energy generation by blending with coals with low moisture content and making them suitable for use, and constitutes an important source of the Power Plant.



### Investments:

The Company's tangible fixed assets consist of mining assets and other fixed assets. Mining assets consist of acquired mining rights costs, plant, machinery and equipment, other assets and deferred mineral extraction costs. Other fixed assets consist of plant assets, ongoing investments and other tangible fixed assets. All tangible fixed assets, land, buildings, machinery, equipment and fixed assets belonging to power generation plants are classified in the Power Plant assets item, which is classified under other fixed assets.

The net book value of mining assets as of 31 December 2025 is TRY 455 million (31 December 2024: TRY 455 million), and the net book value of other tangible fixed assets as of 31 December 2025 is TRY 10,750 million (31 December 2024: TRY 8,738 million).

The Company has organized all the tangible fixed assets belonging to power generation plants in the tangible fixed assets account item as a separate tangible fixed asset group under the name of "Power Plant Assets". Power plants consist of a group of assets with similar characteristics used in the operations of an enterprise and include land, buildings, machinery, equipment and fixtures. The Company has adopted the revaluation method in accordance with TAS-16 for power plant assets reported under tangible fixed assets. The valuation report prepared by PwC Yönetim Danışmanlığı A.Ş. is based on the estimation of the total corporate value of the Company. In the valuation study, the income approach, which involves discounting cash flows to net present value, has been calculated using the discounted cash flow method (DCF). The net present value is estimated using a discount rate appropriate to the Company's risk profile and operations. The Company has recognized the power plant assets at their remeasured fair values as of December 31, 2023 and December 31, 2024.

As of December 31, 2025, the power plant assets are carried in the financial statements at the revalued amount of TRY 10,709,775,721 (December 31, 2024: TRY 8,697,135,661).

The Company's entries to the non-current assets of the mine are presented in the table below.

Tangible Fixed Assets of the Mine – Entries	31.12.2024	31.12.2025
Plant, Machinery and Equipment	0	0
Other Assets	0	301,605
Cost of Deferred Extraction	301,605	3,885,119
<b>Total</b>	<b>0</b>	<b>4,186,724</b>

The financing period, percentage of completion and financing details of investments in tangible fixed assets of the mine are given in the table below.

Investment Details	Investment Period	Completion Status	Financing Type
Çankırı Orta Coal Field License and Operation Right	2022	100%	Equity
Zonguldak Bağlık-İnağzı Field License and Operation Right	2022	100%	Equity
Zonguldak Bağlık-İnağzı Field License Fee	2023	100%	Equity
Dryer, Screening and Crushing Stock Facility and Equipment	2022-2023	100%	Equity

The Company has acquired the license and operating rights of Çankırı Orta and Zonguldak Bağlık-İnağzı coal fields on December 19, 2022 and November 28, 2022, respectively, for a consideration of TRY 88 million (indexed on the basis of purchasing power as of December 31, 2025) for Çankırı Orta and TRY 148 million (indexed on the basis of purchasing power as of December 31, 2025) for Zonguldak Bağlık-İnağzı coal fields.

As of December 31, 2025, production has not started at Zonguldak Bağlık-İnağzı site. In 2024, a dryer, screening and crushing stock facility was constructed in Çankırı-Orta field amounting to TRY 261 million (indexed amount based on purchasing power as of December 31, 2025), these investments are classified under plant, machinery and equipment within the non-current assets of the mine.

The coal field in Çankırı has been transferred to the Company on October 14, 2022. A reserve valuation report has been prepared on July 28, 2023 by UMREK (National Mineral Resource and Reserve Reporting Commission) Competent Person. Accordingly, it was estimated that a total of 28 million tons of coal can be produced in the field with a redemption rate of 1.04 m<sup>3</sup> /ton. Coal has an average value of 1000 (±200) kcal/kg. The production conditions and the cover layer-coal amount ratio provide optimum conditions in the area where it is possible to produce with the Open Pit Mining method. Considering the general geological structure of the region where the mine site is located, it has been observed that it is an extremely favorable and problem-free region for mining activities. Production can be realized without the need for drilling and blasting activities. In addition, the location is very close to the main road, electricity and water lines.

Zonguldak Bağlık-İnağzı Field License and Operating Right; A transfer agreement has been signed between Tümaş Marble and TTK on August 15, 2018 for the mining license with registration number 86108, the tender of which was made by the Directorate General of Turkish Hard Coal Enterprises in 2018. Pursuant to the agreement, the operating right has been transferred until December 31, 2049. The license transfer was completed by MAPEG in 2022. On November 28, 2022, the license was transferred to the Company by Tümaş Mermer Sanayi ve Ticaret A.Ş. The average run-of-mine coal calorific value in the basin is 3500 kcal/kg. After beneficiation works, coal quality can increase to 6000-7000 kcal/kg.

## Fields of Activity and Investments

The Company's power plant capital expenditures consists of investments in the flue gas treatment plant and conveyor belt system, both of which were financed through equity.

**Flue Gas Treatment Plant;** With the flue gas treatment plant established in 2020, it has been aimed to bring the sulfur dioxide (SO<sub>2</sub>) values of the Power Plant in line with the requirements of environmental legislation. The investment in question has been completed and put into operation in 2020.

**Conveyor Belt System Investment;** The belt renewal project, which had been started in 2020 due to the wear of the conveyor belts feeding the boiler, has been completed in 2022. The amounts transferred from ongoing investments to power plant assets are not included in the tangible fixed asset entries.

**Çankırı Orta Coal Field Facility Investments;** The investment of a crushing, screening, and stockpiling facility with a capacity of 500 tons/hour at the site was completed in 2024.

Installation and commissioning activities for a coal drying facility with a capacity of 50 tons/hour are ongoing. Following the commissioning of the drying facility, the targeted coal calorific value is expected to be in the range of 1,750–2,000 kcal/kg.

As of December 31, 2025, a total investment amounting to TRY 261 million (indexed based on purchasing power as of December 31, 2025) has been made.

**Bağlık-İnağzı Field Drilling and Project Development Studies;** Following the drilling activities initiated in near-surface areas during 2023, project preparation works have commenced. Investment activities will be planned in line with the results of the project development studies.





**ÇATALAĞZI**  
THERMAL POWER PLANT

# CORPORATE GOVERNANCE



## Board of Directors



**Mehmet Akif GÜL**

(Chairman of the Board of Directors, Real Person Representative of Aydem Holding)

Mehmet Akif Gül graduated from Middle East Technical University, Department of Metallurgical Engineering. Mehmet Akif Gül has started his career at Elsan Elektrik Gereçleri A.Ş. in 1980, where he took part in its establishment as a shareholder, and continues to serve as the Chairman of the Board of Directors at the same company. Mehmet Akif Gül, who has 40 years of experience in the sector, also served as Vice Chairman of the Board of Directors at ADM Elektrik Dağıtım A.Ş. and GDZ Elektrik Dağıtım A.Ş., which are Aydem Energy group companies. He is currently serving as General Manager at Elsan and as a Board Member at Tümaş Mermer A.Ş.

**You can access the "Positions Held Outside the Company as of the Latest Situation" and "Positions Held in the Company in the Last 5 Years" of our Board Members via the General Information - Information on Management tab on our Company's Public Disclosure Platform (KAP) page.**



**Ridvan Edip AKDENİZ**

(Board Member, General Manager)

Ridvan Edip Akdeniz graduated from Kocaeli University, Faculty of Engineering, Department of Electronics and Communication Engineering in 2005. He has started his career at Yatağan Yeniköy Elektrik Üretim A.Ş., where he served as the Production Manager, Measurement Control Engineer, FDG Operation Engineer and Chief Engineer. In 2014, he has started working at Aydem Energy. At Aydem Energy, Akdeniz first served as the Deputy Plant Manager at Yatağan Termik Enerji Üretim A.Ş., and then as the Senior Manager of Thermal Power Plants Production Planning in 2019.

Ridvan Edip Akdeniz has been assigned as Çatalağzı Thermal Power Plant Director in 2021. In July 2023, he was appointed as a Member of the Board of Directors of Çates Elektrik Üretim A.Ş. As of October 15, 2024, Mr. Ridvan Edip Akdeniz serves as the General Manager of Çates Elektrik Üretim A.Ş.



**Baran SALDANLI**

(Board Member)

He was born in 1988 in Denizli. After graduating from Yeditepe University Department of Industrial and Systems Engineering, he has completed the Executive MBA program at Sorbonne University. He has worked in production at Tümaş Marble in 2011, in the Project Finance department of Aydem Renewables in 2013, in the Customer Relations Center Regional Directorate of Gediz Retail and in the General Directorate of Aydem Retail in 2014. Between 2015 and 2018, he has conducted various projects in ADM Distribution, Aydem Retail and Aydem Renewables and as of 2018, he has joined the holding management of Aydem Energy.

Mr. Saldanlı, who has investments in various sectors in addition to his duties within Aydem Energy, has been serving as a Member of the Board of Directors of Aydem Holding since July 2021. On October 15, 2024, it was decided that Mr.

Baran SALDANLI to be appointed as a Member of the Board of Directors on October 15, 2024.

Baran Saldanlı is married and has two daughters.



**Fatma Elif YAĞLI**

(Board Member)

She was born in 1982 in Istanbul. In 2005, she graduated from Bilkent University, Department of Electrical and Electronics Engineering. She has started her career as an engineer at Aydem Renewables. Afterwards, she worked as a Technical Support Engineer responsible for North America-Europe-Middle East-Africa at the telecommunications company Nortel Networks Netaş for more than 3 years. Between 2010 and 2018, she held the position of Energy Sales and Trade Manager at Aydem Renewables. In 2021, Mrs. Yağlı assumed the position of Aydem Holding Board Member and as of 2024, she has been serving as Vice Chairperson of Aydem Holding Board of Directors. On October 24, 2024, it was decided to appoint Ms. Fatma Elif YAĞLI as a Board Member.

Mrs. Fatma Elif Yağlı, who has been serving as the Vice Chairperson of the Board of Directors of Günder (International Solar Energy Society-Türkiye Section) since 2019, is the mother of two children.



**Kemal USLU**

(Independent Board Member)

Kemal Uslu graduated from Gazi University with a Bachelor's degree in Physics. He started his public service in 1981 and worked in various positions at TEK, TEAŞ and TETAŞ. Starting in 2000, Mr. Uslu has served as a project manager in the restructuring of the Turkish electricity market and assumed the positions of TEAŞ Legislation and Tariffs Director, TETAŞ Energy Sales Department Head and Deputy General Manager. Uslu, who is an expert in information technologies, modeling, short/long term electricity demand/price projections, wholesale/retail electricity trade, reflection of risk sharing on contracts, regulated tariffs and project valuation and feasibility studies, has also served as a member of the 10th and 11th development plan special expertise commission on energy supply security and efficiency and as a consultant to TOBB Türkiye Energy Council.



**Ayben KOY**

(Independent Board Member)

After graduating in 2004 from Istanbul University Faculty of Economics, Prof. Dr. Ayben Koy has started to work at Istanbul Commerce University in 2012 after 8 years of working in the financial sector and other sectors. Koy, who completed her Master of Business Administration at Yıldız Technical University, received her Doctorate in Finance with her thesis on Derivative Markets at Istanbul University in 2016. In 2018, Koy received the title of Associate Professor from the Council of Higher Education and in 2024, she received the title of Professor from the Council of Higher Education and has written books on Derivatives Markets in Turkish and English. She is the co-author of a book on financial econometrics. She has numerous works in the field of finance, especially on derivative markets and capital markets. She lectures at undergraduate and graduate level at the universities in Türkiye and abroad. She provides consultancy to businesses in various areas of finance such as financial management, risk management, hedging and valuation.

**As of the date of the report, 28 Board of Directors meetings were held in 2025 and the attendance rate was realized as 100%.**

## Statements of Independence

I hereby declare that I comply with the independence criteria specified below within the scope of Article 4.3.6 of the Annex to the Capital Markets Board Corporate Governance Communiqué No. II-17.1 and that I will serve as an independent member of the Board of Directors of Çates Elektrik Üretim A.Ş. within this scope.

In Çates Elektrik Üretim A.Ş.

I hereby declare that;

Between the company, partnerships in which the company has management control or significant influence, shareholders who control the management of the company or have significant influence in the company and legal entities in which these shareholders have management control, and myself, my spouse and my relatives by blood or marriage up to the second degree; I have not been employed in a managerial position to assume important duties and responsibilities in the last five years; I do not jointly or individually own more than 5% of the capital or voting rights or privileged shares either, or no significant commercial relationship has been established; Within the last five years, I have not been a partner (5% or more), an employee in a managerial position with significant duties and responsibilities or a member of the board of directors in companies from which the company purchases or sells services or products to a significant extent within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, during the periods when the services or products were purchased or sold; I have the professional training, knowledge and experience to duly fulfill the duties to be undertaken due to being an independent member of the board of directors; I will not work full-time in public institutions and organizations after being elected as a member, except for university faculty membership, provided that it complies with the legislation to which they are affiliated,

I am considered a resident in Türkiye according to the Income Tax Law (G.V.K.) dated 31/12/1960 and numbered 193,

I have strong ethical standards, professional reputation and experience to contribute positively to the Company's activities, to maintain impartiality in conflicts of interest between the Company and shareholders, and to make decisions freely by taking into account the rights of stakeholders,

I will be able to allocate time for company affairs to the extent that I will be able to follow the functioning of the company's activities and fully fulfill the requirements of the duties undertaken, I have not served as a member of the board of directors of the company for more than six years within the last ten years,

I do not serve as an independent board member in more than three of the companies controlled by the same person, company or the shareholders who control the management of the company and in more than five of the companies listed, traded on the stock exchange in total, and

I have not been registered and announced on behalf of the legal entity elected as a member of the board of directors.

**Kemal USLU**  
**Independent Board Member**

I hereby declare that I comply with the independence criteria specified below within the scope of Article 4.3.6 of the Annex to the Capital Markets Board Corporate Governance Communiqué No. II-17.1 and that I will serve as an independent member of the Board of Directors of Çates Elektrik Üretim A.Ş. within this scope.

In Çates Elektrik Üretim A.Ş.

I hereby declare that;

Between the company, partnerships in which the company has management control or significant influence, shareholders who control the management of the company or have significant influence in the company and legal entities in which these shareholders have management control, and myself, my spouse and my relatives by blood or marriage up to the second degree; I have not been employed in a managerial position to assume important duties and responsibilities in the last five years; I do not jointly or individually own more than 5% of the capital or voting rights or privileged shares either, or no significant commercial relationship has been established; Within the last five years, I have not been a partner (5% or more), an employee in a managerial position with significant duties and responsibilities or a member of the board of directors in companies from which the company purchases or sells services or products to a significant extent within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, during the periods when the services or products were purchased or sold; I have the professional training, knowledge and experience to duly fulfill the duties to be undertaken due to being an independent member of the board of directors; I will not work full-time in public institutions and organizations after being elected as a member, except for university faculty membership, provided that it complies with the legislation to which they are affiliated,

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I do not serve as an independent board member in more than three of the companies controlled by the same person, company or the shareholders who control the management of the company and in more than five of the companies listed, traded on the stock exchange in total, and

I have not been registered and announced on behalf of the legal entity elected as a member of the board of directors.

**Ayben KOY**  
**Independent Board Member**

## Evaluation of the Board of Directors

### Messages from Management, Risks and Opportunities

As Çates Electricity Generation, we use internationally recognized risk management principles in our risk management processes and fully comply with the Capital Markets Board's Corporate Governance Principles regulation. As Çates Electricity Generation, we integrate risk management into the entirety of our operations and strategic planning; we implement a reliable risk management mechanism in all our investment decisions and processes, and we comprehensively evaluate all risks and opportunities. Thanks to our risk awareness, which has become a corporate culture in all our processes and units, we ensure that our strategic decisions and operational activities remain within the limits of our risk appetite, and we manage all risk factors that may adversely affect our Company and our stakeholders, including financial performance and reputation, in the most effective manner. We regularly review the risk management policies and systems that we have determined in order to identify and analyze the risks to be encountered, to determine appropriate risk limits and to monitor key risk indicators and risks in comparison with the relevant limits.

The Board of Directors is responsible for establishing plans and policies regarding risk management activities at Çates Electricity Generation. The Board of Directors has assigned the Early Detection of Risk Committee to manage risks effectively. The Early Detection of Risk Committee convenes periodically at least six times a year and more frequently if needed. Çates Electricity Generation Risk Management Policy has been approved by the Board of Directors of Çates Electricity Generation and explains Çates Electricity Generation's risk management strategy, general principles and management principles regarding the risk management framework.

The Company's risk management manager or legal and compliance manager is responsible for the creation of supporting documentation and implementation of risk management activities in parallel with the Risk Management plan and policies. In addition, risk management is fully integrated into the daily operations and strategic planning of Çates Electricity Generation in order to enable faster decision making and quicker action in volatile and competitive market conditions.

As Çates Electricity Generation, we work with the belief that protecting the assets and values of our company in the long term, ensuring sustainable financial performance, competitiveness and growth, and protecting the interests of all our stakeholders can be achieved through effective management of financial and non-financial risks. In addition to the financial impacts of risks, we also evaluate the reputational impacts, the impacts before supervisory and regulatory bodies, the impacts on employees, and our value chain. As Çates Electricity Generation, we use internationally recognized risk management principles in our risk management processes and take all the necessary actions to comply with the Capital Markets Board's Corporate Governance Principles regulation.

At Çates Electricity Generation, we integrate risk management into the entirety of our operations and strategic planning, implement a reliable risk management mechanism in all our investment decisions and processes, and comprehensively evaluate all the risks and opportunities. Thanks to our risk awareness, which has become a corporate culture in all our processes and units, we ensure that our strategic decisions and operational activities remain within the limits of our risk appetite, and we manage all the risk factors that may adversely affect our Company and our stakeholders, including financial performance and reputation, in the most effective manner.

### Evaluation of the Board of Directors on the Internal Audit and Control System and the Activities Conducted within this Scope

Internal audit and control activities carried out within Çates Elektrik Üretim A.Ş. have a systematic structure designed to assess whether risk management, financial reporting, control and governance processes are carried out effectively, adequately, efficiently and in compliance with existing legal and internal regulations, and whether the information systems are managed in a secure and reliable manner. The Internal Audit Function, which carries out its activities within this scope with a risk-oriented approach, regularly reports its activities to provide reasonable assurance to the Board of Directors, shareholders and other stakeholders and acts as an independent and objective assurance function authorized by the Company's Board of Directors. The Internal Audit Function also oversees the proper definition, adequate and effective realization of the objectives related to compliance with the ethical rules and working principles defined within the company and fulfills the activities within its area of responsibility.

Accordingly, central and on-site internal audit activities were conducted within the Company in accordance with the Audit Plan for 2025. Audit and control activities were found to be capable of providing a reasonable level of assurance to risk management, internal control and governance processes. Agreements were reached with the Management on actions to improve individual control deficiencies identified during the audits and it was periodically monitored whether these actions were implemented in a timely manner.

### Evaluation of the Board of Directors on the Financial Position and Results of Operations

The Ordinary General Assembly Meeting for 2024 was held in Denizli on August 1, 2025, at 11:00 a.m.

The Company's equity increased by 16% in 2025 compared to December 31, 2024.

### Evaluation of the Board of Directors on the Committees

Five committees have been established within the Board of Directors: "Audit Committee", "Corporate Governance Committee", "Early Detection of Risk Committee/ Early Risk Detection Committee", "Sustainability, Environment, Occupational Health and Safety" and "Investment Committee".

The Committees convene within the framework of their working principles in accordance with the meeting agendas established within the scope of their objectives and duties, and make recommendations and presentations to the Board of Directors in line with the decisions taken.

Detailed information on the Committees is available on the Company website at the link of <https://www.cates.com.tr/en/investor-relations/corporate-governance>

# Financial Rights Provided to Board Members and Senior Executives

Between the dates of 01.01.2025–31.12.2025, the indexed total amount of financial rights provided to board members and senior executives is TRY 26,472,253

## Committees and Policies

### Committees

Pursuant to the relevant legislation, a total of five committees have been established within the Company as Audit Committee, Corporate Governance Committee, Early Detection of Risk Committee, Investment Committee and Sustainability Committee with the Board of Directors' resolution dated June 11, 2024 and numbered 2024/21. In accordance with the CMB Corporate Governance Communiqué No. II-17.1, the duties and responsibilities of the Nomination Committee and Remuneration Committee are fulfilled by the Corporate Governance Committee.

The details regarding the job descriptions and working principles of the committees are available on our [Company's website](https://www.cates.com.tr/en/committees) <https://www.cates.com.tr/en/committees>.

All kinds of resources and support required for the Committee to fulfill its duties are provided by the Board of Directors. The Committee may invite the managers and consultants it deems necessary to its meetings and obtain their opinions. The Committee shall benefit from the opinions of experts and consultants when necessary. In this context, no consultancy service was received from any person/organization within the Board of Directors Committees in 2025.

In accordance with the Articles of Association, changes in the working principles of the committees are subject to the approval of the Board of Directors. Our Policies

Detailed information on our Company's policies and committee working principles can be accessed via the Corporate Governance tab under the Investor Relations menu on our Company's website or via the link <https://www.cates.com.tr/en/policies>.

### Audit Committee

The Audit Committee fulfills the duties and responsibilities set forth in the working principles and undertakes the duties assigned to it by the Articles of Association and the Corporate Governance Communiqué. The main purpose of the Audit Committee is to oversee the Company's accounting system and practices, the functioning of the internal control system, the public disclosure of the Company's financial information, the effectiveness of the Company's internal audit and independent audit activities and the Company's compliance with the relevant legislation and corporate ethical rules. The Audit Committee consists of at least two members, and the members of the Audit Committee are elected among the independent members of the Board of Directors. At least one of these members must have five years of experience in auditing/accounting and finance. In the event that any member of the Committee ceases to be a member of the Board of Directors or loses the title of independent member in accordance with the capital markets legislation, the membership of the Committee shall also cease. The members of the Audit Committee and the Chairman of the Committee are determined by the Board of Directors. The term of office may not exceed three years and committee members whose term of office expires may be reappointed. The Audit Committee convenes with the presence of the absolute majority of its members and takes decisions with the majority of the members present at the meeting. The Audit Committee shall convene at least four times a year, at least once every three months, except in cases where it convenes urgently within the framework of the Principles on Regarding Related Party Transactions, and the Audit Committee meetings shall be held at the Company headquarters or at another location where the members of the Audit Committee are present, prior to each scheduled

board meeting, in line with the timing of the board meetings to the extent possible. The Audit Committee shall put all its work in writing, keep a record of it and report to the Board of Directors, including information on the work of the Audit Committee and the results of the Audit Committee meetings, and shall immediately notify the Board of Directors in writing of the findings and recommendations related to its duties and responsibilities. Minutes of the Audit Committee meetings are approved by the Committee members and kept with the Committee decisions.

The Company's internal audit manager or a member appointed by the Committee assumes the responsibility of Rapporteur reporting to the Committee Chairman. The Rapporteur submits the meeting agenda and relevant documents to the Committee members before the meeting. They ensure the attendance of the persons requested by the Chairman to attend the meeting. They write the minutes and decisions of the meeting and ensures their distribution to the relevant parties. The secretariat of the Board of Directors is responsible for the administrative organization of the meetings, the distribution of the minutes of the meetings to the members of the Board of Directors and the storage of the decisions in the decision book. Unless invited by the Committee Chairman, no one other than the Committee members may attend the Committee meetings.

The Audit Committee performs the following duties, including but not limited to:

- Reviews the annual and interim financial statements to be disclosed to the public (including footnotes) by obtaining the opinions of the Company's responsible executives and the independent external auditor regarding compliance with the accounting principles applied by the Company, as well as their fairness and accuracy, and submits its evaluations to the Board of Directors in writing.
- The selection of the independent audit firm, preparation of independent audit contracts and initiation of the independent audit process, and the work of the independent audit firm at every stage are carried out under the supervision of the Audit Committee.

- The Audit Committee determines the independent audit firm to be retained by the Company and the services to be provided by such firm, and submits the same to the Board of Directors for approval to be submitted to the opinion of the Company's shareholders. The Audit Committee receives a written statement from the independent external auditor confirming that he/she is independent in independent audits and reports to the Board of Directors its assessment of any factors that may threaten the independence of the external auditor before the selection of the independent external auditor is proposed to the Board of Directors.
- It oversees that the independent external auditor fulfills its obligation to share with the committee significant issues related to the Company's accounting policy and practices, alternative implementation and disclosure options within the framework of the relevant accounting standards and accounting principles previously communicated to the Company management, their possible results and implementation proposal, and significant correspondence between the Company management and the Committee.
- Convenes extraordinary meetings to review the terms and conditions of each nonrecurring related party transaction that exceeds 3% of the Company's gross profit as reported in the previous year's income statement or total assets as reported in the previous year's balance sheet, and submits a report to the Board of Directors regarding each such non-recurring related party transaction exceeding this threshold.
- In cases where the Corporate Governance Communiqué or other relevant rules and regulations require the preparation of an independent valuation report, the Audit Committee ensures that this independent valuation report is obtained and that references to this independent valuation report are included in the Audit Committee report.
- At its meetings following the publication of the relevant quarterly financial statements, the Board reviews the related party transactions carried out in accordance with the continuous related party transaction for which annual approval has been obtained during the relevant period and submits a report to the Board of Directors following its annual review of related party transactions.

- It ensures that the internal audit activity operates independently and objectively. It continuously reviews the responsibilities, resources, activities, and performance of internal audit. It reviews and approves the regulations and procedures defining internal audit authorities, responsibilities and processes. It reviews and approves the internal audit organization, working principles, annual audit plan, and possible updates to these matters.

It oversees any difficulties that may be encountered in the conduct of internal audit activities, including restrictions on access to information required under the audit principles. It reviews the reports, findings, actions, and action status prepared by the Internal Audit unit.

- It conveys its opinions and suggestions regarding the Company's internal control system to the Board of Directors, taking into consideration the notifications of the Company's senior management and independent external auditor on the subject.
- It ensures that all necessary measures are taken to ensure that both internal audit and independent external audit are carried out in an adequate and transparent manner.
- It reviews and ensures the implementation of policies and procedures regarding unethical transactions and misconduct. It oversees the establishment of necessary mechanisms to communicate relevant issues to the committee.
- It oversees compliance with internal regulations to prevent conflicts of interest that may arise between the members of the Board of Directors, senior management, or other related parties, and the misuse of information that is a trade secret or that may affect the value of the Company's shares.
- It receives reports from the Company's Legal and Compliance Counsel regarding the regulations within the scope of compliance with the legislation.
- When necessary, evaluates any actions by individuals holding significant responsibilities within the Company's internal audit, independent audit, accounting, or internal control systems that are in violation of the applicable regulations, and shares its findings and recommendations on such matters with the Board of Directors.
- The Audit Committee determines the methods and criteria to be applied in the examination and

finalization of the complaints received by the Company regarding the Company's accounting and internal control system and independent audit, and in the evaluation of the notifications of the Company's employees regarding the Company's accounting and independent audit within the framework of the confidentiality principle.

- Upon the request of the Board of Directors, it undertakes other duties and responsibilities that may be considered within the scope of its field of duty.
- It evaluates the effectiveness of the risk management system carried out within the scope of the Company and shares information and works in cooperation with other committees established by the Board of Directors for this purpose.
- In the event that the Company's shares are offered to the public, prepares a report within ten business days following the public disclosure of the financial statements for a period of two years after the shares commence trading on the stock exchange, assessing whether the assumptions used in determining the initial public offering price have been realized and, if not, explaining the reasons.

The decisions of the Audit Committee are advisory to the Board of Directors, and the work and recommendations of the committee do not eliminate the responsibilities of the members of the Board of Directors arising from the TCC. The Board of Directors provides the necessary resources and support for the Audit Committee to fulfill its duties and responsibilities. The Audit Committee may obtain information from the Company's executives and employees (within the framework of confidentiality, if necessary) regarding the matters subject to its review or, when deemed necessary, may invite the relevant persons to the committee meetings. The Audit Committee may benefit from the opinions of independent experts on matters deemed necessary in relation to its activities.

### Corporate Governance Committee

The Corporate Governance Committee fulfills the duties and responsibilities set forth in the working principles and undertakes the duties assigned to it by the Articles of Association and the Corporate Governance Communiqué. The primary purpose of the Corporate Governance Committee is to assist the Board of Directors in complying with corporate governance principles, including investigations into noncompliance and the identification of conflicts of interest, to oversee the investor relations unit, and to perform the duties assigned to the Nomination Committee and the Remuneration Committee. The Committee consists of at least three members who are either members of the Board of Directors or experts in their field but not Board Members, and the chairman of the Corporate Governance Committee is selected from among the independent members of the Board of Directors. The majority of the Committee members are selected from among non-executive members of the Board of Directors. The Investor Relations Unit Manager is a natural member of the Corporate Governance Committee. The members of the Corporate Governance Committee are determined by the Board of Directors. The term of office cannot exceed three years, and committee members whose term has expired may be reappointed. The members of the Corporate Governance Committee shall be selected from among the non-executive members of the Board of Directors as far as possible. Specialists in fields such as accounting, finance, auditing, law, management, etc., may serve on the Corporate Governance Committee. The Corporate Governance Committee convenes at least four times a year, or as often as deemed necessary for the effectiveness of its activities, at the Company's headquarters or another location where the committee members are present. The timing of the Corporate Governance Committee's meetings is aligned with the timing of the Board of Directors' meetings as much as possible. The Corporate Governance Committee convenes with the presence of the absolute majority of its members and takes decisions with the majority of the members present at the meeting. The Corporate Governance Committee documents all its work, keeps records, and reports to the Board of Directors, including information on the committee's work and the results of its meetings. The Corporate Governance Committee immediately notifies the

Board of Directors in writing of any findings and suggestions related to its duties and responsibilities. The Remuneration Committee and the Nomination Committee are now under the Corporate Governance Committee. With this decision; The Corporate Governance Committee is responsible for establishing a transparent system for the identification, evaluation and training of suitable candidates for the Board of Directors and managerial positions with administrative responsibilities, and determining policies and strategies in this regard.

The Corporate Governance Committee regularly evaluates the structure and efficiency of the Board of Directors and submits its recommendations to the Board of Directors regarding possible changes in these matters. It determines the principles, criteria, and practices to be used in the remuneration of the members of the Board of Directors and executives with administrative responsibilities by taking into account the Company's long term goals, and oversees them.

The Corporate Governance Committee submits its recommendations to the Board of Directors regarding the remuneration of board members and executives with administrative responsibilities, taking into account the degree of achievement of the criteria used in remuneration.

The Corporate Governance Committee evaluates the nominations for independent membership, including those of the management and shareholders by taking into consideration whether the candidate meets the independence criteria or not, and submits its assessment in a report to the Board of Directors for its approval.

The minutes of the Corporate Governance Committee meetings are approved by the Corporate Governance Committee members and kept with the Committee's decisions. The minutes are shared with the members before the next meeting, and their official approval is obtained at the next meeting. The Company's investor relations unit manager or a member appointed by the committee assumes the responsibility of Rapporteur, reporting to the Committee Chairman.

The Rapporteur submits the meeting agenda and relevant documents to the Committee members before the meeting. They ensure the attendance of the persons requested by the Chairman to attend the meeting. They write the meeting minutes and resolutions and ensure their distribution to the relevant parties. The secretariat of the Board of Directors is responsible for the administrative organization of the meetings, the distribution of the meetings minutes to the members of the Board of Directors, and the storage of the decisions in the decision book.

The Corporate Governance Committee fulfills the following duties, including but not limited to:

- Preparation of proposals for the appointment of members to the Board of Directors,
- Ensuring the effectiveness and independence of the members of the Board of Directors within the scope of corporate governance principles,
- Ensuring the acceptance and implementation of corporate governance principles by the Board of Directors,
- Providing coordination and oversight for the realization of corporate governance assessment and rating activities.

#### Early Detection Of Risk Committee

The Early Detection of Risk Committee fulfills the duties and responsibilities set forth in the working principles and undertakes the duties assigned to it by the Articles of Association and the Corporate Governance Communiqué. The main purpose of the Early Detection of Risk Committee is to assist the Board of Directors in the early detection of risks that may jeopardize the existence, development and continuity of the Company, to implement appropriate risk management strategies and to establish an expert committee for risk management and to fulfill other duties assigned to it by the legislation.

The Early Detection of Risk Committee consists of at least two members. If the Early Detection of Risk Committee consists of two members, both of them, and if there are more than two members, the majority of the members are elected from the non-executive members of the Board of Directors. The chairman of the Committee is elected from among the independent members of the Board of Directors. Specialists who are not members of the Board of Directors may be included in the committee.

The members of the Early Detection of Risk Committee are determined by the Board of Directors. The term of office may not exceed three years and committee members whose term of office expires may be reappointed. The members of the Early Detection of Risk Committee are selected from among nonexecutive members as far as possible. The Risk Committee may undertake risk-related duties. The Early Detection of Risk Committee convenes at least six times a year, as often as deemed necessary for the effectiveness of its activities, at the Company headquarters or at another location where the committee members are present. The timing of the Early Detection of Risk Committee's meetings is aligned with the timing of the Board of Directors' meetings as much as possible. The Early Detection of Risk Committee convenes with the presence of the absolute majority of its members and takes decisions with the majority of the members present at the meeting. The Early Detection of Risk Committee puts all its activities in writing, keeps a record of them and reports to the Board of Directors, including information on the results of the activities and meetings of the Early Detection of Risk Committee. The Risk Committee immediately notifies the Board of Directors in writing of the findings and suggestions related to its duties and responsibilities.

Minutes of the meetings of the Early Detection of Risk Committee are approved by the members of the Early Detection of Risk Committee and kept with the decisions of the Committee. The Company's manager responsible for risk management or legal and compliance manager or a member appointed by the committee shall assume the responsibility of Rapporteur reporting to the Committee Chairman. The Rapporteur submits the meeting agenda and relevant documents to the Committee members before the meeting. They ensure the attendance of the persons requested by the Chairman to attend the meeting. They write the minutes and decisions of the meeting and ensures their distribution to the relevant parties. The secretariat of the Board of Directors is responsible for the administrative organization of the meetings, the distribution of the minutes of the meetings to the members of the Board of Directors and the storage of the decisions in the decision book.

The Early Detection of Risk Committee fulfills the following duties, including but not limited to:

- Identifying and periodically assessing existing and potential operational, strategic, compliance, financial and other risks and preparing recommendations for taking relevant actions in connection with these risks,
- Establishment of risk management systems and establishment of organizational infrastructures related to risk management within the Company and preparation of proposals for the development of related systems to increase functionality,
- Suggesting solutions to risks to the Board of Directors and the Audit Committee,
- Identifying, evaluating and monitoring the existing and potential risk factors that may affect the achievement of the Company's objectives within the framework of the corporate risk management systematic and ensuring that the principles for managing the relevant risks in accordance with the Company's risk profile are determined and used in decision-making mechanisms,
- Establishing a company-wide corporate risk management approach, ensuring the establishment and maintenance of an effective risk management framework,
- Carrying out studies to determine the risk policies and the relevant standards and methodologies used in managing the risks within the Company and submitting them to the Board of Directors for approval,
- Carrying out studies to prepare policies that define the Company's risk appetite and are in line with the strategic plan and targets approved by the Board of Directors, and submitting these studies to the Board of Directors for approval,
- Preparing a proposal on the levels of the indicators within the scope of risk appetite and submitting it to the Board of Directors for approval, monitoring the indicators, and, when necessary, presenting the results, assessments, and recommendations to the Board of Directors,
- Ensuring that the Company's strategies and risk appetite are effectively implemented throughout the Company,
- Adequately informing the members of the Board of Directors about the Company's risk-creating activities, including strategic management, capital and resource management, risk profile, risk appetite, business activities, financial performance and reputation, and presenting recommendations to the Board of Directors in this context,
- Ensuring that internal processes are maintained, including stress testing where appropriate, to ensure that capital and liquidity levels and asset-liability structure are in line with the normal and stressed conditions of the company,

- Evaluating and proposing risk management strategies for the risks to be accepted and managed, shared or completely eliminated in the Company for the risks assessed according to probability and impact calculations,
- Providing an opinion to the Board of Directors for the establishment of internal control systems, including risk management and information systems and processes, that can minimize the effects of risks that may affect the Company's stakeholders, especially shareholders,
- Ensuring the integration of risk management and internal control systems into the Company's corporate structure and business processes,
- Evaluating and approving the risk studies carried out within the Company, providing information to the Board of Directors when necessary, and presenting suggestions,
- Evaluating the development and maintenance of management reporting to ensure that information is timely, accurate, and relevant,
- Monitoring the latest status of audit matters and findings, and evaluating the effectiveness and efficiency of the actions taken,
- Oversight of activities related to business continuity management,
- Reviewing the risk management systems at least once a year and overseeing that the practices in the relevant departments responsible for risk management are carried out in accordance with the decisions of the Early Detection of Risk Committee,
- Ensuring the early detection of technical insolvency and alerting the Board of Directors on this matter, and developing proposals on measures to be taken,
- In the quarterly report to be submitted to the Board of Directors, assessing the situation, pointing out the dangers, if any, and showing the remedies in this regard, and sharing this report with the independent auditor, the Audit Committee and the Internal Audit Unit,
- Preparation and submission to the Board of Directors of an annual evaluation report to form the basis for the Board of Directors' assessment of the Early Detection of Risk Committee members, frequency of meetings, working principles including the activities carried out and the effectiveness of the committee, which will be included in the annual report.

All kinds of resources and support required for the Early Detection of Risk Committee to fulfill its duties are provided by the Board of Directors. The Early Detection of Risk Committee may invite any manager it deems necessary to its meetings and receive their opinions.

The Early Detection of Risk Committee acts under its own authority and responsibility, and submits a quarterly report to the Board of Directors containing its assessment of the situation, recommendations and suggestions. These reports submitted to the Board of Directors are also communicated to the independent auditor. The Board of Directors is responsible for the final decision.

#### Investment Committee

The Investment Committee fulfills the duties and responsibilities set forth in the working principles and undertakes the duties assigned to it by the Articles of Association. The main purpose of the Investment Committee is to assess, submit to the approval of the Board of Directors, and follow up the investment and business development projects of more than USD 1 million in line with the purpose and scope of the Company's Articles of Association. The Investment Committee consists of at least three members. The members of the Investment Committee are appointed by the Board of Directors. The term of office may not exceed three years and committee members whose term of office expires may be reappointed. The Investment Committee convenes quarterly. In cases deemed necessary for the effectiveness of the work, it convenes more frequently at the Company headquarters or at another location where the committee members are present. The timing of the Investment Committee meetings shall be consistent with the timing of the Board of Directors meetings to the extent possible. The Investment Committee convenes with the presence of the absolute majority of its members and takes decisions with the majority of the members present at the meeting. The Investment Committee puts all its activities in writing, keeps a record of them and reports to the Board of Directors, including information on the Committee's activities and the results of the Committee meetings. The Investment Committee immediately notifies the Board of Directors in writing of any findings and suggestions related to its duties and responsibilities.

Minutes of the Investment Committee meetings are approved by the Committee members and kept with the Committee decisions. Minutes are shared with the members before the next meeting. The Company's Chief Financial Officer or a member appointed by the Committee assumes the responsibility of Rapporteur reporting to the Committee Chairman. The Rapporteur submits the meeting agenda and relevant documents to the Committee members before the meeting.

They ensure the attendance of the persons requested by the Chairman to attend the meeting. They write the minutes and decisions of the meeting and ensures their distribution to the relevant parties. The secretariat of the Board of Directors is responsible for the administrative organization of the meetings, the distribution of the minutes of the meetings to the members of the Board of Directors, and the storage of the decisions in the decision book.

The Investment Committee evaluates the Investment Projects to be realized within the Company, its subsidiaries, or affiliates according to certain Investment Criteria and reports its opinions on the relevant investment to the Board of Directors. The relevant reporting is prepared by taking into account project basic and feasibility analyses, project financing analyses, budget approval, and the Investment Criteria. The Board of Directors is authorized to take investment decisions regarding investment projects. However, the Board of Directors cannot take an investment decision without the opinion of the Investment Committee on the relevant investment project. Investment Projects must be realized in accordance with the following criteria:

- No investment in power plants using fossil fuels for energy production;
- No investment that is inconsistent with the Company's sustainability, environmental, occupational health and safety, governance, and social policies;
- Not to conflict with obligations under existing contracts, including loan agreements;
- The equity internal rate of return (equity IRR) of any asset under construction and/or development shall not be less than 10% in US dollars,
- Except for investments that are considered to have a strategic and significant impact on the Company's long-term policies and growth plans, the investment amount of any asset is not more than 20% of the total asset value;
- The total investment amount of assets under construction and/or development shall not exceed 25% of the total asset value;
- Prevention of counterparty risk concentration by ensuring that revenues from a single customer do not exceed 30% of total revenues;
- Not investing in projects that have a negative impact on UNESCO World Heritage sites or areas designated for nature conservation (e.g., Wetlands of International Importance under the Ramsar Convention); and

- Not investing in projects involving child labor and forced labor. All kinds of resources and support required for the Committee to fulfill its duties are provided by the Board of Directors. The Committee may invite the managers and consultants it deems necessary to its meetings and receive their opinions. The Committee shall benefit from the opinions of experts and consultants when necessary.

#### Sustainability, Environment, Occupational Health And Safety Committee

At Aydem Renewables, the Sustainability, Environment, Occupational Health and Safety Committee, reporting directly to the Board of Directors, is responsible for monitoring the sustainability strategy.

The Committee operates within the framework defined in the "Sustainability Committee Working Principles" document. The Committee is responsible for integrating the sustainability strategy into decision-making mechanisms and business models and for monitoring sustainability performance. The Committee's duties include monitoring corrective actions in line with the determined strategy and targets, ensuring timely sustainability reporting, supporting sustainability communication processes, and evaluating local and global initiatives. The Committee also ensures that environmental and social risks and opportunities are evaluated in coordination with the Early Detection of Risk Committee, integrated into strategies, and that proactive measures are taken. Monitoring and improving the Company's OHS performance is also the responsibility of the Committee.

The Committee members are assigned by the Board of Directors. The term of office may not exceed three years and committee members whose term of office expires may be reappointed. The Committee consists of independent Board Members, the General Manager, the Operations and Maintenance Director, the Investment and Business Development Director, and the EHS and Sustainability Manager. If the meeting agenda includes issues related to stakeholder engagement and social impact, the Human Resources Manager and the Corporate Communications Manager are also invited. The Committee may, when deemed necessary, invite experts and consultants from within and outside the holding to its meetings and obtain their opinions.

The Committee Chair is responsible for ensuring coordination among the Committee members and for monitoring the work. It convenes with the presence of the absolute majority of its members and takes decisions with the majority of the members present at the meeting. The secretariat of the Board of Directors is responsible for the administrative organization of the meetings, the distribution of the minutes of the meetings to the members of the Board of Directors and the storage of the decisions in the decision book. The EHS and Sustainability Directorate provides information to the Group Directorate through weekly and monthly reports, and this directorate provides information at monthly meetings with the Committee Chair and at Committee meetings. The Committee convenes quarterly in line with its governance framework. All four meetings planned for 2025 were held.

#### Number Of Committee Meetings In 2025

In 2025, the Audit Committee held four meetings, the Corporate Governance Committee held five meetings, the Early Detection of Risk Committee held six meetings, the Sustainability, Environment, Occupational Health and Safety Committee held four meetings, and the Investment Committee held zero meeting. Management participation in relevant committees stood at 100% for 2025.

## Our Policies

In accordance with the Articles of Association, changes in the working principles of the committees are subject to the approval of the Board of Directors. Our Policies

Detailed information on our Company's policies and committee working principles can be accessed via the Corporate Governance tab under the Investor Relations menu on our Company's website or via the link <https://www.cates.com.tr/en/policies>.

Audit Committee			
Ayben KOY	Chairperson	Independent Board Member	Non-Executive
Kemal USLU	Member	Independent Board Member	Non-Executive

Corporate Governance Committee			
Kemal USLU	Chairperson	Independent Board Member	Non-Executive
Ayben KOY	Member	Independent Board Member	Non-Executive
Merve İMİRĞİ	Member	Investor Relations Manager	Executive

Early Detection of Risk Committee			
Ayben KOY	Chairperson	Independent Board Member	Non-Executive
Kemal USLU	Member	Independent Board Member	Non-Executive
Ahmet Ersoy ÖNAL	Member	Financial Affairs Director	Executive

Investment Committee			
Mehmet Akif GÜL	Chairperson	Chairman of the Board of Directors	Non-Executive
Rıdvan Edip AKDENİZ	Member	Vice Chairman of the Board and General Manager	Executive
Ahmet Ersoy ÖNAL	Member	Financial Affairs Director	Executive
Ayben KOY	Member	Independent Board Member	Non-Executive
Kemal USLU	Member	Independent Board Member	Non-Executive

Sustainability Committee			
Gül CORA	Chairperson	Group Director of HSE and Sustainability	Executive
Rıdvan Edip AKDENİZ	Member	Vice Chairman of the Board and General Manager	Executive
Hakan KIZIL	Member	Director of Power Plant Operations	Executive
Tülin YILMAZ	Member	HSE and Sustainability Manager	Executive
Ayben KOY	Member	Independent Board Member	Non-Executive
Kemal USLU	Member	Independent Board Member	Non-Executive

Committee	Executor Member Ratio	Non-Executor Member Ratio
Audit Committee	0%	100%
Corporate Governance Committee	33%	67%
Early Detection of Risk Committee	33%	67%
Investment Committee	40%	60%
Sustainability Committee	67%	33%

## Dividend Distribution Policy

### Article 1: Scope and Legal Basis

This Dividend Distribution Policy determines the principles regarding the dividend and advance dividend distributions to be made by Çates Elektrik Üretim A.Ş. ("Company") within the scope of its articles of association ("Articles of Association") and related regulations. This policy has been prepared in accordance with the Articles of Association, the Capital Markets Law No. 6362 ("CMB Law"), the Turkish Commercial Code No. 6102 ("TCC"), the Dividend Communiqué No. II-19.1 ("Dividend Communiqué"), the Corporate Governance Communiqué No. II-17.1 and the related legislation.

### Article 2: Purpose

The purpose of the Company's dividend distribution policy is to ensure that a balanced and consistent policy is followed between the interests of investors and the Company in accordance with the relevant legislation, to inform the investors and to maintain a transparent policy towards the investors in terms of profit distribution.

### Article 3: Dividend Distribution Principles

The decision on the distribution of dividends, the manner and timing of dividend distribution is decided by the General Assembly of the Company, upon the proposal of the Board of Directors. The Company aims to distribute at least 50% of the distributable net profit for the period, calculated in accordance with the Articles of Association, the Turkish Commercial Code, the Capital Markets Law, the Communiqué on Dividends and tax regulations, to shareholders and other persons participating in the profit, taking into account market expectations, the Company's long-term strategies, the capital requirements of subsidiaries and affiliates, investment and financing policies, contractual obligations, profitability and cash position, to the extent the relevant regulations and financial means permit. Dividends may be distributed in cash and/or by issuing bonus shares and/or by using both of these methods in certain proportions. Dividends are distributed equally to all shares existing as of the date of distribution, in proportion to their shares, regardless of the issue and acquisition dates thereof. There exist no shares among the Company's shares that provide for dividend privileges. Dividend payments may be made in equal or different installments, provided that it is resolved at the general assembly meeting where dividend distribution is decided.

Unless the reserves required to be set aside pursuant to the Turkish Commercial Code and the Articles of Association and the dividend determined for the shareholders in the Articles of Association or in this dividend distribution policy are set aside, no decision can be made to set aside other reserves, to transfer profits to the following year or to distribute dividends to holders of usufruct shares, members of the Board of Directors, Company employees, foundations and persons and institutions other than the shareholders, nor can dividends be distributed to these persons unless the dividend determined for the shareholders is paid in cash.

The dividend distribution procedures shall commence on the date specified in the general assembly, provided that it starts no later than the end of the accounting period in which the general assembly meeting at which the distribution decision was made is held. Pursuant to the Articles of Association, the dividend distribution decision made by the general assembly cannot be revoked unless permitted by law.

In the event that the board of directors proposes to the general assembly not to distribute dividends, the reasons for this and the manner of utilization of the undistributed profit shall be included in the agenda item on dividend distribution and this issue shall be submitted for the information of the shareholders at the general assembly.

### Article 4: Dividend Advance Distribution Principles

The General Assembly of the Company may decide to distribute dividend advances to shareholders in accordance with the provisions of the Capital Markets Law and other relevant legislation. The provisions of the relevant legislation shall be complied with in the calculation and distribution of the dividend advance amount. Dividend advance is distributed in cash over the profits in the Company's interim financial statements. Advance dividend for a certain interim period cannot be distributed in installments.

Dividend advance is distributed equally to all shares existing as of the distribution date, regardless of their issue and acquisition dates. Advance dividend to be distributed may not exceed half of the amount remaining after deducting the reserves required to be set aside in accordance with the Turkish Commercial Code and the Articles of Association and losses of previous years from

the net profit for the period according to the interim financial statements. Total amount of dividend advance to be given in an accounting period cannot exceed the lower of

- Half of the net profit for the previous year,
- Other sources that can be subject to profit distribution, excluding the net profit for the period in the relevant interim financial statements.

If more than one dividend advance payment is made within the same accounting period; while calculating the dividend advances to be paid in the subsequent interim periods, the dividend advances paid in the previous interim periods are deducted from the calculated amount. Without offsetting the dividend advances paid in the previous accounting periods, additional dividend advances cannot be given and dividends cannot be distributed in the subsequent accounting periods.

Dividend advances cannot be distributed to persons other than shareholders and dividend advances are paid to privileged shares without taking their privilege into consideration.

### Article 5 – Public Disclosure

The proposal of the board of directors regarding dividend distributions or the decision of the board of directors regarding dividend advance distribution is publicly announced within the scope of the relevant regulations together with the dividend distribution table or the dividend advance distribution table with its form and content. In addition, in case of any amendment to this dividend distribution policy, the decision of the board of directors regarding this amendment and the reason for the amendment shall also be disclosed to the public.

Following the approval of the general assembly, this policy shall be disclosed to the public on the Company's website.

## General Assembly

The Ordinary General Assembly Meeting for the year 2024 was held in Denizli on August 1, 2025, at 11:00 a.m. The minutes of the meeting can be accessed via the Corporate Governance tab under the Investor Relations menu on our Company's website or via the link of <https://www.cates.com.tr/en/gener->

## Senior Management

### Staff with a Voice in Management:

#### Rıdvan Edip AKDENİZ (General Manager)

Rıdvan Edip Akdeniz graduated from Kocaeli University, Faculty of Engineering, Department of Electronics and Communication Engineering in 2005. He has started his career at Yatağan Yeniköy Elektrik Üretim A.Ş., where he served as the Production Manager, Measurement Control Engineer, FDG Operation Engineer and Chief Engineer. In 2014, he has started working at Aydem Energy. At Aydem Energy, Akdeniz first served as the Deputy Plant Manager at Yatağan Termik Enerji Üretim A.Ş., and then as the Senior Manager of Thermal Power Plants Production Planning in 2019.

Rıdvan Edip Akdeniz has been assigned as Çatalağzı Thermal Power Plant Director in 2021. In July 2023, he was appointed as a Member of the Board of Directors of Çates Elektrik Üretim A.Ş. As of October 15, 2024, Mr. Rıdvan Edip Akdeniz serves as the General Manager of Çates Elektrik Üretim A.Ş.

#### Hakan KIZIL (Power Plant Director)

Mr. Hakan KIZIL was born on 23.01.1981 in Kayseri. He is married and has 2 children. He received his Bachelor's degree in 2003, his Master's degree in Mechanical Engineering from Bülent Ecevit University in 2011 and his Master's degree in Business Administration from Bülent Ecevit University, Department of Business Administration in 2019. Mr. Hakan KIZIL, who has been in professional life since 2005, started his career as a mechanical maintenance engineer at EÜAŞ Kangal Thermal Power Plant. Between 2007 and 2015, he worked as the chief mechanical maintenance engineer at EÜAŞ Çatalağzı Thermal Power Plant. Between 2015 and 2025, Mr. KIZIL has served as the mechanical maintenance manager and the senior mechanical maintenance manager at Çates Elektrik Üretim A.Ş., respectively, and started working as the Power Plant Director at Çates Elektrik Üretim A.Ş. on January 1, 2025.

#### Ahmet Ersoy ÖNAL (Group Head of Operations)

Mr. Ahmet Ersoy Önal was born on 01.07.1983 in Aydın. He is married and has 2 children. He completed his undergraduate education at METU Faculty of Economics and Administrative Sciences, Department of Business Administration between 2001-2006 and his postgraduate education at METU Department of Industrial Engineering between 2009-2011. Mr. A. Ersoy Önal, who has been in professional life since 2006, started his career as a Management Trainee at Toyota Toyon. Between 2007 and 2009, he served as Deputy General Manager at the same company. Between 2009 and 2011, Mr. Önal assumed the position of an Inspector at Yapı ve Kredi Bank, and between 2011 and 2012, he worked as an Internal Auditor at IC İbrahim Çeçen Holding. He served as the Senior Internal Auditor Specialist and the Internal Audit Manager at Enerjisa. In 2017, Mr. Önal has joined Aydem Holding as the Internal Audit and Control Director and worked as the Director of Financial Affairs at Aydem & Gediz Elektrik Perakende Satış A.Ş. between 2019 and 2024, and started to work as the Director of Financial Affairs at Çates Elektrik Üretim A.Ş. on May 1, 2024.



Rıdvan Edip  
AKDENİZ



Ahmet Ersoy  
ÖNAL



Hakan KIZIL

You can access the "Positions Held Outside the Partnership as of the Current Situation" and "Positions Held in the Partnership in the Last 5 Years" of our Company's Senior Management via the General Information - Information on Management tab on our Company's Public Disclosure Platform (KAP) page.

## Declaration of Compliance with Corporate Governance Principles

Our Company's Declaration of Compliance with Corporate Governance Principles can be accessed through the Corporate Governance Reports menu on our Company's Investor Relations page <https://www.cates.com.tr/en/corporate-governance-reports>.

Çates Elektrik Üretim A.Ş. ("the Company") continues its efforts to internalize and implement the "Corporate Governance Principles" determined by the Capital Markets Board ("CMB") within the Company. The Investor Relations Unit, which is assigned with the internalization and development of Corporate Governance practices and whose activities are overseen by the Company's Corporate Governance Committee, continues its activities in the areas of public disclosure, transparency and relations with shareholders and stakeholders within the framework of the Capital Markets Law ("CMB"), the Turkish Commercial Code ("TCC"), the Company's Articles of Association and the CMB Corporate Governance Communiqué No. 11-17.1 ("Communiqué"). The Company is in the first group as per the grouping made by the CMB according to the systemic importance of companies in terms of the implementation of Corporate Governance Principles. In this context, the Company complies with the full set of mandatory Corporate Governance Principles. On the other hand, the Corporate Governance Principles that are not mandatory but not yet implemented/partially implemented within the Company have not led to any conflict of interest so far. In this context, the principles that are not yet implemented/partially implemented are listed below:

\*Regarding principle number 1.4.2, the Company has shares with privileged voting rights;

-Provided that the capital represented by Class A shares continues to represent at least 30% of the issued capital of the Company, two members of the Board of Directors if it consists of five members, three members if it consists of six or seven members, and four members if it consists of eight or nine members, shall be elected from among the candidates nominated by the shareholders holding the majority of the capital represented by Class A shares.

-Provided that the quorums stipulated in the Capital Markets Law and the Turkish Commercial Code are maintained, the affirmative vote of the shareholders holding the majority of the capital represented by Group A shares is also required for the General Assembly of the Company to take decisions on the following matters and amendments to the Articles of Association falling within the scope of these matters:

- Approval of the budget.
- Amendment of the articles of association, except for capital increases to be made according to the registered capital system.
- Changing of the Company's field of activity, entering into new lines of business or abandoning existing lines of business.
- Capital increase, liquidation, dissolution, termination, capital decrease, change of type of the company, except for capital increases to be made according to the registered capital system.
- Application for bankruptcy, composition, financial restructuring within the scope of Article 309/m. of the Execution and Bankruptcy Law No. 2004.
- Transfer of all or part of the company's commercial enterprise.

\*Regarding principle number 1.5.2;  
Maximum attention is paid to the exercise of minority rights. Shareholders constituting one-twentieth of the share capital may request the board of directors to call the general assembly for a meeting by stating the reasons and agenda in writing, or if the general assembly is already convened, they may request the board of directors to put the issues they wish to be resolved on the agenda. The request to add an item to the agenda is made pursuant to the Article 411 of the Law.

\*Regarding principle number 3.4.1;  
Although customer satisfaction is not measured, company activities are always based on unconditional customer satisfaction.

\*Regarding principle number 4.2.8;  
There is an executive liability policy, the amount of the policy does not exceed 25% of the share capital due to the high capital of the Company.

\*Regarding principle number 4.4.7;  
Members of the board of directors are not restricted from assuming other duties outside the company, but this situation does not cause any conflict of interest.

\*Regarding principle number 4.5.5;  
Based on the shareholding structure and the requirement of the Corporate Governance Communiqué to elect the chairmen of the committees from among the independent board members, members of the board of directors are assigned to more than one committee, taking into account the number of committees that need to be formed. On the other hand, it is ensured that the committees act in accordance with their legal authorities and responsibilities.

\*Regarding principle number 4.5.7;  
Not included since no consultancy service was received.

\*Regarding principle number 4.6.5;  
In not disclosing the remuneration and benefits provided to the members of the Board of Directors and senior executives, it is aimed to establish a balance between the rights and interests that need to be protected in terms of the Personal Data Protection Law and Remuneration Policy and the rights of shareholders and stakeholders to obtain information in terms of the transparency requirement in accordance with the Corporate Governance Communiqué, taking into account the principle of proportionality. In this context, remunerations of board members and senior executives are not disclosed on individual basis, but are included in the annual report as a total amount.

## Amendments to the Articles of Association

No amendments were made to the Articles of Association during the reporting period.

## Legislative Changes in 2025

### January 2025

- Regulation Amending the Regulation on Electricity Market Capacity Mechanism (Official Gazette dated 03/01/2025)
- Regulation Amending the Regulation on Electricity Market Balancing and Settlement (Official Gazette dated 21/01/2025)
- Regulation Amending the Electricity Market Licensing Regulation (Official Gazette dated 21/01/2025)
- Regulation Amending the Electricity Market Ancillary Services Regulation (Official Gazette dated 21/01/2025)
- Regulation Amending the Regulation on Storage Activities in the Electricity Market (Official Gazette dated 21/01/2025)
- Regulation Amending the Electricity Grid Regulation (Official Gazette dated 21/01/2025)
- Regulation Amending the Regulation on Certification and Support of Renewable Energy Resources (Official Gazette dated 21/01/2025)
- Energy Market Regulatory Board Decision No. 13236, dated 23/01/2025 (Official Gazette dated 24/01/2025)
- Regulation Amending the Planned Areas Zoning Regulation (Official Gazette dated 28/01/2025)
- Communiqué on the 2025 Evaluation Coefficients for Contracting Certificates and Work Completion Certificates Used in Tenders for Construction, Installation, and Repair Works (Official Gazette dated 31/01/2025)
- Regulation Amending the Regulation on the Procedures and Principles for the Execution of Water Usage Rights Agreements for Generation Activities in the Electricity Market (Official Gazette dated 08/02/2025)
- Regulation Amending the Electricity Facilities Project Regulation (Official Gazette dated 09/02/2025)
- General Communiqué on National Real Estate (Serial No: 420) (Official Gazette dated 12/02/2025)
- Energy Market Regulatory Board Decision No. 13289, dated 13/02/2025 – Distribution Assets (Official Gazette dated 19/02/2025)
- Energy Market Regulatory Board Decision No. 13286, dated 13/02/2025 – Collateral System (Official Gazette dated 19/02/2025)
- Energy Market Regulatory Board Decision No. 13285, dated 13/02/2025 – Day-Ahead Market (Official Gazette dated 19/02/2025)
- Energy Market Regulatory Board Decision No. 13289, dated 13/02/2025 – Forward Electricity Market (Official Gazette dated 19/02/2025)
- Energy Market Regulatory Board Decision No. 13288, dated 13/02/2025 – YEK-G System (Renewable Energy Guarantees of Origin) (Official Gazette dated 20/02/2025)
- Climate Law Proposal (26/02/2025)
- Tax Procedure Law General Communiqué No. 582 (Official Gazette dated 15/02/2025)
- Communiqué on the Electronic Maintenance of Commercial Books Non-Related to the Accounting of the Enterprise (Official Gazette dated 14/02/2025)
- Regulation on Data Sharing of the Ministry of Family and Social Services (Official Gazette dated 15/02/2025)

### February 2025

- Law Amending Certain Laws (Official Gazette dated 04/02/2025)

### March 2025

- Communiqué Amending the Communiqué (No: 2008-32/34) Regarding Decision No. 32 on the Protection of the Value of Turkish Currency (Official Gazette dated 06/03/2025)
- Regulation Amending the Planned Areas Zoning Regulation (Official Gazette dated 11/03/2025)
- Cyber Security Law Proposal
- 2024-2029 Turkey Country Strategy
- Communiqué Amending the Communiqué on Workplace Hazard Classes Related to Occupational Health and Safety (Official Gazette dated 13/03/2025)
- Guide on the Processing of Special Categories of Personal Data (26/02/2025)
- Amendments to the Cyber Security Law Proposal Adopted by the Grand National Assembly of Turkey (Official Gazette dated 19/03/2025)
- Decision No. 9595 Amending Decision No. 32 on the Protection of the Value of Turkish Currency (Official Gazette dated 15/03/2025)
- Decision Amending the Decision Annexed to the Presidential Decision No. 6775 dated 27/1/2023 (Official Gazette dated 15/03/2025)
- Communiqué on the Procedures and Principles Regarding Information Systems Management (Official Gazette dated 13/03/2025)
- April 2025
- Energy Market Regulatory Board Decision No. 13423, dated 27/03/2025 (Official Gazette dated 05/04/2025)
- Energy Market Regulatory Board Decision No. 13427, dated 27/03/2025 (Official Gazette dated 05/04/2025)
- Communiqué Amending the Communiqué on Commercial Electronic Message Management System Integrators (Official Gazette dated 08/04/2025)
- Communiqué on the Implementation of the Decision Regarding State Aids in Investments (No: 2025/1) (Official Gazette dated 19/04/2025)

### May 2025

- Presidential Decision No. 9774 (Official Gazette dated 01/05/2025)
- Regulation Amending the Regulation on Procedures and Principles to be Followed in Tax Inspections (Official Gazette dated 13/05/2025)
- Regulation Amending the Regulation on the Acceptance of Electricity Generation and Electricity Storage Facilities (Official Gazette dated 13/05/2025)
- Regulation Amending the Electricity Market Ancillary Services Regulation (Official Gazette dated 15/05/2025)
- Energy Market Regulatory Board Decision No. 13529, dated 22/05/2025 (Official Gazette dated 27/05/2025)

### June 2025

- Law No. 7549 Amending Certain Laws and the Decree-Law No. 660 (Official Gazette dated 04/06/2025)
- Law Proposal Amending Certain Laws (13/06/2025)
- Regulation Amending the Environmental Impact Assessment Regulation (Official Gazette dated 06/06/2025)
- Regulation Amending the Regulation on the Administration of Treasury Immovables (Official Gazette dated 14/06/2025)
- Circular on Compliance with Accessibility Standards in Websites and Mobile Applications (Official Gazette dated 21/06/2025)

#### July 2025

- Climate Law and Updated Nationally Determined Contribution (NDC)
- 2030 Industry and Technology Strategy
- Communiqué Amending the Communiqué on the Procedures and Principles for the Implementation of the Green Transformation Support Program (Official Gazette dated 09/07/2025)
- Climate Law - Amendment to the Electricity Market Law
- Presidential Decision No. 10040 (Official Gazette dated 09/07/2025)
- Guide on the Deduction of Passenger Car Expenses and Depreciation from the Tax Base
- Procedures and Principles Regarding the Scope of Application of Turkish Sustainability Reporting Standards (Official Gazette dated 16/07/2025)
- Regulation Amending the Electricity Market Licensing Regulation (Official Gazette dated 25/07/2025)

#### August 2025

- Principle Decision of the Central Commission for the Protection of Natural Assets on the Works and Procedures to be Performed Regarding the Environmental Impact Assessment Process (No: 147) (Official Gazette dated 15/08/2025)
- Regulation Amending the Regulation on the Implementation of Article 16 of the Forest Law (Official Gazette dated 22/08/2025)

#### September 2025

- Communiqué (Serial No: 24) Amending the General Communiqué on Corporate Tax (Serial No: 1) (Official Gazette dated 04/09/2025)
- Decision on the Approval of the Medium-Term Program (2026-2028) (Decision No: 10376) (1st Bis Official Gazette dated 07/09/2025)
- Regulation Amending the Regulation on Land and Plot Arrangements (Official Gazette dated 11/09/2025)
- Energy Market Regulatory Board Decision No. 13777, dated 11/09/2025 (Official Gazette dated 13/09/2025)
- Presidential Circular No. 2025/15 Regarding the Preparations for the 2026-2028 Investment Program (1st Bis Official Gazette dated 15/09/2025)

- Determination of Interest Rates to be Applied in Rediscount and Advance Transactions (Official Gazette dated 17/09/2025)
- Communiqué (No: 2025/24) Amending the Communiqué on the Procedures and Principles Regarding Fees That May Be Charged to Commercial Customers by Banks (No: 2020/4) (Official Gazette dated 18/09/2025)
- Tax Procedure Law General Communiqué (Serial No: 583) (Official Gazette dated 19/09/2025)

#### October 2025

- Communiqué (No: 2025/3) Amending the Communiqué on the Regulation of the Right of Access to Files and the Protection of Trade Secrets (Communiqué No: 2010/3) (Official Gazette dated 04/10/2025)
- Regulation Amending the Implementation Regulation on Organized Industrial Zones (Official Gazette dated 17/10/2025)
- Regulation Amending the Electricity Market Ancillary Services Regulation (Official Gazette dated 17/10/2025)
- Energy Market Regulatory Board Decision No. 13853, dated 09/10/2025 (Official Gazette dated 18/10/2025)
- Energy Market Regulatory Board Decision No. 13869, dated 16/10/2025 (Official Gazette dated 18/10/2025)
- November 2025
- Presidential Decision No. 10556, dated 12/11/2025 (Official Gazette dated 13/11/2025)
- General Communiqué on Collection (Series: C Serial No: 9) (Official Gazette dated 13/11/2025)
- Regulation Amending the Regulation on Unlicensed Electricity Generation in the Electricity Market (Official Gazette dated 25/11/2025)
- Regulation Amending the Regulation on Cyber Security Competency Model in the Energy Sector
- Tax Procedure Law General Communiqué (Serial No: 585) (Official Gazette dated 27/11/2025)
- Energy Market Regulatory Board Decisions No. 13975 and 13976 (Official Gazette dated 29/11/2025)
- Communiqué on Best Available Techniques in Energy Generation (Entered into force on 01/12/2025)

#### December 2025

- Communiqué on Best Available Techniques in Energy Generation (Official Gazette dated 30/11/2025, No. 33093 - Entry into Force: 01/12/2025)
- Law Amending Tax Laws, Certain Other Laws, and the Decree-Law No. 631 (Adopted by the GNAT)
- Communiqué Amending the Communiqué on the Procedures and Principles Regarding the Implementation of Article 376 of the Turkish Commercial Code (Official Gazette dated 10/12/2025, No. 33103)
- Regulation on the Procedures and Principles Regarding the Use and Leasing of Water Surfaces for the Establishment of Floating Solar Power Plants (Official Gazette dated 10/12/2025, No. 33103)
- Decision Regarding the Extension of the Term in Provisional Article 67 of the Income Tax Law No. 193 (Decision No: 10680) (Official Gazette dated 11/12/2025, No. 33104)
- Regulation Amending the Regulation on Business Licenses and Work Permits (Official Gazette dated 11/12/2025, No. 33104)
- Regulation Amending the Regulation on Domestic Components (Official Gazette dated 13/12/2025, No. 33106)
- Communiqué on Administrative Fines to be Applied in 2026 Pursuant to the Electricity Market Law No. 6446 (Official Gazette dated 25/12/2025, No. 33118)
- Presidential Decree Amending the Presidential Decree on the Presidency of Cyber Security (Official Gazette dated 25/12/2025, No. 33118)
- Regulation Amending the Regulation on Electricity Market Balancing and Settlement (Official Gazette dated 29/12/2025, No. 33122)
- Regulation Amending the Electricity Grid Regulation (Official Gazette dated 29/12/2025, No. 33122)
- Regulation Amending the Electricity Market Ancillary Services Regulation (Official Gazette dated 29/12/2025, No. 33122)
- Energy Market Regulatory Board Decision No. 14029, dated 11/12/2025 (Official Gazette dated 29/12/2025, No. 33122)

- Energy Market Regulatory Board Decision No. 14030, dated 11/12/2025 (Official Gazette dated 29/12/2025, No. 33122)
- Regulation Amending the Regulation on Certification and Support of Renewable Energy Resources (Official Gazette dated 29/12/2025, No. 33122)
- Regulation Amending the Regulation on Storage Activities in the Electricity Market (Official Gazette dated 29/12/2025, No. 33122)
- CMB Principle Decision Regarding the Implementation of the Communiqué on Procedures and Principles Regarding Information Systems Management (Principle Decision dated 25/12/2025)
- 2023 Turkey National Electricity Grid Emission Factor Information Form

## Information on Lawsuits Filed Against the Company that May Affect the Financial Position and Activities of the Company and Their Possible Outcomes

As of December 31, 2025, the Company has 2 files in which the Company is a plaintiff with a total case value of TRY 174,942,59 and 219 files in which the Company is a defendant with a total case value of TRY 7,970,709 all of which constituted a significant impact on the Company's financial position or profitability in the last 12 months and may have an impact in the following periods. The value of the lawsuit exceeds 1 million TRY; there are no cases in which we are the plaintiff, and there is one case in which we are the defendant.

A lawsuit has been filed requesting the annulment/waiver of the VAT assessment of TRY 13,726,350.38 and the delay interest of TRY 4,005,862.05, which arose due to the rejection of the reservation of rights included in the company's amended tax returns for the 2024 tax periods, as well as the tax loss penalty assessed at TRY 6,997,111.15 (the total amount of tax, delay interest and tax loss penalty paid is TRY 24,729,323.58). The lawsuit also requests the refund of the full amount paid, together with the legal interest (at the deferral interest rate). The case is currently pending at the first instance court, and our written defense response has been submitted.

A lawsuit has been filed requesting the annulment of the decisions of the Çatalağzı Municipality Unit Value Appraisal Commission dated 14/05/2025 and numbered 2025/1-2-3-4-5-6-7, which determine the minimum square meter unit values for property tax to be applied for the 2026–2029 period for the company's immovable properties located within the administrative boundaries of Çatalağzı Municipality. A petition dismissal decision has been issued in the case. Accordingly, the lawsuit petition will be revised in line with the decision and will be resubmitted to the court. In case these lawsuits are concluded in favor of the Company, it will have a positive impact on the Company's financials. If the lawsuits are concluded against the Company, this will not have an adverse impact on the Company's financials since the Company will not make additional tax payments. Furthermore, there exist no administrative sanctions that may have an adverse impact on the Company's future.

## Explanations on Administrative or Judicial Sanctions Imposed on the Company and the Members of the Governing Body Due to Practices Contrary to the the Legislative Provisions

During the reporting period, there were no administrative or judicial sanctions due to non-compliance with the legislation.

## Information on Own Shares Acquired by the Company

Not available.

## Rating Notes

### Credit Ratings

Our company's most up-to-date credit ratings are listed below:

#### JCR EURASIA RATING (26.06.2025)

Long-Term National Institutional Credit Rating: BBB- (tr) / (Stable Outlook)

Short-Term National Institutional Credit Rating: J2 (tr) / (Stable Outlook)

Long-Term International Foreign Currency Institutional Credit Rating: BB- / (Stable Outlook)

Long-Term International Local Currency Institutional Credit Rating: BB- / (Stable Outlook)

## Donations and Aids

As of the reporting period, a total of TRY 3,457,098.65 was donated to various institutions and organizations within the framework of donations and grants and social responsibility projects.

## Information on Privileged Shares

Aydem Holding A.Ş., the indirect controlling shareholder of the Company, also holds privileged Group A registered shares of the Company and Group A shareholders have the privileges recognized in the Articles of Association, which are explained in detail in section 19.3 of this Prospectus, regarding the nomination of candidates for the election of board members and the inability to take certain decisions in general assembly meetings without the affirmative vote of shareholders holding the majority of the capital represented by Group A shares.

The Company has accepted the registered capital system in accordance with the provisions of the CMB and the Board approved the Company's application for transition to the registered capital system with its letter dated 09.06.2023 and numbered E-29833736-110.03.03-38470.

Following the Board's letter dated 09.06.2023 and numbered E-29833736-110.03.03.03-38470 and the Ministry of Trade's approval letter dated 09.06.2023 and numbered E-50035491-431.02-00086814005, the amendment to the Articles of Association was registered on 12.07.2023 and thereafter the Company has switched to the registered capital system

The Company's registered capital ceiling is TRY 300,000,000 and its issued capital is TRY 165,200,000. The current share group structure of the Company is as follows:

Group	Registered / Bearer	Type of Privileges	Nominal Value (TRY)		
A	Registered	Privilege to nominate candidates for the election of board members Veto Right in Matters Requiring Aggravated General Assembly Resolution Quorum	1.00	84,243,000	50.99
B		Has no privileges	1.00	80,957,000	49.01
<b>Total</b>				<b>165,200,00</b>	<b>100.00</b>

Group A shares have two types of privileges, including the right to nominate candidates for election as members of the board of directors and the inability to adopt certain resolutions (Matters Requiring Aggravated General Assembly Resolution Quorum) at the general assembly meetings without the affirmative vote of the shareholders holding the majority of the capital represented by Group A shares. These privileges are explained in section 21.15 of the Prospectus.

# Information on Risk Management Practices

## Risk Management

It is anticipated that the Company may be exposed to the following risks depending on the use of financial instruments.

Credit risk is the risk where a customer or counterparty falls default on its contractual obligations and it arises primarily from customer receivables.

Liquidity risk is the risk where the Company is unable to meet its future financial obligations. The Company's liquidity risk is managed by obtaining adequate financing facilities from various financial institutions in a manner that will not cause loss or damage the Company's reputation in order to fund its current and prospective debt requirements under normal conditions or in crisis situations.

Market risk is the risk where the changes in the money market, such as foreign exchange rates, interest rates or prices of instruments traded on securities markets, affect and change the Company's income or the value of its financial assets. Market risk management aims to optimize returns while controlling exposure to market risk within acceptable limits.

Operational Risk refers to risks arising from the structure of the business such as Personnel Risk, Legal Risks, Technological Risks, Organization Risk and Production Risk.

## Early Detection and Management of Risk Activities

Our Company has analyzed and evaluated all the possible risks and has taken all the necessary measures to avoid any negative consequences or to eliminate them with minimal damage.

## Risks that the Company May Encounter

### A) Risks related to the company and its activities:

The Company's operations may be adversely affected by disruptions or negativities that may occur during the operation of the Company's existing power plant and during the fulfillment of the responsibilities related to the health and safety of the public and employees and the environment.

The operation, maintenance and renovation of the Power Plant carries significant risks that may lead to unexpected power outages, low efficiency and unexpected investment expenditures.

The Company's operations depend on the relationship it maintains with its suppliers and non-renewal of contracts for coal supply to the Power Plant may adversely affect the Company's operations.

Factors beyond the Company's control, such as climatic conditions, may adversely affect the Company's operations, albeit to a limited extent. The Company may be adversely affected by changes in tax legislation or practices, increases in tax rates or tax audits.

Movements in foreign currency exchange rates may have an impact on the Company's income and financial position.

The Company's existing insurance policies may not be sufficient to cover all the potential losses. It is not possible to obtain insurance to cover all risks that may arise in the event of an accident or damage or in any other way.

Any damage to the natural environment alleged to be caused by the Company's operation of the power plant may result in legal action, compliance studies and/or suspension of generation activities at the power plant or in increased costs.

Operations carried out during electricity generation activities may pose a danger and may cause accidents. In certain cases, it may cause injury to people or material damage. This may lead to significant interruptions in the Company's operations and/or expose the Company to judicial and administrative sanctions.

Intensified competition in the market, increased demand for alternative energy sources and fluctuations in commodity prices may adversely affect the Company's ability to achieve its financial targets.

The Company may be exposed to risks due to possible unethical behavior and/or unlawful conduct of its employees, suppliers, contractors, agents or other third parties.

The Company has engaged in and will continue to engage in related party transactions with its related parties.

As a result of the war between Russia and Ukraine that started in 2022, the global energy market and economic downturn may lead to a decrease in consumer demand for electricity and may adversely affect the Company's ability to sell electricity.

The loss of key personnel or the inability to recruit key personnel and qualified employees may limit the Company's growth and adversely affect its operations.

The Company's indebtedness and financial liabilities may adversely affect the Company's business, financial position and the outcomes of the operations.

The Company is required to comply with certain covenants under its loan agreements.

There may be risks related to litigation and disputes. Within the scope of the Company's ordinary activities, legal proceedings may be initiated and lawsuits may be filed against the Company and the Company may also be subject to administrative proceedings. As a result of the aforementioned claims and legal proceedings being finalized against the Company, the Company and its executives may incur judicial and criminal liabilities, the Company may be fined and may have to pay compensation.

Inability to obtain loans or capital due to the volatility in credit and capital markets or other factors may make it more difficult for the Company to develop its projects or finance acquisitions.

Aydem Holding, the indirect owner of the Company's shares, has guarantees in favor of its subsidiaries. In addition, a share pledge has been established on the shares of Parla Energy, which represent approximately the majority of the Company's capital, in favor of the creditors of Parla Energy. The occurrence of an event of default under the related loan agreements may lead to a change of control.

The Company may not be able to maintain its profitability level or the expected improvements in profitability level may not be realized.

Risks related to war, terrorist incidents, terrorism and threats of war may adversely affect the Company's operations, results of the operations, future expectations or financial position.

Disruptions caused by widespread public health concerns, including the Covid-19 pandemic, may adversely affect the Company's business, the results of operations, its future prospects or financial condition. Natural disasters such as floods, storms, landslides and earthquakes may adversely affect the Company's business, the results of the operations, its future prospects or financial position.

### B) Risks related to the sector in which the Company operates:

The demand for electricity may decrease and uncontrolled price fluctuations may occur. Licenses, permits and regulations required for the operation of the power plants owned by the companies operating in the sector depend on the signing of mandatory agreements with public institutions and maintaining their validity.

Changes in tariff regulations may adversely affect the revenues and operating results of companies operating in the sector.

Energy sector activities are subject to regulations and changes in these regulations that may adversely affect the operations of the companies.

Operational difficulties in connecting to the transmission and distribution grid may adversely affect the Company's ability to sell the electricity it generates.

The Company is subject to collection risk arising from electricity sales.

The Company's operations are inherently risky and subject to hazards that could result in accidents or disruptions.

The Company's operations may be affected by environmental legislation and related lawsuits that may arise in the future and/or the Company may incur significant costs.

# Internal Audit and Control Activities

The main purpose of the Internal Audit function is to provide reasonable assurance that risks are appropriately identified and managed in the risk management, control and governance processes designed and implemented by Çates Electricity Generation management; that the business processes and transactions are in compliance with policies, procedures and relevant legislation; that the resources are used economically and efficiently and are effectively protected within the Company's sustainability goals; and that financial, managerial and operational information is made available accurately, reliably and on time. In addition, the Internal Audit function oversees the proper definition and adequate and effective realization of the objectives related to compliance with the ethical rules and business principles defined within the company.

The Internal Audit function is an independent assurance function that reports its activities to the Board of Directors and receives its authorization from the Company's Board of Directors. The Audit Plan, which is implemented and approved annually by the Board of Directors, is created by risk-based categorization of the processes that include business activities that support the achievement of the Company's strategic goals. The results of the audit work carried out in accordance with the Audit Plan are periodically presented to the Board of Directors and to the relevant management bodies.

The Internal Audit Unit bases its activities on International Standards on Internal Auditing and Internal Control Governance Frameworks and applies the risk-based audit methodology. In addition, it coordinates with the activities carried out by the independent audit. The audit process includes planning and preparation, fieldwork and reporting of audit results, as well as formal audit action follow-up procedures to verify the implementation of risk mitigation actions proposed by Internal Audit and accepted by Management.

During the reporting period, the following audits were conducted: Financial Affairs Audit, Coal Procurement and Logistics Audit, Occupational Health & Safety and Environmental Audit, and Expense & Advance Audit.

## Significant Changes During the Accounting Period

You can access to the significant changes that have occurred in our Company during the accounting period via the Corporate Governance–Material Disclosures menu (<https://www.cates.com.tr/en/public-disclosures>) on our Company's Investor Relations page and/or via our Company's Public Disclosure Platform (KAP) page (<https://www.kap.org.tr/en/sirket-bilgileri/ozet/5905-cates-elektrik-uretim-a-s>).

## Changes Between the End of the Period and the Preparation of the Report

\*For more information, please visit our Company's Public Disclosure Platform (KAP) page and/or the Material Disclosures page on our Company's Investor Relations page.

## Other Issues

### Information on Conflicts of Interest between the Company and Institutions Providing Services such as Investment Advisory and Rating Services and on the Measures Taken to Prevent These Conflicts:

None. In addition, no consultancy services were received by the Board of Directors committees.

### Information on the Transactions of the Members of the Governing Body with the Company on Their Own Behalf or on Behalf of Others within the Framework of the Permission Granted by the General Assembly of the Company and the Activities thereof within the Scope of Non-Competition Prohibition:

Permission is obtained from the General Assembly for the members of the Board of Directors to perform the transactions stipulated in Articles 395 and 396 of the TCC, except for the matters prohibited by the TCC. According to the information available at Çates Elektrik Üretim A.Ş., the members of the Board of Directors did not engage in any commercial activities on their own behalf or on behalf of others in areas that fall within the scope of the Company's field of activity during the accounting period of 01.01.2025-31.12.2025.

### Insolvency:

The financial statements of the Company have been prepared on a going concern basis, on the Company's continuity principle. There has been no development regarding insolvency after the reporting date; this indicates that there is no uncertainty that would cast doubt on the company's continuity.

The fact that the average collection period of the Company's trade receivables from electricity sales is 45 days and the Company's high collection ability creates an advantage in terms of timely payment of short-term liabilities. Therefore, the Company does not need any financing to fund its working capital.

The Company has made an assessment of the sustainability of its operations and has concluded that the Company has adequate resources to continue in operation for the foreseeable future, taking into account its capacity to generate revenue, profit and liquidity. The Company management believes that there are no uncertainties that cast doubt on the sustainability of the Company's operations and has prepared its solo (standalone) financial statements on the assumption that the Company will continue in operation for the foreseeable future.

### Analysis:

The Board of Directors has evaluated the results and plans for the operating period ending December 31, 2025, and determined that the targets have been largely achieved. The Company completed the accounting period ending December 31, 2025, with a net profit of TRY 1,787,908,908. As of December 31, 2025, there are accumulated retained earnings of TRY 5,159,693,890. On the other hand, the Company generated an operating profit of TRY 367,960,205 and generated cash from operating activities of TRY 711,740,524.

The Company generated earnings before interest, tax, depreciation and amortization ("EBITDA") amounting to TRY 1,193,771,777.

The Company generates electricity sales revenues and collects them in 45 days on average. On the other hand, all payables payable within one year are included in current liabilities. The high turnover rate of the Company's receivables provides an advantage in terms of timely payment of short-term liabilities.

### Explanations on the Group's Internal Audit and Risk Management Systems Regarding the Preparation Process of the Solo Financial Statements:

The stand-alone financial statements have been prepared in accordance with the Capital Markets Board ("CMB") Communiqué numbered II-14.1 titled "Communiqué on the Principles of Financial Reporting in Capital Markets" and pursuant to the Turkish Financial Reporting Standards ("TFRS") published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") and in accordance with the 2022 TFRS Taxonomy, the presentation principles of which were developed by the POA based on paragraph (b) of Article 9 of the Decree Law No. 660 and determined and announced to the public with the decision of the POA dated October 4, 2022.

### Information and Assessments on Whether the Targets Set in the Previous Periods were Achieved, Whether the Resolutions of the General Assembly were Fulfilled, and the Reasons for Failure to Achieve the Targets or for Failure to Fulfill the Resolutions:

There exist no agenda items that have not been fulfilled in accordance with the agenda items within the scope of the ordinary general assembly meeting.

### Information on Reciprocal-Shareholdings in which Direct Participation in Capital Exceeds 5%:

None.

### In the event that the Capital of a Capital Company in which we hold, directly or indirectly, five, ten, twenty, twenty-five, thirty-three, fifty, sixty-seven or one hundred percent of the shares, the ratio of the shares we hold falls below or rises above these ratios, such situation and its justification:

None.

### Information on the Shares of the Company's Subsidiaries in the Capital of the Parent Company:

The entities included in the Company do not have a share in the capital of the parent company.

### Other Rights

None

### Additional Information:

None

# Corporate Governance Compliance Report

You can access our Company's Corporate Governance Compliance Report via the Corporate Governance Reports menu on our Company's Investor Relations page and/or via the link <https://www.cates.com.tr/en/corporate-governance-reports>.

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
<b>1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS</b>						
1.1.2 - Up-to-date information and disclosures that may affect the exercise of shareholders' rights are made available to investors on the corporate website.	X					
<b>1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION</b>						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
<b>1.3. GENERAL ASSEMBLY</b>						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7 - Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.	X					
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
<b>1.4. VOTING RIGHTS</b>						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
1.4.2 - The company does not have shares that carry privileged voting rights.		X				<ul style="list-style-type: none"> <li>• Provided that the capital represented by Class A shares continues to represent at least 30% of the issued capital of the Company, two members of the Board of Directors shall be elected from among the candidates nominated by the shareholders holding the majority of the capital represented by Class A shares if the Board of Directors consists of five members, three members if it consists of six or seven members, and four members if it consists of eight or nine members.</li> <li>• Provided that the quorums stipulated in the Capital Markets Law and the Turkish Commercial Code are maintained, the affirmative vote of the shareholders holding the majority of the capital represented by Class A shares is also required for the General Assembly of the Company to take decisions on the following matters and amendments to the Articles of Association falling within the scope of these matters: <ul style="list-style-type: none"> <li>• Approval of the budget.</li> <li>• Amendment of the articles of association, except for capital increases to be made according to the registered capital system.</li> <li>• Changing the Company's field of activity, entering into new lines of business or abandoning existing lines of business.</li> <li>• Capital increase, liquidation, dissolution, termination, capital decrease, change of type of the company, except for capital increases to be made according to the registered capital system.</li> <li>• Bankruptcy, concordat, application for financial restructuring within the scope of Article 309/m. of the Execution and Bankruptcy Law No. 2004.</li> <li>• Transfer of all or part of the company's commercial enterprise.</li> </ul> </li> </ul>
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.	X					
<b>1.5. MINORITY RIGHTS</b>						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.		X				Utmost care is given to the exercise of minority rights. Shareholders constituting one-twentieth of the share capital may request the board of directors to call the general assembly for a meeting by stating the reasons and agenda in writing, or if the general assembly is already convened, they may ask the board of directors to put the issues they want to be resolved on the agenda. The request to add an item to the agenda is made pursuant to Article 411 of the Law.

# Corporate Governance Compliance Report

Explanation	Company Compliance Status				
	Yes	Partial	No	Exempted	Not Applicable
<b>1.6. DIVIDEND RIGHTS</b>					
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X				
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X				
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X				
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X				
<b>1.7. TRANSFER OF SHARES</b>					
1.7.1 - There are no restrictions preventing shares from being transferred.	X				
<b>2.1. CORPORATE WEBSITE</b>					
2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X				
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X				
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X				
<b>2.2. ANNUAL REPORT</b>					
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X				
2.2.2 - The annual report includes all elements of principle 2.2.2.	X				
<b>3.1. CORPORATION'S POLICY ON STAKEHOLDERS</b>					
3.1.1 - The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X				
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.	X				

Explanation	Company Compliance Status				
	Yes	Partial	No	Exempted	Not Applicable
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X				
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X				
<b>3.2. SUPPORTING STAKEHOLDERS' PARTICIPATION IN COMPANY MANAGEMENT</b>					
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/ manuals), regulate the participation of employees in management.	X				
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X				
<b>3.3. HUMAN RESOURCES POLICY OF THE COMPANY</b>					
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X				
3.3.2 - Recruitment criteria are documented.	X				
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X				
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X				
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X				
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X				
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X				
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X				
3.3.9 - A safe working environment for employees is maintained.	X				

# Corporate Governance Compliance Report

You can access our Company's Corporate Governance Compliance Report via the Corporate Governance Reports menu on our Company's Investor Relations page and/or via the link <https://www.cates.com.tr/en/corporate-governance-reports>.

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
<b>3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS</b>						
3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction.		X				Although customer satisfaction is not measured, company activities are always based on unconditional customer satisfaction.
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
<b>3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY</b>						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
<b>4.1. ROLE OF THE BOARD OF DIRECTORS</b>						
4.1.1 - The board ensures that strategies and risks do not threaten the long-term interests of the company and that elective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
<b>4.2. ACTIVITIES OF THE BOARD OF DIRECTORS</b>						
4.2.1 - The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					There is an executive liability policy, the amount of the policy does not exceed 25% of the share capital due to the high capital of the Company.
<b>4.3. STRUCTURE OF THE BOARD OF DIRECTORS</b>						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					
4.3.10 - At least one of the members of the audit committee has 5 years of experience in audit/accounting and finance.	X					
<b>4.4. BOARD MEETING PROCEDURES</b>						
4.4.1 - Each board member attend the majority of the board meetings in person or via an electronic board meeting system.	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					

# Corporate Governance Compliance Report

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.		X				Members of the board of directors are not restricted from assuming other duties outside the company, but this situation does not cause any conflict of interest.
<b>4.5. COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS</b>						
4.5.5 - Board members serve in only one of the Board's committees.			X			Based on the shareholding structure and the requirement of the Corporate Governance Communiqué to elect the chairmen of the committees from among the independent board members, members of the board of directors are assigned to more than one committee, taking into consideration the number of committees that need to be formed. On the other hand, it is ensured that the committees act in accordance with their legal authorisations and responsibilities.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	Not included since no consultancy service was received.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					

	Company Compliance Status					Explanation
	Yes	Partial	No	Exempted	Not Applicable	
<b>4.6. FINANCIAL RIGHTS PROVIDED TO BOARD MEMBERS AND MANAGERS WITH ADMINISTRATIVE RESPONSIBILITIES</b>						
4.6.1 - The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4 - The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.		X				In not disclosing the remuneration and benefits provided to the members of the Board of Directors and senior executives, it is aimed to establish a balance between the rights and interests that need to be protected in terms of the Personal Data Protection Law and Remuneration Policy and the rights of shareholders and stakeholders to obtain information in terms of the transparency requirement in accordance with the Corporate Governance Communiqué, taking into account the principle of proportionality. In this context, the remuneration of board members and senior executives are not disclosed on individual basis, but are included in the annual report as a total amount.

# Corporate Governance Information Form

You can access our Company's Corporate Governance Fact Sheet via the Corporate Governance Reports menu on our Company's Investor Relations page and/or via the link <https://www.cates.com.tr/en/corporate-governance-reports>

1. SHAREHOLDERS	
<b>1.1. Facilitating the Exercise of Shareholder Rights</b>	
The number of investor meetings (conferences, seminars, etc.) organized by the company during the year	14
<b>1.2. Right to Obtain and Examine Information</b>	
The number of special audit request(s)	None.
The number of special audit requests that were accepted at the General assembly meeting	None.
<b>1.3. General Assembly</b>	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	<a href="https://www.kap.org.tr/en/Bildirim/1461721">https://www.kap.org.tr/en/Bildirim/1461721</a>
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Yes.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	-
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	<a href="https://www.kap.org.tr/en/Bildirim/1427717">https://www.kap.org.tr/en/Bildirim/1427717</a>
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II- 17.1)	Corporate Website/Investor Relations/Corporate Governance/Policies/Donation andAid Policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	<a href="https://www.kap.org.tr/en/Bildirim/1297774">https://www.kap.org.tr/en/Bildirim/1297774</a>
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	An article has been added to the General Assembly Internal Directive and information on the subject is provided in the minutes of the general assembly meetings.
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	An article has been added to the General Assembly Internal Directive, and information regarding the matter is provided in the minutes of the General Assembly mee
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	You can access the attendance list showing the participants of the Ordinary General Assembly Meeting for the Year 2024 held on 01.08.2025 from the link <a href="https://www.cates.com.tr/en/general-assembly">https://www.cates.com.tr/en/general-assembly</a>

1.4. Voting Rights	
Whether there are any privileged voting rights	Yes
In case there is privileged voting, the privileged shareholders and their voting percentages are as follows	Privileged shareholders are the holders of Group A shares, which account for 50.99% of the shares.
The percentage of ownership of the largest shareholder	% 79.99
<b>1.5. Minority Rights</b>	
Whether the scope of minority rights expanded (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant article number of the articles of association.	None.

# Corporate Governance Information Form

1.6. Profit Distribution Rights	
Name of the section on the corporate website that demonstrates the dividend distribution policy	Corporate Website/ Investor Relations/ Corporate Governance/ Policies/Dividend Distribution Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend	You can access the meeting minutes of the Ordinary General Assembly Meeting for the Year 2024 held on 01.08.2025 at <a href="https://www.cates.com.tr/en/general-assembly">https://www.cates.com.tr/en/general-assembly</a>
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	<a href="https://www.kap.org.tr/en/Bildirim/1471141">https://www.kap.org.tr/en/Bildirim/1471141</a>
General Assembly Meetings	
General Assembly Date	01.08.2025
Number of additional explanation requests submitted to the company regarding the general assembly agenda	2
Shareholders' participation rate in the general assembly	79,99%
Percentage of shares directly represented	0
Percentage of shares represented by proxy	79,99%
The name of the section on the corporate website that includes the minutes of the general meeting, showing the positive and negative votes for each agenda item	Corporate Website/Investor Relations/Corporate Governance/General Assembly
The name of the section on the corporate website that includes all the questions asked during the general meeting and the answers provided to them	Corporate Website/Investor Relations/Corporate Governance/General Assembly
The article or paragraph number of the general meeting minutes regarding related parties	7
Number of people who have privileged access to shareholder information who report to the Board of Directors (Insider list)	0
Link to the general assembly disclosure published on PDP	<a href="https://www.kap.org.tr/en/Bildirim/1471141">https://www.kap.org.tr/en/Bildirim/1471141</a>
2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Corporate Website/ Investor Relations
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Corporate Website/ Investor Relations/ Corporate Governance/ Shareholding Structure
Languages in which the corporate website is presented	Turkish and English

2.2. Annual Report	
<b>The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.</b>	
a) Page number or heading of the section in the annual report that presents Board Members' and executives' external commitments, and Board Members' independence statements	2025 Annual Report/ Corporate Governance/ Independence Declarations
b) Page number or section name of the information regarding the committees formed within the Board of Directors	2025 Annual Report/Corporate Governance/ Committees and Policies
c) Page number or heading of the section in the annual report that includes the number of board meetings held throughout the year, and the members' attendance status	2025 Annual Report/Corporate Governance/ Board of Directors
ç) Page number or section name of the sections in the Annual Report that demonstrate the information on amendments in the legislation that may significantly affect the activities of the company	2025 Annual Report/Corporate Governance/ Legislative Amendments in 2025
d) Page number or section name of information about significant lawsuits brought against the company and their possible consequences	2025 Annual Report/Corporate Governance/ Information on Lawsuits Filed Against the Company that may Affect the Financial Position and Activities of the Company and Their Possible Results
e) The page numbers or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid these	2025 Annual Report/Corporate Governance/ Other Matters
f) Page number or heading of the section in the annual report which includes information on cross-holding cases where direct shareholding exceeds 5%	2025 Annual Report/Corporate Governance/ Other Matters
g) The page numbers or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arise social and environmental results	2025 Annual Report/Sustainability/ Corporate Social Responsibility
3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the compensation policy	Corporate Website/Investor Relations/ Corporate Governance/Policies/Compensation Policy
The number of final court verdicts against the Company that result from the violation of employee rights	28
Title of the official related to the reporting mechanism	Internal Audit and Control Group Director
The contact details of the company alert mechanism	<a href="https://www.cates.com.tr/en/policy/code-of-ethics-and-working">https://www.cates.com.tr/en/policy/code-of-ethics-and-working</a>

# Corporate Governance Information Form

3.2. Supporting the Participation of the Stakeholders in the Company's Management	
Name of section on the corporate website, demonstrating the internal regulations on the participation of employees in the managing bodies	Corporate Website/Investor Relations/Corporate Governance/Policies/Human Resources Policy
Corporate bodies where employees are actually represented	In our workplaces where there is a union, there is a union representative elected among the workers by the Union Branch Board of Directors and in all other workplaces there is an employee representative.
3.3. Human Resources Policy	
The role of the Board in the development of a succession plan for key executive positions	The development of a succession plan for key management positions is subject to the approval of the board of directors and the process is included in the human resources policy.
The name of the section on the corporate website that demonstrates the human resources policy covering equal opportunities and hiring principles. Also, provide a summary of relevant parts of the human resources policy	Corporate Website/Career
Whether the company provides an employee stock ownership programme	There isn't an employee stock ownership programme
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatment and the measures to prevent them. Also, provide a summary of relevant parts of the human resource policy	Corporate Website/Investor Relations/Corporate Governance/Policies/Human Rights Policy
The number of definitive convictions the company is subject to in relation to health and safety measures	0
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Corporate Website/Corporate Governance/Policies/Ethical Rules and Code of Conduct
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social, and corporate governance issues.	Corporate Website/Investor Relations/Corporate Governance/Policies/"Environmental Policy", "Sustainability Policy" and "General Environmental Procedure"
Any measures combating any kind of corruption including embezzlement and bribery	Corporate Website/Investor Relations/Corporate Governance/Policies/ Anti-Bribery and Anti-Corruption Policy
4. BOARD OF DIRECTORS-I	
4.2. Operating Principles of the Board of Directors	
The date of the last board performance assessment conducted	Each year, in the last week of the year, one-on-one meetings are held with the members of the Board of Directors to evaluate their overall performance.
Whether the board performance assessment was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Chairman of the Board of Directors Mehmet Akif GÜL, Vice Chairman of the Board of Directors Ridvan Edip AKDENİZ

Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	4
The name or page number of the section in the annual report where the assessment of the effectiveness of the internal control system is included	2025 Annual Report/ Corporate Governance/Assessment of the Board of Directors & 2025 Annual Report/Corporate Governance/Internal Audit and Control Activities
Name of the Chairman	Chairman of the Board of Directors Aydem Holding A.Ş.- real person representative Mehmet Akif GÜL
Name of the CEO/ General Manager	Ridvan Edip AKDENİZ
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	There is an executive liability policy, the amount of the policy does not exceed 25% of the share capital due to the high capital of the Company.
The name of the section on the corporate website that demonstrates the current diversity policy targeting women directors	Corporate Website/Investor Relations/Corporate Governance/Policies/Diversity Policy
The number and ratio of women board members	Number of Female Board Members 2, Ratio 33.3%

Composition of Board of Directors						
Name/ Surname of Board Member	MEHMET AKIF GÜL	RIDVAN EDİP AKDENİZ	KEMAL USLU	AYBEN KOY	BARAN SALDANLI	FATMA ELİF YAĞLI
Having Executive Duty or Not	No	Yes	No	No	No	No
Independent Board Member or Not	Not Independent Member	Not Independent Member	Independent Member	Independent Member	Not Independent Member	Not Independent Member
Date of First Election to the Board of Directors	01.06.2022	20.07.2023	11.06.2024	11.06.2024	24.10.2024	24.10.2024
Link to the PDP Disclosure of Independence Declaration	-	-	-	-	-	-
Whether the Independent Member is Evaluated by the Nomination Committee	-	-	Evaluated	Evaluated	-	-
Whether there are any members who lost their independence	-	-	No	No	-	-
At least 5 Years of Experience in Auditing, Accounting and/or Finance	Yes	No	No	Yes	No	No

# Corporate Governance Information Form

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of meetings of the board of directors held physically and electronically during the reporting period	28
Average attendance rate at board meetings	1
Whether the board uses an electronic portal to facilitate its work or not	Yes
Number of minimum days in advance of the board meeting to provide information to directors, as per the board charter	3
The name of the section on the corporate website that includes information about the internal arrangements of the company, where it is determined how the board of directors meetings will be held	Corporate Website/Investor Relations/Corporate Governance/Board of Directors/Principles of Board of Directors' Operations
The upper limit set in the policy that restricts members from assuming external duties outside the company	None.
4.5. Committees Established Under the Board of Directors	
Page numbers or section names of the annual report where information about the board committees are presented	2025 Integrated Annual Report/Corporate Governance/Committees
Link(s) to the PDP announcement(s) with the board committee charters	Corporate Website/Investor Relations/Corporate Governance/Committees
Board Committees-I	
Names of Board Committees	Corporate Governance Committee
Name of Committees Defined As "Other" In The First Column	
Name-Surname of Committee Members	Ayben KOY Kemal USLU Merve İMİRĞİ
(Investor Relations Group Manager)	No No Yes
Whether Committee Chair or Not	No Yes No
Whether Board Member or Not	Yes Yes

Board Committees-I						
Names of Board Committees	Audit Committee					
Name-Surname of Committee Members	Ayben KOY	Kemal USLU				
Whether Committee Chair or Not	Yes	No				
Whether Board Member or Not	Yes	Yes				
Board Committees-I						
Names of Board Committees	Early Detection of Risk Committee					
Name-Surname of Committee Members	Ayben KOY	Kemal USLU	Ahmet Ersoy ÖNAL			
Whether Committee Chair or Not	Yes	No	No			
Whether Board Member or Not	Yes	Yes	No			
Board Committees-I						
Names of Board Committees	Investment Committee					
Name-Surname of Committee Members	Mehmet Akif Gül	Rıdvan Edip Akdeniz	Ahmet Ersoy Önal	Ayben KOY	Kemal USLU	
Whether Committee Chair or Not	Yes	No	No	No	No	
Whether Board Member or Not	Yes	Yes	No	Yes	Yes	
Board Committees-I						
Names of Board Committees	Sustainability, Environment, Occupational Health and Safety Committee					
Name-Surname of Committee Members	Gül CORA	Rıdvan Edip AKDENİZ	Tülin YILMAZ	Ayben KOY	Kemal USLU	Hakan KIZIL
Whether Committee Chair or Not	Yes	No	No	No	No	No
Whether Board Member or Not	No	Yes	No	Yes	Yes	No

# Corporate Governance Information Form

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	2025 Annual Report/ Corporate Governance/ Committees and Policies/ Audit Committee
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	2025 Annual Report/ Corporate Governance/ Committees and Policies/ Corporate Governance Committee
Specify where the activities of the nomination committee are presented in your annual report or on the corporate website (Page number or heading of the section)	2025 Annual Report/ Corporate Governance/ Committees and Policies/ Corporate Governance Committee
Specify where the activities of the early detection of risk committee are presented in your annual report or on the corporate website (Page number or heading of the section)	2025 Annual Report/ Corporate Governance/ Committees and Policies/ Early Detection of Risk Committee
Specify where the activities of the remuneration committee are presented in your annual report or on the corporate website (Page number or heading of the section)	2025 Annual Report/ Corporate Governance/ Committees and Policies/ Corporate Governance Committee
4.6. Financial Rights Provided to the Board Members and Executive Directors	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	2025 Annual Report/ Corporate Governance/ Assessment of the Board of Directors

Specify the section of website where remuneration policy for executive and non-executive directors are presented	Corporate Website/ Investor Relations/ Corporate Governance/ Policies/Compensation Policy				
The page number or section name where the activity report specifies the remuneration given to board members and managers with administrative responsibilities, along with all other benefits provided	2025 Annual Report/ Corporate Governance/ Financial Benefits Provided to Board Members and Senior Executives				
Composition of Board Committees-II					
Names of Board Committees	Corporate Governance Committee	Audit Committee	Committee of Early Detection of Risk	Investment Committee	Sustainability, Environment, Occupational Health and Safety Committee
Ratio of Non-Executive Managers	67%	100%	100%	60%	33%
Ratio of Independent Members in the Committee	67%	100%	67%	40%	33%
Number of Physical Meetings held by the Committee	5	4	6	0	4
Number of Reports Presented to the Board of Directors on the Activities of the Committee	5	1	2	0	1



**SUSTAINABILITY**



## Sustainability Approach and Organization

At ÇATES, while increasing our efforts to ensure the sustainability of energy in our country, we continuously work to reduce the direct and indirect environmental impact of our operations. While carrying out these activities, we pay attention to use our resources in the most efficient manner and to realize our environmental performance in accordance with the values determined by the legislation. We manage our business activities together with environmental risk assessments from the investment decision stage onwards by addressing the environmental, social and economic impacts of our planned actions in a holistic manner. By regularly monitoring these actions, we minimize risks.

Global trends in sustainability require a new paradigm where the value cycle is considered and addressed holistically. Developing new business models by integrating sustainability into business strategies not only increases long-term competitiveness, but also provides short and medium-term benefits such as new revenue opportunities, better understanding of customer behavior, managing climate risks and opportunities, and lower costs and risks along the supply chain. As Çates Electricity Generation, we continue our efforts without any slowdown to take the necessary steps under the changing and transforming global conditions and we address our activities with a sustainability approach.

In line with our vision of becoming a leading and exemplary organization in the energy sector, we attach great importance to sustainability governance. In this respect, our company's sustainability strategies, targets, policies and performance are planned, monitored and reported at the board level.

### Our Sustainability Policy

<https://www.cates.com.tr/en/policy/sustainability-policy>

At Çates Electricity Generation, our journey to achieve our sustainability goals is supported by a robust governance structure. Our sustainability governance approach includes a transparent, accountable and stakeholder-oriented approach. Our sustainability efforts are among the responsibilities of the Board of Directors, which oversees and supports our efforts. Our Board of Directors holds regular meetings with the Sustainability Committee to ensure the continuity of strategies and evaluate performance. The Committee monitors, evaluates, and takes necessary actions on all sustainability-related matters, including climate change, environmental management, occupational health and safety, social impact, and governance processes. Defining and monitoring key performance indicators (KPIs) related to sustainability and climate, managing environmental risks and opportunities, meeting stakeholder expectations, and integrating sustainability strategies into business processes are among the Committee's primary responsibilities.

Bu cümleden sonra aşağıdaki link eklensin.

<https://www.cates.com.tr/en/committees/sustainability-committee-working-principles>

Thus, the Board of Directors plays an active role in the implementation of our sustainability efforts. A comprehensive monitoring and archiving system has been established to measure and evaluate our sustainability performance. Our environmental impacts, social contributions and governance practices are continuously measured, data are analyzed and results are regularly reported to senior management on a daily, weekly, monthly and annual basis. Our determined performance targets are evaluated within the scope of Key Performance Indicators. This process plays a vital role in enabling our company to make better decisions and achieve its sustainability goals more effectively.

We also share our adopted sustainability approaches with our stakeholders. In 2025, we organized "Sustainability and Environmental Awareness" trainings for children in 4 different primary schools in order to ensure that children adopt the sustainability approach as well.

The materiality matrix we have developed reflects not only our stakeholders' expectations, but also a self-assessment process aimed at prioritizing value-creating topics and maximizing the benefits delivered to all our stakeholders.

At ÇATES, we regularly conduct internal and external stakeholder assessments to understand our stakeholders' expectations and needs and to enhance our sustainability performance. This study was carried out to define ÇATES' sustainability strategy, to gather our stakeholders' views and recommendations, and to provide guidance on how to shape our corporate sustainability vision.

Within the scope of our sustainability reporting, we identified our priority topics across environmental, social, and economic dimensions through stakeholder and materiality analyses conducted in accordance with the GRI (Global Reporting Initiative) Standards. The materiality matrix we have developed reflects not only our stakeholders' expectations, but also a self-assessment process aimed at prioritizing value-creating topics and maximizing the benefits delivered to all our stakeholders.

The implementation and monitoring of the topics identified in the matrix are the responsibility of the ÇATES HSE and Sustainability Department.

# Health, Environment, Occupational Health and Safety

At ÇATES, employee health and safety is one of our highest priorities and we fulfill national legislative obligations and adopt international business and practices. We evaluate the existing and potential risks throughout our operations through R5 (5 minutes for risks), work permit forms and risk assessments. Preventing risks and being prepared for emergencies is the main goal of our Company.

We provide training to all our employees on emergencies and risks, and after assessments are made on the issues that pose risks, we organize campaigns to raise awareness about risks and turn these risks into opportunities. Behavior-Oriented Audits and Monthly Planned Safety Checks are conducted within the scope of Life Safety and Environment Committee activities. All employees at ÇATES are committed to comply with the HSE and Sustainability Policy.

<https://www.cates.com.tr/en/policy/sustainability-policy>

The Company carries out studies on occupational health and safety issues with the HSE and Sustainability unit within its own organization for compliance with the legislation. The Company employs occupational health and safety experts and a workplace physician.

The Company is also subject to many regulations within the scope of occupational health and safety. With its OHS procedures, the Company aims to prevent any harm to the personnel working at the Power Plant in violation of the rules set forth in OHS and environmental legislation. Within the scope of OHS regulations, all required trainings and other obligations are fulfilled by the Company. The Company holds the ISO 45001 Occupational Health and Safety Management System Quality Certificate.

As ÇATES, the leading energy company of Türkiye, our top priority is to provide a healthy and reliable working environment for all our employees by ensuring the highest standards in our company management, and to act with environmental awareness in our internal and external activities.

*The Hands Safe Campaign, which we have launched and completed in 2023 to raise awareness on occupational safety and which resulted in a decrease in accidents involving hand injuries, was put into practice and completed in 2024 as the Life Saving Golden Rules. The Golden Rules trainings are designed to provide a safer working environment by raising awareness of our employees about accidents and the rules that must be followed in all our group companies. Our 6 Golden Rules campaign started with the launch of our Work at Height campaign, and we raised the occupational safety awareness of our employees with various educational activities and toolbox trainings in six different categories under the umbrella of the Golden Rules.*



## Online Hazard and Incident Reporting

With our HSE Portal application, which we have implemented in our digitalization journey, we are able to report hazards, risks and incidents detected in all facilities and their annexes on site. All our employees, visitors, subcontractors and interns can also access the portal and provide feedback. In addition, we activated the subcontractor tracking system through the HSE Portal in 2024. The records of all our subcontractors in our field are also visible online in the system.



## Integrated Management Systems

Integrated Management Systems policy includes the commitments of the Senior Management within the scope of ISO 9001 Quality, ISO 14001 Environment, ISO 45001 OHS, ISO 50001 Energy Management Systems.

<https://www.cates.com.tr/iso-belgeleri>

All studies are planned and executed in line with the commitments of our Senior Management.

Activities are planned and executed in line with the IMS Annual Work Plan.

Process studies are carried out to analyze the current situation in the processes carried out by the departments and to identify the points that need to be improved. Within the scope of this study, work flow diagrams of the processes carried out by the departments are created, risks and opportunities are identified specific to the process and reviewed every year.

KPI (Key Performance Indicator) determination studies are carried out at the beginning of each year for the identified processes. With this study, the performance of the processes is analyzed, improvement points are identified and actions are taken on these issues.

A MR (Management Review) Meeting is held every year with the participation of Senior Management. At the meeting, all activities carried out within the scope of Management Systems during the year are conveyed to the participants by the relevant management representatives. It is ensured that actions are taken for the decisions taken at the MR Meeting.

In order to raise awareness, trainings are provided to relevant employees throughout the year within the scope of the subjects determined in the IMS Training Plan. Moreover, every new white-collar employee is given orientation training within the scope of IMS.

Every year, an external audit process is carried out by the relevant certification body to ensure the continuity of the certificate. Control of compliance with Management Systems is provided by the independent auditors. The company is represented during the audit process.

All activities mentioned above within the scope of Management Systems are carried out in a digital environment (QDMS System). Module-based trainings are provided to all users to ensure effective use of the system.

All activities conducted within the scope of IMS are carried out for the purpose of ensuring continuous improvement on the basis of PDCA cycle.



## Corporate Social Responsibility

The provision required for donations by the Company is included in the Company's Articles of Association. The Company may make donations and grants with the resolution of the Board of Directors within the limits to be determined by the General Assembly in a manner that will not disrupt the subject of the business, within the scope of corporate social responsibility practices, within the framework of CMB regulations, CMB Law, Turkish Commercial Code, Turkish Code of Obligations No. 6098, Turkish Code of Obligations No. 6098 and other secondary regulations, internal regulations of the Company and the article of the Articles of Association regarding the subject of operation, provided that it does not contradict the CMB's regulations on disguised profit transfer and mandatory corporate governance principles and that the donations made during the year are presented to the information of the shareholders at the general assembly. However, donations and grants that would lead to a departure from the principle of protecting the rights of shareholders are avoided.

Compliance with the Company's corporate social responsibility policies is taken into consideration in the selection of the form, amount and the institutions, organizations or persons to whom the donation will be made. Donations and grants may be provided to all kinds of institutions, organizations and persons, including universities, educational institutions, foundations, publicly beneficial and other associations and persons or institutions of such nature and non-governmental organizations.

Employee motivation is at the forefront at ÇATES. Through activities shaped around our corporate culture and values, where our employees feel valued, our employees are brought together and socially motivated as well in addition to their work motivation. Aydem Energy, the main shareholder of our company, believes that all employees, regardless of gender, should fully and equally benefit from rights, resources and opportunities and equally share the responsibilities of life. This approach has also been adopted by ÇATES. The principle of equal pay for equal work has been adopted at ÇATES. In line with our sustainability vision, we support continuous development by adding value to the development of our employees.

In 2023, an afforestation cooperation protocol has been signed between ÇATES and the Foundation for the Development of Forestry and Supporting Services to Fight Forest Fires. With the protocol signed with the aim of combating erosion and increasing forest assets, 10 thousand saplings were planted in the Sarıçam Forest Management land in the Saruhan district of the province of Manisa and the protocol was completed in 2024 under the name of ÇATES Electricity Generation Memorial Forest.

ÇATES supports the elimination of child labor. In this context, no child labor is employed at ÇATES. In order to meet the most basic needs of our working mothers and to facilitate their working lives, a lactation room project has been launched in our company in 2022.

At ÇATES, all efforts focused on gender equality in the field of diversity and inclusion are carried out through the "Equal Life" initiative. Launched in 2020, the project works with the team of volunteers in our Company to transform the company's culture, organization, training, recruitment processes, physical conditions, and all messages given within and outside the company with a gender equality approach. Through monthly online meetings, the project brings together academics, activists and business people to discuss gender equality concepts from different perspectives.

On March 8, International Women's Day, all our female employees and our power plant director came together for a breakfast event. The women's day breakfast, which is traditionally organized every year, was also held this year as well. At the breakfast, where all female employees came together, wristbands specially prepared for the employees were also presented to our female employees in recognition of the meaning and importance of the day.

The OHS knowledge contest, which was initiated in 2023 and became a tradition in 2024, was held within the scope of the Occupational Health and Safety Week celebrated on May 4-10. After the knowledge contest, held with the participation of all units, PPE stands were set up and various games were played to raise the awareness of our employees.

Successful stakeholder management contributes significantly to a company's success. Through effective dialogs established with the stakeholders, our company increases its social acceptance, maintains its reputation and strengthens its relations with the people of the region where our company operates.

This not only positively affects the business environment, but also creates new business opportunities and gives confidence to all other stakeholders. At ÇATES, we carry out our activities in line with values such as consensus, dialog and cooperation. Loss of reputation and production is prevented through active stakeholder relations and proper use of communication channels. The needs are met to the extent possible in the light of the information obtained through successful communication with the people of the region in which we operate.

On April 23rd National Sovereignty and Children's Day, ÇATES attended FOCUS 2024 (International Congress of Frontiers of Climate, Urbanization and Sustainability) held at Zonguldak Bülent Ecevit University as a member of the Senate.

At the 8th International Future Engineers Symposium organized at Zonguldak Bülent Ecevit University, ÇATES sustainability policies were conveyed to young engineer candidates under the title of Sustainable Efficiency.

Within the scope of the Environment Week, a coastal cleanup was organized at ÇATES with the participation of volunteers. At the event supported by the ÇATES Power Plant Directorate, the employees voluntarily carried out coastal cleaning at ÇATES.

In order to support the blood stock in our country, the Red Crescent is supported with regular blood donations. The project, carried out in cooperation with the Red Crescent, emphasizes the importance of life-saving blood donation. The project has been successfully carried out for three years with the support of all our employees, and ÇATES will continue to support the Red Crescent to popularize the habit of blood donation.

Within the scope of the Fire Fighting Week, which is celebrated between September 25th and October 1st, the week of our fire department was celebrated with the participation of our power plant director.

The Golden Rules project initiated by the HSE and Sustainability Group Directorate started with the launch of the Working at Height rule in 2024. The awareness campaign to increase the awareness of the measures to be taken started with the speech of our power plant director.

Practical fire extinguishing training was given by the ÇATES Fire Brigade team to our intern students who recently started their internship.

4 different primary school students were trained on environmental awareness and sustainability and we took steps to raise more conscious individuals. The sports fields for Işıkveren Secondary School students were renovated by our company and made ready for the use of students for the 2024 academic year.

By investing in the individual and professional development of our employees, we reinforce our belief in long-term success and sustainability as a company.

# Human Resources

Employee motivation is prioritized at ÇATES. With events shaped around our corporate culture and values, where our employees feel valued, our employees are brought together and motivated socially in addition to their work motivation. At Aydem Energy, the main shareholder of our company, it is believed that all employees should fully and equally benefit from rights, resources and opportunities, and equally share the responsibilities of life without gender discrimination. This approach has also been adopted by ÇATES. The principle of equal pay for equal work is adopted at ÇATES. In line with our sustainability vision, we support continuous development by adding value to the development of our employees.

By investing in the individual and professional development of our employees, we reinforce our belief in long-term success and sustainability as a company. ÇATES supports the elimination of child labor. In this context, child labor is not employed at ÇATES. In order to meet the most basic needs of our working mothers and facilitate their working lives, a lactation room project has been launched in our company in 2022 and continues in 2024.

## Equal Life at ÇATES

At ÇATES, all efforts focused on gender equality in the field of diversity and inclusion are carried out with the "Equal Life" initiative. With the project that had been commenced in 2020, our company, with a volunteer team, has been working to transform the company's culture, organization, trainings, recruitment processes, physical conditions and all messages given within and outside the company with a gender equality approach.

Through monthly online meetings, the project brings together academics, activists and business people to discuss gender equality concepts from different perspectives.

## Our Human Resources Policy

Our main goal is to create an atmosphere where our employees are happy, embrace their company and where everyone wants to be involved.

Accordingly, we develop and implement fair, measurable, transparent, all-inclusive and self-improving Human Resources Strategies that will increase the participation of our employees in achieving our business targets and unleash their potentials. Our Human Resources Policy is defined and managed with the aim of creating competence and skill groups that will support the performance required to sustain and increase our leading position and capacity in the energy sector and to meet the expectations of our stakeholders. Our human resources management approach aims to create innovative employees and teams that are committed to ethical values, sensitive to the environment, create value and aim for the best and most efficient within the framework of our company's values and culture, are aware of the public service responsibility imposed by the energy sector and prepared for the needs arising therefrom. We also reflect our Human Resources perspective in our employee value proposition, which is the main element of our employer brand. While our company encourages the success of its employees with groundbreaking projects that extend into the future, it offers moments that will enrich life; Company employees work as a team with self-confidence, knowing that they themselves are the source of the energy needed for life.



## 1- Recruitment Management

We are aware that the most important factor in achieving our goals is qualified and happy employees. We believe that people with high self-confidence, who pursue their dreams and realize these dreams will be happier. In our recruitment procedure, the need for human resources is determined within the scope of the methods, tools, criteria, conditions and rules to be used under the determined regulations and procedures for the selection, orientation and probationary period of employees suitable for the qualifications of the job and the competencies determined in line with the policies and strategies of our company. Our recruitment decisions are made with a focus on "the right person for the right job" regardless of the employee's gender, age, beliefs, ethnic origin, nationality, marital status, health status or physical disabilities. With this principle, our priority in career opportunities is to share the relevant position vacancy with our employees who create value in our company and to start our process by evaluating the applications. We first share all open positions with our employees through the internal announcement system and objectively evaluate the applications by observing the principle of equal opportunity. In addition to meeting the needs of our business lines, we interview not the best candidates, but the most suitable candidates among those candidates who have dreams for the position we are seeking, who are open to development, who we believe will realize our business by adopting our corporate culture. We carry out the interview process using different interview techniques in which we can observe the potential and competencies of the candidates as well as their work experience. While meticulously addressing the expectations of our candidates, we advance our process with candidates who will both contribute to the organization and find what they are looking for in the working environment on behalf of themselves and proceed to the reference checks stage. We make offers to our candidates within the framework of the tier structure we apply in our company. We attach importance to ensuring that employees benefit equally from the opportunities offered by the company throughout their working life after recruitment. As a requirement of our corporate culture, we assign buddies and provide comprehensive orientation trainings to ensure the rapid adaptation of our new employees to our company. Furthermore, our Human Resources team regularly communicates with the employee for the first 2 months during the rotation and task change processes within the company. We follow the employee's performance, demands, satisfaction and needs during this process.

## 2- Learning and Development

We focus on ensuring that the trainings our employees receive contribute to the development of both the company and themselves, as well as to the construction of a sustainable life. In this context, while ensuring that our employees increase their competencies, we also support the development of corporate culture in environmental, social and governance issues. As stated in our human rights policy, we attach importance to "establishing fair training and support processes to ensure equality among our employees and specifically encouraging their participation in these trainings". With our Training Procedure, we determine the development needs of our employees for their behavioral and professional competencies in order to continuously improve their potential and existing knowledge/skills in line with our strategies and targets, and then define the process and operation to provide development tools. We carry out training and development planning in line with the competencies that we think should be possessed in the career steps we have previously determined for each position, in line with the individual development needs identified during the performance evaluation period, as well as in line with the corporate sustainability needs. With this approach, apart from on-the-job trainings, we organize in-class and online trainings provided through Aydem Academy and external training companies. In addition, we train our own internal trainers and transfer our own experience and expertise to the new generations. In addition, we meticulously complete and follow up all the mandatory trainings and technical development trainings for production employees, especially occupational safety trainings. We also provide the necessary trainings for our employees who have been transferred and rotated to their new positions.

We provide our employees with the opportunity to access professional and personal development trainings around the clock through the Aydem Academy online training platform. In 2024, the rate of participation in training through the platform was realized at around 85%.

## Human Resources

### 3- Performance Management System

The Performance Management System, which we implement with a transparent approach to reward success and increase the satisfaction of our employees, covers the processes of measuring and evaluating the performance of employees in an objective and effective manner in order to determine the extent to which they contribute to the company's goals and how these goals are achieved. We apply our performance evaluation system, which focuses on employees' competencies and business results, to all our employees once a year. In the system, which consists of two main headings, "Goals" and "Competencies", we share our company goals, priorities and corporate competencies with all our employees through the performance management system.

In line with these goals, each employee, together with his/her unit manager, determines the goals that will lead the company to success and sets individual goals that will affect this in his/her area of responsibility. It is essential that the goals are measurable. At the same time, professional development goals that will enable employees to perform their jobs better can also be prioritized in the performance system.

Corporate competencies are evaluated with the help of behavioral indicators and affect the final performance result. The aim is to observe the attitude and behavior of employees in line with their targets and to convey what the expectations are. Interim evaluation, which increases the effectiveness of the Performance Management System, plays an important role in the entire process. Since providing effective feedback while setting, monitoring and evaluating targets affects the success of the system, great importance is attached to this process. Performance evaluation results provide input to many areas, and the evaluations we make within the framework of these main headings are used in areas such as employee development planning, training needs analysis studies, wage studies, and promotion/rotation decisions for the company.



### 4- Remuneration Management System

The Company's remuneration system is shaped in line with macroeconomic indicators, the sector in which the Company operates, the wage market, job levels and performance. As an element of the remuneration policy, research and studies of independent consulting companies that are experts in their fields are utilized. Using regular market analyses conducted in this direction, our company implements a fair and market-competitive wage and benefits policy. In addition, various fringe benefits are offered to our employees depending on their duties and titles. In this context, in line with our vision, there exists no gender-based wage discrimination among our employees with our Human Resources perspective. As a company, we participate in wage surveys every year with our professional team and re-evaluate our company's wage and fringe benefit strategies. Moreover, our Company has a system structure that will motivate employees by differentiating and rewarding performance. With this understanding, wages in our company are evaluated once a year during the year-end wage increase period in line with individual performance results, wage surveys, economic indicators and internal balances.

### 5- Talent Management Processes

Knowing the value of the human element, which is the most important resource that will lead the organization to success, the Company has identified the professional and individual development of all its employees among its priorities, and has put in place an internal promotion, transfer and rotation system, also taking into account their career expectations. In this context, our company announces the position requirements of the organization to its experienced and expert employees through internal announcements. In the selection process, different recruitment instruments are also used and included in the process, thus offering horizontal and vertical career opportunities to its employees by utilizing its trained workforce.

Our Human Resources team maintains regular communication with the employee for the first 2 months during the rotation and reassignment processes within the company. The employee's performance, demands, satisfaction and needs are monitored during this process. The company provides cash aid support consisting of transportation costs, transportation and transportation insurance expenses, accommodation and settlement assistance for our employees who are transferred and rotated, and offers leave for moving processes. Critical roles are defined in order to ensure the healthy functioning of the organization in line with the company strategy, to identify positions that have a high share in value generation and to place employees with the right competencies in these roles. In this direction, the definitions of critical roles and the compliance of employees working in critical roles with the role are monitored. Actions are planned as role backup in the short, medium and long term. Upon completion of these plans, they are submitted to the Board of Directors after the affirmative opinion and approval of the General Manager.



### 6 - Compliance with Working Environment and Labor Legislation

Labor relations are carried out in accordance with the legislation in force. In line with our Company's policies and strategies, the methods, tools, criteria, conditions and rules to be used within the scope of the regulations, procedures and instructions are determined in writing. Under no circumstances do we tolerate discrimination among our employees based on race, religion, language, color, age, gender, family status, national origin, health status, physical disability, sexual preference, possible or probable pregnancy status, union activities or other factors determined by law.

We value the diversity of our employees, embrace diversity as a means of achieving our goals, and prevent any situation that may hinder our employees from exercising their right to freedom of expression in the workplace.

We provide our employees with healthy, ergonomic, hygienic, safe and pleasant working conditions and take the necessary measures within the framework of Occupational Health and Safety principles. While creating the working environment and conditions, we take into account the work-family life balance and the needs of working parents. We absolutely do not tolerate maltreatment, intimidation, inhuman or degrading treatment, psychological violence, harassment and abuse through any verbal or written communication in the work environment.

# Human Resources

## Our Featured 2025 Applications

Within the scope of PDCA-based EMS activities, important issues for all employees and our company are determined on a monthly basis and published as a bulletin. In the published bulletin, the general summary of that month's topic, its importance for our company and what is expected from us are expressed. The visuals created for the topic of the month are reflected on the screens of all employees as a computer background.

## Recruitment

In the recruitment process, where the first contact with employees is made, the Company acts transparently with a gender-neutral CV approach and a non-discriminatory perspective, and proceeds in line with the Company's core values of Sensitivity, Dynamism and Touching Life. The recruitment process starts with job postings published on the Company's internal portals, website and career pages, and continues with the evaluation of candidates based on skills, experience and competence measurement criteria, and is completed with Personality Inventory and General Aptitude tests. In addition, open positions are posted under the Career Opportunities heading every Monday so that employees can take a look at new career opportunities in the Company and group companies and give their careers a new and different direction.

## Employee Engagement and Satisfaction

Çates Electricity Generation welcomes new employees with a "Welcome Package" and says "hello" to newborn babies with a "Welcome Baby Package". In line with the outputs of the employee satisfaction surveys conducted in the past years, the Company identified areas for improvement, created action plans and implemented them during the period. In this context, fulfilling the requirements of reliability, fairness, team spirit and respect criteria, the Company has been certified as a "Great Workplace" according to the reliability survey conducted for 2022.

## Remuneration, Benefits and Performance Management

In light of its Human Resources Policy, Çates Electricity Generation also acts meticulously in its remuneration processes and proceeds with an egalitarian approach. Working with a global and independent remuneration consultant in this field, it manages its processes with a fair remuneration system based entirely on performance analysis. This way, the Company ensures that no discrimination is made against employees on the basis of gender, language, religion, race, sect, belief, nationality, marital status and similar reasons, and provides a working environment where employees feel safe in this context. Within the scope of remuneration processes, an increase was made at the beginning of 2024 in order to protect employee wages against inflation. Again during the year, a second wage adjustment was made due to the continued rise in inflation. Çates Electricity Generation offers a wide range of fringe benefits to its employees, including private health insurance, annual performance bonuses, position-based vehicles, phones, laptops, meals, gifts on New Year's and special occasions, seniority awards, marriage and birth awards, and ensures that all employees benefit from these rights equally. Çates Electricity Generation sets targets for its employees within the scope of their duties, responsibilities and competencies and pays premiums as a result of annual evaluations. In doing so, it proceeds with a structure that motivates, reassures and egalitarianizes employees throughout their careers. In the evaluation processes, issues such as basic competencies and depth of technical knowledge are taken into account.

## Internship Programs

In 2024, Çates Electricity Generation provided internship opportunities to approximately 50 students, enabling them to step into professional business life. They are supported to prepare them for business life with both orientation trainings organized before their internship and practical trainings provided during their internship..

## Working Model

Çates Electricity Generation, which completed the transformation of its information technology infrastructures on the axis of digitalization before the COVID-19 pandemic in order to achieve optimum efficiency and increase its competitiveness, quickly adapted to the new working order that emerged with the innovative ways of doing business. In this manner, the company has transformed into a more dynamic and innovative organization together with its employees, while also reinforcing its claim to lead the future of the sector. With its hybrid working system, saying #WeForEnergy, it has developed a unique working model that focuses on team spirit, agility and leadership.

## Training

Çates Electricity Generation implements a Training Policy that oversees the development of its employees and aims for them to work more efficiently in line with the Company's goals and objectives. The determination of employees' training needs, planning and implementation of training activities, keeping all training records and the effectiveness of training evaluation principles are meticulously monitored. In line with the potential of each employee, trainings compatible with their needs in technical, professional and personal development are planned. As a result of the cooperation with the Aydem Academy training platform established with the learning management system infrastructure, which is one of the digital transformation steps, our employees have had the chance to access more than 8000 trainings online from anywhere at any time. On online training days, employees are supported to ensure maximum benefit from the training.



# Human Resources

## Employee Information

The number of employees of the Company for the period ending on December 31, 2025 and on December 31, 2024 is shown in the table below:

GENDER BREAKDOWN	December 31, 2024			December 31, 2025		
	TOTAL	FEMALE	MALE	TOTAL	FEMALE	MALE
<b>White Collar</b>	54	11	43	58	14	44
Engineer	16	2	14	17	3	14
Administrative Staff	38	9	29	41	11	30
<b>Blue Collar</b>	327	2	325	337	2	335
Operation Technicians	171	2	169	172	2	170
Maintenance Technicians	156	-	156	165	-	165
<b>Total</b>	<b>381</b>	<b>13</b>	<b>368</b>	<b>395</b>	<b>16</b>	<b>379</b>

As of December 31, 2025, the Company employs 395 personnel, of which 17 are engineers, 41 are administrative personnel, 172 are operation technicians and 165 are maintenance technicians. The increases in the number of personnel in the relevant periods are due to the completion of the missing personnel.

AGE BREAKDOWN	As of December 31 <sup>st</sup>									
	2024					2025				
	TOTAL	18 - 39	40 - 49	50 - 59	60 and over	TOTAL	18 - 39	40 - 49	50 - 59	60 and over
<b>White Collar</b>	54	32	15	4	3	58	34	17	4	3
Engineer	16	10	3	1	1	17	11	3	2	1
Administrative Staff	38	22	12	2	2	41	23	14	2	2
<b>Blue Collar</b>	327	156	113	50	8	337	159	120	48	10
Operation Technicians	171	73	61	34	3	172	73	59	35	5
Maintenance Technicians	156	83	52	16	5	165	86	61	13	5
<b>Total</b>	<b>381</b>	<b>188</b>	<b>128</b>	<b>54</b>	<b>11</b>	<b>395</b>	<b>193</b>	<b>137</b>	<b>52</b>	<b>13</b>

EDUCATION BREAKDOWN	As of December 31 <sup>st</sup>									
	2024					2025				
	TOTAL	Secondary Education	High school	Associate Degree	Undergraduate and above	TOTAL	Secondary Education	High school	Associate Degree	Undergraduate and above
<b>White Collar</b>	54	1	4	7	42	58	1	5	7	45
Engineer	16	-	-	-	16	17	-	-	-	17
Administrative Staff	38	1	4	7	26	41	1	5	7	28
<b>Blue Collar</b>	327	6	265	45	11	337	9	269	47	12
Operation Technicians	171	1	146	17	7	172	1	146	17	8
Maintenance Technicians	156	5	119	28	4	165	8	123	30	4
<b>Total</b>	<b>381</b>	<b>7</b>	<b>269</b>	<b>52</b>	<b>53</b>	<b>395</b>	<b>10</b>	<b>274</b>	<b>54</b>	<b>57</b>

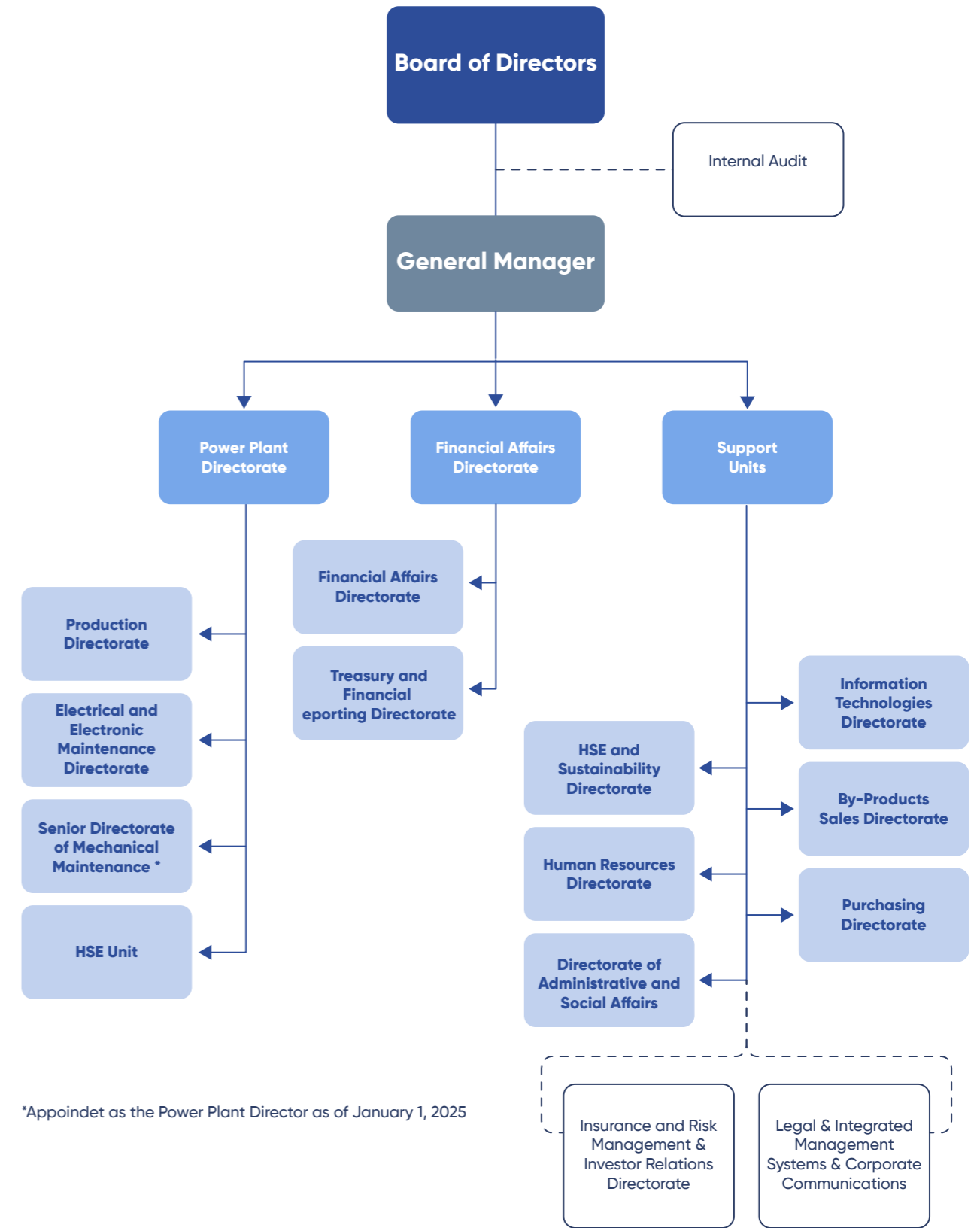
# Human Resources

**As of December 31, 2025, 337 employees of the Company are union members.**

The Company has not experienced any significant disputes or problems related to the recruitment or retention of its employees. There has been no significant suspension or interruption in the Company's operations due to any labor dispute or personnel dispute. The Company has not experienced any strikes since the employees working in electricity generation activities are prohibited from going on strike in accordance with Article 62 of the Law No. 6356 on Trade Unions and Collective Bargaining Agreements. Blue-collar employees who worked in the subcontractor companies of EÜAŞ, which operated the Power Plant before privatization, and who started to work in the Company after privatization, have filed lawsuits for differential receivables. In these lawsuits, the plaintiff workers have filed lawsuits claiming that there exist court decisions requesting the determination of collusion that they should receive the wages of EÜAŞ workers within the scope of their pre-privatization work, and that the wages they are entitled to within the scope of these finalized decisions are vested rights, and that they should be paid over these wages after privatization. The court of first instance ruled for the dismissal of the case and the plaintiffs have filed an appeal and the relevant files are under appeal review. In the additional protocols to the collective bargaining agreement signed with the Turkish Energy, Water and Gas Workers' Union during the transfer phase, the Company's workers were divided into four groups, and the wages of the workers transferred from the public sector and the workers who started working for the Company after the transfer were determined differently. Currently, there are workers within the Company body who are categorized as before and after the transfer, who do the same job, have the same title, but receive different wages. As long as this distinction exists in collective bargaining agreements, there is a risk that lawsuits for differential wage claims may be filed, but this risk will be eliminated if these lawsuits, which are in the appellate review and concluded in favor of the Company, are finalized in favor of the Company after passing the review of the higher court.

The Company does not believe that the relevant lawsuits will have a significant negative impact on its operations.

# Organization Chart



## Information Technologies

The Company receives information technology services from Aydem Holding and information systems services from GDZ Enerji Yatırımları A.Ş.

Digitalization improves data quality and facilitates traceability. With traditional methods, data collection and analysis can be time-consuming and error-prone. By using digital platforms, data can be collected automatically and monitored in real time. This improves data quality and accelerates the detection of errors. At ÇATES, digitalization is a part of our business continuity. By collecting and analyzing data digitally, it is possible to continuously monitor and manage the power plant operations.

Constantly evolving technological advances and information security are critical in production processes. The digitalization and automation investments we have made at our power plant allow us to generate energy more efficiently and sustainably. Thanks to these investments, we optimize our production, use our resources more effectively, and achieve efficiency and cost savings. With the integration of our automation systems, we monitor the status of our equipment in real time and ensure business continuity by detecting possible malfunctions in advance.

We aim to maximize occupational safety by minimizing operational risks with the data analytics brought in by automation.

In order to make full use of the advantages of digitalization, we support the importance we attach to information security with the ISO 27001 Information Security Management System. At ÇATES, we continuously review our information security strategies, implement the latest, most up-to-date cyber security protocols and train our employees in this regard.

Çates Electricity Generation's 2025 information technology efforts focused on digitalization, strengthening infrastructure and cyber security. The Information Technologies Directorate continued to develop digital transformation practices on this axis and to introduce new applications to business units in line with the Company's technology needs.

We are implementing an effective Corporate Information Security Management System within the framework of the ISO/IEC 27001 Information Security Management System standard in order to use the advantages of digitalization in a secure manner. With the implemented practices, the Company's compliance with regulations has been enhanced and steps have been taken to support the existing structure for information security, protection of personal data and confidentiality of corporate data. We continuously review our information security strategies and protect our systems with the latest, most up-to-date cyber security technologies.

Our top priority is to ensure the confidentiality, integrity and accessibility of data, which is one of our most important assets. We carry out all the controls related to technical and administrative measures in the environments where data is obtained, processed, transmitted and stored.

The Information Technologies Directorate continued to ensure that the Company's business units are provided with the technology products required by the age with appropriate and correct corporate hardware and solutions by accurately analyzing the end-user needs. End-user support was provided 24/7 to prevent interruptions in users' processes through on-site and remote support activities.

Again, during the year, the Company's needs were analyzed on-site and business processes were internalized to ensure that technology requirements and needs were correctly identified. In line with these determinations, necessary work was carried out in corporate applications, security and infrastructure.

In 2024, the Information Technologies Directorate will continue to shape its activities with the main focuses of cyber security, uninterrupted communication and sustainability, and support all the stakeholders by commissioning up-to-date applications for technology needs and new digital transformation demands from business units.

It will continue to follow solutions related to the energy sector that provide benefits on a global scale, to work for hardware, applications and solutions that will be beneficial for the Company, and to support the implementation of globally accepted operational applications in our Company.

The Information Technologies Directorate aims to increase the level of maturity by adding new ones to infrastructure improvements and security solutions, to ensure secure and uninterrupted communication between our production facility and central units, to provide business units with the hardware to access their processes from any point, and thus to increase the added value generated for the Company.



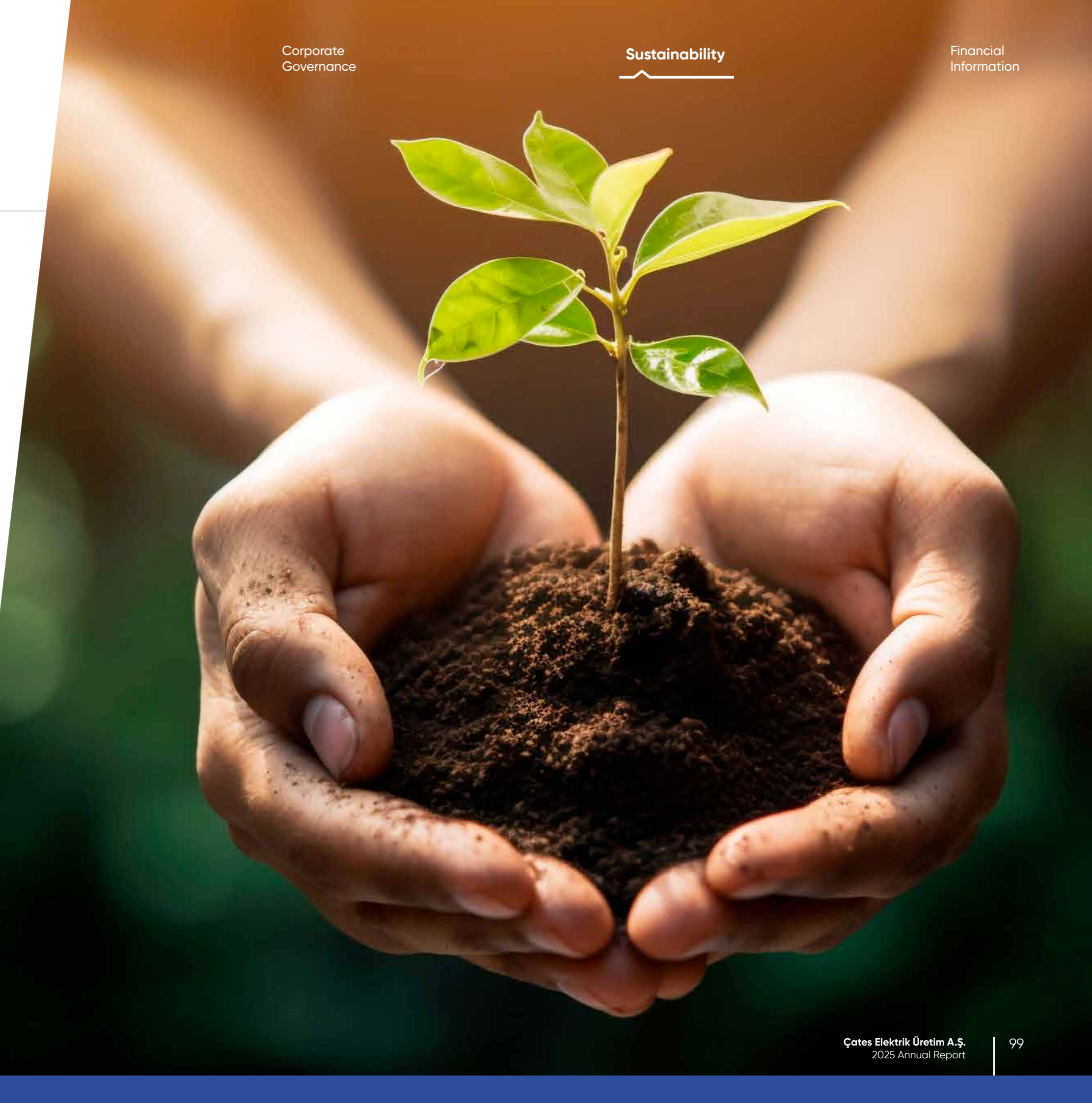
## Research and Development Activities

It is not available.

## Sustainability Principles Compliance Framework

The "Sustainability Principles Compliance Framework" includes the basic principles that publicly traded companies are expected to disclose while conducting their Environmental, Social and Corporate Governance (ESG) activities.

**General Information:** The Company publishes the details of its sustainability-related information in the Sustainability Report in June every year, and the information published in the Sustainability Report covers the data of the previous year.



# Sustainability Principles Compliance Framework

	COMPLIANCE STATUS	DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION ( Page Number, Menu name on the website)
<b>A. General Principles</b>			
<b>A1. Strategy, Policy and Targets</b>			
A1.1	X	The Board of Directors determines environmental, social and governance (ESG) priority issues, risks and opportunities.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 22-31, 59
A1.1	X	The Board of Directors establishes ESG policies (For example: Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) and declares to the public	The relevant policies are included on the website and in the 2024 Sustainability Report. <a href="https://www.cates.com.tr/en/policies">https://www.cates.com.tr/en/policies</a>
A1.2	X	The short and long term goals in line with ESG policies are declared to the public.	It is disclosed in the 2024 Sustainability Report, without specifying the period. 2024 Sustainability Report - Page 36,42
<b>A2. Implementation/Monitoring</b>			
A2.1	X	The committees and/or units responsible for the implementation of ESG policies as well as the highest-level person in charge of ESG issues and their duties are determined and publicly disclosed	It is disclosed in the 2024 Sustainability Report. Integrated Annual Report 2025, Page xx
A2.1	X	The responsible committee / unit reports the activities carried out within the scope of the policies to the Board of Directors at least once a year.	The Board of Directors has Audit, Corporate Governance, Early Risk Detection, Investment, and Sustainability committees, which hold regular meetings in a coordinated manner.All committees report directly to the Board of Directors. 2024 Sustainability Report - Page 15
A2.2	X	Implementation and action plans in line with the ESG targets are formed and declared to the public	Partially disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 36,42
A2.3	X	The scope of ESG Key Performance Indicators (KPI) and relevant indicators are announced on a yearly basis.*	Levels of achieving KPIs on a yearly basis are not shared. 2024 Sustainability Report - Page 36
A2.4	X	Activities that improve sustainability performance in business processes, products, and services have been disclosed to the public.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 34-37, 55-66
<b>A3. Reporting</b>			
A3.1	X	Information regarding the performance of the Incorporation in terms of sustainability performance, targets and activities are included correctly and adequately in the annual report	It is disclosed in the 2024 Activity Report.
A3.2	X	Information about its activities on which of the United Nations (UN) 2030 Sustainable Development Goals are related to has been disclosed to the public by the Incorporation.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 57
A3.3	X	Information about the important lawsuits filed and/or concluded in ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public.	The Company has not become a party to any lawsuit. 2024 Sustainability Report - Pages 13, 16-18, 22, 39
<b>A4. Verification</b>			
A4.1	X	ESG Key Performance metrics of the Incorporation have been verified and publicly disclosed by an independent third party organization	Greenhouse gas calculations have been verified. It is disclosed in the 2024 Sustainability Report. 2023 Sustainability Report - Page 1, 35
<b>B. Environmental Principles</b>			
B1	X	The Company has disclosed its policies and practices in the field of environmental management, action plans, environmental management systems (known with ISO 14001 standard), and programs to the public.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 13, 34-37, 55
B2	X	The scope of the report, the reporting period, the reporting date, and the limitations regarding the reporting conditions were disclosed to the public regarding the environmental reports prepared to provide information on environmental management.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 4
B3		Stated in A2.1.	
B4	X	Environmental targets included in the rewarding criteria within the scope of performance incentive systems based on stakeholders (such as members of the Board of Directors, managers and employees) have been disclosed to the public.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 36
B5	X	How priority environmental issues are integrated into business targets and strategies has been disclosed to the public.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 22,59
B6		Stated in A2.4.	
B7	X	How environmental issues are managed and integrated into business targets and strategies throughout the company's value chain, including the operational process, suppliers and customers has been disclosed to the public	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 22-31
B8	X	Whether the environment organizations and non-governmental organizations are involved in the policy-making processes or not, and the collaborations with these institutions and organizations have been disclosed to the public.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 33,58
B9	X	In the light of environmental indicators (greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Indirect energy), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity impacts), comparable information on its environmental impacts are disclosed to the public	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 67
B10	X	Standards, protocols, methodologies, and reference year details used to collect and calculate data are disclosed to the public	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 34-37

	COMPLIANCE STATUS	DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION ( Page Number, Menu name on the website)
B11	X	The status of the environmental indicators for the reporting year (increase or decrease) in comparison with previous years has been described.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 67
B12	X	Short and long-term targets to reduce environmental impact are set and these targets are announced together with information on their progress in relation to the goals set in the past years	Partially disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 36
B13	X	The strategy and actions to combat the climate crisis are announced.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 33
B14	X	In order to prevent or minimize the potential negative impact of products and/or services on the environment, programs or procedures have been established and disclosed to the public.	The relevant policies are included on the website and in the 2024 Sustainability Report. <a href="https://www.cates.com.tr/en/sustainability/hse-and-sustainability">https://www.cates.com.tr/en/sustainability/hse-and-sustainability</a>
B14	X	Actions for reducing greenhouse gas emissions of third parties (e.g. suppliers, subcontractors, dealers, etc.) are taken and these actions have been disclosed to the public.	No activities are being carried out for third parties regarding the subject.
B15	X	The environmental benefits / profits and cost savings provided by projects and initiatives carried out to reduce environmental impact are announced.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 44
B16	X	The total energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling) data are announced as Scope-1 and Scope-2	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 34-35
B17	X	Information on electricity, heat, steam and cooling generated and consumed in the reporting year is provided	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 43
B18	X	Efforts to increase the use of renewable energy and transition to zero or low-carbon electricity have been made and disclosed to the public	Partially disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 33
B19	X	The renewable generation of energy and the usage data are announced.	The company does not generate renewable energy. Usage data for renewables has not been disclosed to the public due to incomplete information regarding the exact proportion.
B20	X	Energy efficiency projects are realized and the amount of energy consumption and emission reduction gained by means of these studies are announced.	Partially disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 34-36
B21	X	The amount of water withdrawn, used, recycled and discharged from underground or above ground, its sources and procedures are reported.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 37, 43
B22	X	Explains whether the operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).	2024 Sustainability Report is publicly available. 2024 Sustainability Report - Pages 23,33, 40
B23	X	The carbon credit information accumulated or purchased during the reporting period is announced.	Since there are no accrued or purchased carbon credits, this information has not been shared.
B24	X	If carbon pricing is applied in the company, details are disclosed.	There is no publicly disclosed carbon pricing activity within the Company.
B25	X	Platforms where the Company discloses environmental information is announced.	2024 Sustainability Report is publicly available.

# Sustainability Principles Compliance Framework

	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION ( Page Number, Menu name on the website)
	YES	PARTIAL	NO	NOT APPLICABLE		
<b>C. Social Principles</b>						
<b>C1. Human Rights and Labor Rights</b>						
C11	X				Corporate Human Rights and Labor Rights Policy is established in which full compliance with the legal framework and legislation regulating the human rights and business life in Türkiye, ILO Conventions that are ratified by Türkiye and the Universal Declaration of Human Rights is committed. Roles and responsibilities associated with the implementation of the policy are determined and announced	It is disclosed in the Human Resources Policy on the website. <a href="https://www.cates.com.tr/en/policy/human-resources">https://www.cates.com.tr/en/policy/human-resources</a>
C12	X				Considering the supply and value chain effects, the Company includes fair workforce, improvement of labor standards, women's employment and inclusion (such as nondiscrimination on women, men, gender, religious belief, language, ethnicity, race, age, disability, refugee etc.) in its policy regarding the labor rights.	It is disclosed in the Human Resources Policy on the website. <a href="https://www.cates.com.tr/en/policy/human-resources">https://www.cates.com.tr/en/policy/human-resources</a>
C13	X				Precautions taken throughout the value chain regarding the consideration of specific economic, environmental, and social factors such as low-income groups, women, or minority rights/ opportunities have been disclosed to the public.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 60-63
C14	X				Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced labor and child labor are reported.	It is disclosed on the website and in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 60-63 <a href="https://www.cates.com.tr/polinkolor">https://www.cates.com.tr/polinkolor</a>
C15	X				Investment in employees (training, improvement policies), compensation, vested benefits, right to unionize, work/life balance solutions and talent management issues are included in employee rights policy.	It is disclosed in the Human Resources Policy on the website. <a href="https://www.cates.com.tr/en/policy/human-resources">https://www.cates.com.tr/en/policy/human-resources</a>
	X				Dispute resolution processes are determined by creating mechanisms for employee complaints and dispute.	It is disclosed in the Code of Ethics and Code of Conduc document on the website. <a href="https://www.cates.com.tr/en/policy/code-of-ethics-and-working">https://www.cates.com.tr/en/policy/code-of-ethics-and-working</a>
			X		The activities carried out to ensure employee satisfaction during the reporting period are announced.	Efforts are underway to ensure employee satisfaction, and this metric is being measured; however, these efforts have not been disclosed to the public.
C16	X				Occupational health and safety policies are established and declared to the public.	It is disclosed on the website and in the 2024 Sustainability Report. 2024 Sustainability Report - Page 62 <a href="https://www.cates.com.tr/en/policy/occupational-health-and-safety-policy">https://www.cates.com.tr/en/policy/occupational-health-and-safety-policy</a>
	X				The occupational accidents, measures taken to maintain health, and accident statistics are announced	2024 Sustainability Report is publicly available. 2024 Sustainability Report - Pages 62,63,68
C17	X				Protection of personal data and data security policies are established and disclosed to the public.	It is disclosed on the website. <a href="https://www.cates.com.tr/en/policy/information-security-management">https://www.cates.com.tr/en/policy/information-security-management</a>

	COMPLIANCE STATUS				DESCRIPTION	REPORT INFORMATION ON PUBLICLY DISCLOSED INFORMATION ( Page Number, Menu name on the website)
	YES	PARTIAL	NO	NOT APPLICABLE		
C18	X				Ethical policy is established and declared to the public.	It is disclosed on the website. <a href="https://www.cates.com.tr/en/policy/code-of-ethics-and-working">https://www.cates.com.tr/en/policy/code-of-ethics-and-working</a>
C19		X			Activities regarding social investment, social responsibility, financial inclusion, access to financing are revealed	Partially disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 66
C110		X			Information meetings and training programs for employees on ESG policies and practices are organized	Training sessions are organized to inform employees about HSE policies and practices. While general information about the conducted sessions has been shared, detailed breakdowns of the trainings have not been provided. 2024 Sustainability Report - Pages 42, 71
<b>C2. Stakeholders, International Standards and Initiatives</b>						
C21				X	A customer satisfaction policy regarding the management and resolution of customer complaints is established and announced	Although customer satisfaction is not measured, the company's activities are always based on absolute customer satisfaction
C22	X				Information on stakeholders communication (with which stakeholders, on what issue and how often) is announced	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 58
C23	X				International reporting standards adopted for the reporting are disclosed.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 4
C24	X				Principles, signatory and member international organizations, committees and principles on sustainability and adopted by the Company are disclosed.	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 15-19, 66
C25			X		Improvements and activities are conducted in order to be listed in the sustainability indices of Borsa Istanbul and/or international index providers	No additional development or work has been conducted on this matter specifically.
<b>D. Corporate Governance Principles</b>						
D1	X				Stakeholders were consulted in determining measures and strategies in the field of sustainability	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Pages 15-20
D2	X				Efforts have been made to increase awareness about sustainability and its importance through social responsibility projects, awareness-raising activities, and trainings	It is disclosed in the 2024 Sustainability Report. 2024 Sustainability Report - Page 60



# FINANCIAL INFORMATION



## 2025 Dividend Distribution Proposal

According to Article 7 of the General Principles Regarding Dividend Distribution section of the Capital Markets Board (CMB) Dividend Guidelines, the entire amount of dividends planned to be distributed can only be distributed to the extent that it can be covered from the net distributable profit in the statutory records (records kept in accordance with the Tax Procedure Law) or from other sources. In other words, the upper limit for the amount of dividends to be distributed is the distributable amount of the relevant dividend distribution sources displayed in the legal records.

As of the date of this report, there is no decision made by our Company's Board of Directors regarding the distribution of dividends.

## 2025 Dividend Distribution Table

ÇATES ELEKTRİK ÜRETİM A.Ş. 2025 DIVIDEND RATES TABLE					
	TOTAL DIVIDEND DISTRIBUTED		TOTAL DIVIDEND DISTRIBUTED	1 TRY NOMINAL	
	CASH (TRY)	STOCK (TRY)	RATIO (%)	AMOUNT (TRY)	RATIO (%)
GROSS	-	-	0.00	0.000	0.00
NET (*)	-	-	0.00	0.000	0.00

(\*) Net calculation is based on the assumption of 15% income tax withholding.

ÇATES ELEKTRİK ÜRETİM A.Ş. 2025 PROFIT DISTRIBUTION TABLE		
	According to CMB	According to Legal Records
1. Paid in/Issued Capital		165,200,000
2. Total Legal Reserves (According to Legal Records)		-
If there is a privilege in dividend distribution in accordance with the articles of association, information on such privilege		Not available
	According to CMB	According to Legal Records
3. Profit/(Loss) for the Period Before Tax		
4. Tax Expense (-)		
5. Net Profit/(Loss) for the Period (=)		
6. Retained Loses (-)		
7. General Legal Reserves According to Legal Records		
8. NET DISTRIBUTABLE PROFIT FOR THE PERIOD (=)		
9. Donations made during the year (+)		
10. Net of donations for the calculation of the First Dividend		
11. First Dividend to Shareholders		
- Cash		
- Stock		
- Total		
12. Dividend to Privileged Shareholders		
13. Dividends to board members, employees, etc.		
14. Dividend to Redeemed Shareholders		
15. Second Dividend to Shareholders		
- Cash		
- Stock		
- Total		
16. General Legal Reserves		
17. Statutory Reserves		
18. Special Reserves		
19. Extraordinary Reserve		
20. Other Resources Proposed to be Distributed		

## Participation Finance Principles Information Form

You can access our Company's Participation Finance Principles Fact Sheet via the Other Reports menu on our Company's Investor Relations page or via the link of <https://www.cates.com.tr/en/other-raporlar>.

## Statement of Responsibility

ÇATES ELEKTRİK ÜRETİM A.Ş.

STATEMENT OF RESPONSIBILITY PREPARED IN ACCORDANCE WITH ARTICLE 9 OF THE CAPITAL MARKETS BOARD'S COMMUNIQUÉ ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS NUMBERED 11-14.1.

Of the Board of Directors Resolution on the Acceptance of the Financial Statements and Annual Report;

DECISION DATE: 02.03.2026  
DECISION NUMBER: 2026/05

The financial statements for the period of 01.01.2025-31.12.2025 and the accompanying notes thereof, along with the "Solo Statement of Financial Position", "Statement of Comprehensive Income", "Cash Flow Statement", "Statement of Changes in Equity", "Annual (Integrated) Activity Report of the Board of Directors" ("Financial Reports"), "Corporate Governance Compliance Report", "Corporate Governance Information Form", "Participation Finance Principles Fact Sheet" and "Sustainability Principles Compliance Framework" prepared by our Company and reviewed by the Independent Audit Company PwC Bağımsiz Denetim Ve Serbest Muhasebeci Mali Müşavirlik A.Ş. , in accordance with the Capital Markets Board ("CMB") Communiqué Serial numbered II-14.1 titled "Communiqué on the Principles of Financial Reporting in Capital Markets" ("Communiqué"), in compliance with the formats determined by the Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS) and CMB, and in line with CMB regulations;

- Are examined by ourselves,
- To the best of our knowledge within the scope of our duties and responsibilities in our company, does not contain any misrepresentation of the facts on material matters and any omission that may be construed as misleading as of the date of the disclosure, and
- That to the best of our knowledge within the scope of our duties and responsibilities in our Company, the financial statements prepared in accordance with the Communiqué on Financial Reporting give a true and fair view of the Company's assets, liabilities, financial status and profit or loss of the business, and the annual report fairly reflects the development and performance of the business and the financial status of the Company, together with the significant risks and uncertainties it encounters.

We hereby kindly submit it for your information and declare that we are responsible for the statement made.

Sincerely

Chairman of the Board of Directors Aydem Holding A.Ş. (pp) Mehmet Akif GÜL <i>The original's signed.</i>	Vice Chairman of the Board of Directors Rıdvan Edip AKDENİZ <i>The original's signed.</i>	Board Member Baran SALDANLI <i>The original's signed.</i>	Independent Board Member Ayben KOY <i>The original's signed.</i>
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Board Member  
Fatma Elif YAĞLI  
*The original's signed.*

Independent Board Member  
Kemal USLU  
*The original's signed.*

## Information on Private and Public Audits Conducted in 2025

Not available.

## Statement on Annual Engagement Report and Annual Activity Report

Pursuant to the Article 199 of the Turkish Commercial Code No. 6102, our Company's Board of Directors has made the following declaration in the engagement report it has prepared regarding its relations with the controlling company and a company affiliated to the controlling company.

All the transactions made between our Company and the controlling company and its affiliated companies in the 01.01.2025 - 31.12.2025 activity period, all measures taken or avoided to be taken for the benefit of the controlling company or its affiliated company as well as the legal transactions made for the benefit of the controlling company or an affiliated company with the guidance of the controlling company in the 2025 activity period were evaluated by our Company according to the circumstances and conditions known to ourselves. We hereby declare that our Company has not incurred any such loss or benefit due to a transaction that occurred under the known circumstances and conditions regarding the 2025 operating period, and that there exists no question of offsetting the benefits or losses obtained by the controlling shareholder.

Chairman of the Board of Directors

Aydem Holding A.Ş. (pp)  
Mehmet Akif GÜL

*The original's signed.*

Vice Chairman of the Board of Directors

Rıdvan Edip AKDENİZ

*The original's signed.*

Board Member

Baran SALDANLI

*The original's signed.*

Independent Board Member

Ayben KOY

*The original's signed.*

Board Member

Fatma Elif YAĞLI

*The original's signed.*

Independent Board Member

Kemal USLU

*The original's signed.*

## Unconsolidated Financial Statements and Private Independent Auditor as of 31 December 2025

You can access the Solo Financial Statements and Special Independent Auditor's Report as of December 31, 2025 on our Company's Investor Relations website, from the Reports tab under the Financial Reports heading or via the link of <https://www.cates.com.tr/en/financial-reports>.



**CONTACT**

**US**



# Contact

## ÇATES Elektrik Üretim A.Ş.

Şahinler Mahallesi Şahinler (Küme Evler) Yatağan Termik Santrali Sitesi  
No: 259/1 Yatağan/Muğla

 Tel: 0372 264 30 50

 Fax: 0372 264 24 21

<https://www.cates.com.tr/en>

All contact information of our Company can be accessed from the General Information-Contact Information tab on our Public Disclosure Platform (KAP) page

<https://www.kap.org.tr/en/sirket-bilgileri/genel/5905-cates-elektrik-uretim-a-s>

### Production Facility Branch Information:

Çatalağzı Thermal Power Plant (ÇATES) Çatalağzı Beldesi Santraller Mevkii Necati Yirmibeşoğlu Caddesi Çatalağzı/Kilimli/Zonguldak

### Investor Relations - Contact:

 Tel: **+90 372 264 30 50**

 E-mail: [yatirimciiliskileri@cates.com.tr](mailto:yatirimciiliskileri@cates.com.tr)

 E-mail: [investorrelations@cates.com.tr](mailto:investorrelations@cates.com.tr)

### Contact Authorities:

Elif Hamlacioğlu Gedik  
Investor Relations Group Director

Merve İmirgi  
Investor Relations Manager & Corporate Governance Committee Member