ÇATALAĞZI
THERMAL POWER PLANT

SUSTAINABILITY REPORT 2025

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Abbreviations

Abbreviation	Description
CDP	Carbon Disclosure Project
ESG	Environmental, Social, and Governance
GJ	Gigajul
GRI	Global Reporting Initiative
IFRS	International Financial Reporting Standards
ISSB	International Sustainability Standards Board
GHG	Greenhouse Gas Emissions
ESRS	European Sustainability Reporting Standards
S&P	Standard & Poor's
MSCI	Morgan Stanley Capital International
POA	Public Oversight, Accounting, and Auditing Standards Authority
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDG	Sustainable Development Goals
CBAM	Carbon Border Adjustment Mechanism
tCO2e	Tons of Carbon Dioxide Equivalent
TCFD	Task Force on Climate-Related Financial Disclosures
TFRS	Turkish Financial Reporting Standards
TSR	Total Shareholder Return
TSRS	Turkish Sustainability Reporting Standards
USA	United States of America

01 Introduction

About the Report

Çatalağzı Thermal Power Plant Inc. (Çates Electricity Generation) 2025 Sustainability Report aims to share the company's sustainability approach and performance, as well as its governance, strategy, and targets regarding climate change risks and opportunities with the public.

The report covers all activities of the company, which has no subsidiaries between 01.01.2025 and 31.12.2025.

The report has been prepared in accordance with the Global Reporting Initiative Standards (GRI Standards) and the United Nations Global Compact Communication on Progress (UNGC COP) requirements.

In addition, the activities of Çates Electricity Generation aligned with the United Nations Sustainable Development Goals (UN SDGs) are presented in the report.

Unless otherwise stated or required by the nature of the content, the expressions "Çates Electricity Generation", "Company", "we", "us", and "our" used in the report cover Çates Electricity Generation.

All stakeholders can share their questions, opinions, and evaluations regarding this report with the company via **surdurulebilirlik@aydemenerji.com.tr**.

Message from the General Manager

Dear Stakeholders,

The year 2025 was a period for the energy sector where uncertainties and transformations intertwined, and resilience was truly put to the test. During this process in which the energy sector holds critical importance in Türkiye, as Çates Electricity Generation, we resolutely maintained our responsibility for reliable and uninterrupted energy generation.

Today, energy supply security stands at the top of the global agenda as one of the most vital pillars of socio-economic development. As the Republic's first thermal power plant, we have been generating energy for our country for 78 years, playing a critical role in our nation's development and in meeting energy needs based on domestic resources.

Base load power plants, with current technologies and resources, serve as the foundational elements of energy supply security for highly populated and developing countries like Türkiye. With full awareness of this responsibility, we focus on maintaining our availability rate at a level aligned with Türkiye's needs, while placing strong emphasis on both power plant modernization and supply chain efficiency. As a result of these efforts, we successfully raised this rate above the sector average to 81.96% in 2024 and 2025. For us, energy supply security and environmental and social sustainability are not a matter of choice, but essential elements that complement one another. Rather than viewing sustainability from a single, narrow perspective, we evaluate it from a much broader viewpoint, shaping our approach and strategy accordingly.

While focusing on energy supply security, we develop our business model into a structure that is fair for society and our employees, and efficient in terms of our country's resources.

We, as Çates Electricity Generation, since the day we were founded, have prioritized social impact while responsibly sharing country's determination regarding energy supply security. We know that financial sustainability alone will never be sufficient.

In this regard, aligning the demands and expectations of the local community and all stakeholders in our operational footprint with our strategy remains our key focus.

The occupational health and safety (OHS) of our employees and contractor our most vital stakeholders is a matter on which we never compromise. Employees' rights arising from the Labor Law and ILO conventions are always under guarantee. To this end, we conducted 509 planned audits in 2025. We planned power plant modernization and maintenance work within the framework of OHS requirements, investing TRY 258,000,000 in this area. Employees received a total of 19,079 person-hours of technical and soft skills training to enhance their competencies.

As we progress on this path, we believe in the importance of transparent communication with our stakeholders and collaborations with the local community, public institutions, and various sectors across ecosystem. While generating the energy Türkiye needs using domestic resources, we build our employment and supply chain together with the community we belong to.

We use domestic resources across all our production processes. In this way, while reducing energy consumption and greenhouse gas emissions arising from logistics processes, we contribute to utilizing Türkiye's resources once again for Türkiye. On the other hand, thanks to the hard coal we use, we generate electricity with higher efficiency and lower emissions compared to other domestic coal power plants.

An important tool for environmental sustainability is the development of circular business models. We, as Çates Electricity Generation, we integrate resource efficiency and circularity into our business model.

As a significant example of industrial symbiosis in Türkiye, the fly ash generated as a result of our production processes is used as a secondary raw material in the cement sector through collaborations developed with stakeholders from different sectors. In this way, while process emissions in the cement sector are reduced, our waste is also diminished. Furthermore, costs are lowered for both sectors. We also continue our various initiatives regarding industrial symbiosis.

To reduce our water consumption, we implemented reverse osmosis systems through our work conducted in 2024 and 2025.

We also created rainwater harvesting areas. In this way, we made our generation more efficient and reduced its environmental impact. These steps both decreased our environmental footprint and increased our production efficiency.

As Türkiye's first thermal power plant, we are proud to be a part of our country's future just as we are a part of its past. I would like to express my gratitude once again to all our colleagues, business partners, and valuable shareholders who add value to Çates Electricity Generation's present and future.

Sincerely,

Rıdvan Edip AKDENİZ
Member of the Board of Directors, General Manager

Developments in 2025

Global Developments

In 2025, the continuation of the slowdown observed in the US economy during the last quarter of 2024 served as a decisive factor in global growth, while domestic demand growth driven by stimulus measures in the Chinese economy and the ongoing strong growth momentum in the Indian economy came to the fore as balancing elements. Accordingly, global growth in the first half of the year materialized at 3.4%, close to the levels recorded in 2024.

The most significant development shaping the global economy during this period was the shift in the US foreign trade policies. Tariffs targeting a limited group of countries and sectors in the early months of the year quickly expanded their scope, becoming a decisive element in the global trade system. As a result of retaliatory measures taken by major trading partners, protectionist tendencies gained strength; although trade volume remained active due to front loaded purchases, downward pressure mounted on trade volume along with investment expectations. The partial postponement and rate reductions of tariff plans in subsequent months provided temporary relief in trade and financial conditions; however, ongoing uncertainties kept risks to the global trade outlook alive. Escalating tariff tensions increased volatility in financial markets; expected normalization steps in monetary policies were delayed in some developed countries, while temporary shifts were observed in capital flows toward emerging markets.

According to the International Monetary Fund's (IMF) World Economic Outlook (WEO) Report estimates published in October 2025, the global economy is expected to grow by 3.2% in 2025 and 3.1% in 2026, following a 3.3% growth in 2024.

The Turkish economy exhibited a strong growth performance in 2025 compared to the global economy attempting to recover. Thus, during the 2024-2026 period, global growth will continue on a path that is lower compared to pre-pandemic averages, yet stable.

According to the OECD's September 2025 Interim Economic Outlook Report estimates, global growth, following the 3.3% growth in 2024, will materialize at 3.2% in 2025 and 2.9% in 2026 due to increasing tariffs and ongoing policy uncertainty.

According to IMF estimates, growth in advanced economies, which was 1.8% in 2024, is projected to materialize at 1.6% in 2025 and 2026 amid tariff-driven uncertainties. The US economy is expected to grow by 2% in 2025 and 2.1% in 2026, while the Euro Area is expected to grow by 1.2% in 2025 and 1.1% in 2026.

Turkish Economy

Despite weak foreign demand conditions caused by disinflation policies continuing on a global scale in 2024, ongoing geopolitical tensions, and tightening financial conditions, the Turkish economy maintained its resilience. In a balanced growth composition aligned with the disinflation

2024 process, the year as a whole was completed with a growth rate of 3.3%. During this period, measures and reconstruction activities aimed at repairing the damage caused by the previous year's earthquake disaster were continued; in this framework, while construction investments remained strong, fixed capital investments preserved their upward trend, albeit losing momentum compared to the previous year. The rate of increase in private consumption remained limited, and the rebalancing in the growth composition supported the disinflation process with the resolute implementation of tight monetary and fiscal policies throughout the year.

2025 In the first half of the year, the balanced growth composition continuing under the effect of policies prioritizing price stability was maintained; despite the slowdown in the rate of increase in private consumption and the decline in public expenditures, the strong increase in fixed capital investments provided support to growth. On the other hand, ongoing global uncertainties and protectionist tendencies caused net exports of goods and services to make a negative contribution to growth. Within the framework of the Medium-Term Program (2026–2028) targets, the growth rate for the entirety of 2025 is expected to materialize at 3.3%, while the economy is estimated to record a growth rate of 3.8% in 2026.

Within the scope of the implemented economic program, the resolute monetary policy aimed at price stability, macroprudential measures supporting the policy rate, and the ongoing increase in reserves enabled the economy to show resilience against global uncertainties, slowing external demand, and volatile global risk appetite. In this framework, while the Turkish economy continued to grow in alignment with the disinflation process, domestic financial markets also preserved their strong and balanced outlook. With the continuation of the disinflation process contributing to financial stability, Türkiye's credit default swap (CDS) premium fell to the level of 250 basis points, approaching its early 2020 level, while the rising sovereign credit rating supported the positive outlook.

Despite geopolitical and external uncertainties, the stable outlook observed in domestic financial markets strengthened demand for Turkish lira assets, and exchange rate volatility declined, continuing to converge toward the average of emerging market economies (EMEs). Along with these developments, financial risk indicators are closely monitored, and by taking necessary measures in a timely manner, risks are eliminated, thereby ensuring that the market continues to function in a healthy manner.

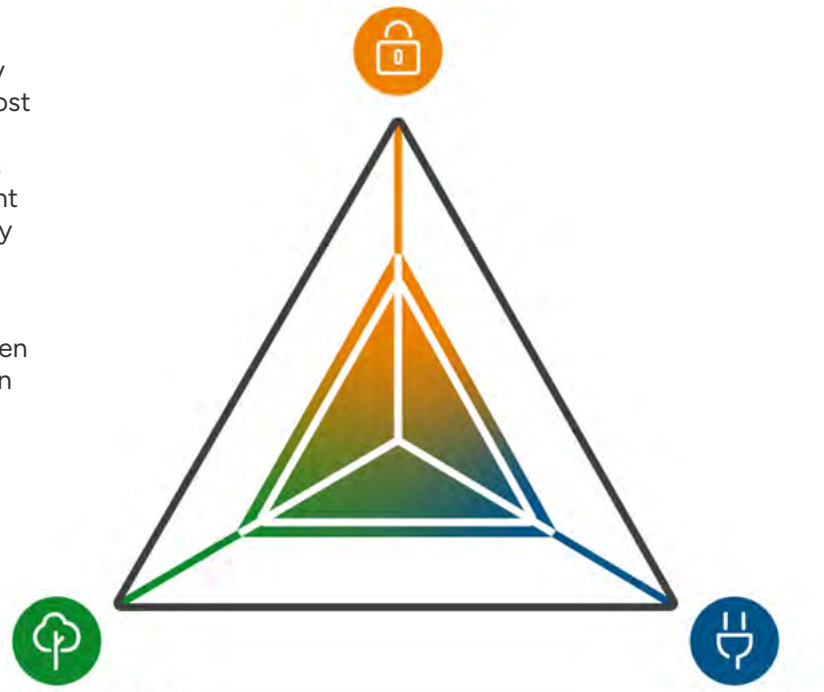
Global Sustainability Agenda

The energy sector worldwide is passing through a period where the delicate balance between energy security, energy equity, and environmental sustainability referred to as the "Energy Trilemma" is being re-established. As the impacts of climate change become increasingly evident, it is clear that the green transition must be accelerated. Production models need to be redesigned. However, progress regarding the finance that needs to be transferred to developing countries for the green transition remains very slow. On the other hand, while geopolitical developments threaten energy security, developing countries once again bear the brunt of this situation.

Türkiye's sustainability agenda is shaped not only by alignment with the Paris Agreement but also by developments regarding the EU Green Deal, its most important export market. Regulations under the Green Deal directly and indirectly affect exporters as well. In particular, the Carbon Border Adjustment Mechanism (CBAM) is a regulation that will directly impact the operational costs and profitability of exporters.

Although there has been a partial softening in Green Deal regulations via omnibus packages, the Carbon Border Adjustment Mechanism (CBAM) has remained unaffected by this. While this situation may represent a significant advantage for sectors prepared for CBAM, it could lead to a decline in profitability margins and even a loss of market share for sectors and companies that have not yet taken action regarding the green transition.

Another factor shaping Türkiye's sustainability agenda is the ESG (Environmental, Social, and Governance) criteria in the process of accessing international funds. The "green finance"-focused approaches of international financing institutions make reducing emission intensity in energy generation processes and utilizing innovative technologies (carbon capture, biomass integration, etc.) critical.



COP30 and COP31 Agenda

Within the scope of the global sustainability agenda, one of the most decisive organizations is the annual United Nations Climate Change Conference of the Parties (COP).

The main agenda of COP30, held in Belém, Brazil, in 2025, primarily focused on the implementation of countries' Nationally Determined Contributions (NDCs), scaling up climate finance, and strengthening adaptation goals with concrete indicators. Increasing financial flows, particularly for developing countries, and supporting "just transition" mechanisms were among the priority topics.

Furthermore, thematic areas such as adaptation, cities, infrastructure, circular economy, and bioeconomy came to the fore within the scope of COP30; the interlinkages between climate change, biodiversity, deforestation, and the rights of indigenous communities were addressed with greater emphasis. However, the failure to reach a binding consensus on the phase out of fossil fuels stood out as one of the summit's most significant weaknesses. Despite progress made on finance, loss and damage mechanisms, and global emission reduction targets, concrete and binding commitments remained limited.

Another important outcome of the summit for Türkiye was the decision to hold COP31 in Antalya. COP31, scheduled to take place in November 2026, is positioned as an "implementation COP" focusing on the execution of decisions made at previous summits. Energy transition, scaling up adaptation policies, loss and damage finance, and supporting vulnerable countries are among the prominent topics.

Current discussions revolve around accelerating the phase-out of fossil fuels, closing the climate finance gap, and the necessity for countries to convert their commitments into concrete actions. This summit is expected to accelerate the transition from "commitment to implementation" in global climate governance.

The evaluation of new-generation Nationally Determined Contributions (NDC 3.0), closing the emission reduction gap in line with the target to limit global temperature rise to 1.5°C, and substantiating climate finance goals will be addressed. In particular, operationalizing the New Collective Quantified Goal (NCQG) on climate finance agreed upon at COP30 and increasing resource mobilization for developing countries hold critical importance.

Türkiye Sustainability Agenda

The year 2025 marked a milestone for the sustainability agenda in Türkiye, with several major regulations coming into effect.

One of the most critical developments regarding climate policies was the Climate Law, which entered into force in July 2025 Along with its subordinate regulations, this law established a comprehensive framework covering areas such as the reduction of greenhouse gas emissions, the Emissions Trading System (ETS), carbon credits, and offset mechanisms. The secondary regulations that will shape the practical implementation of the ETS and carbon credits are expected to come into effect in 2026.

Meanwhile, the first reports prepared under the Turkish Sustainability Reporting Standards (TSRS), which came into effect in 2024, were published in 2025. During the first two implementation periods, these standards mandate the reporting of the impacts of climate change related risks and opportunities on companies' financials. Starting in 2026, this scope will expand to encompass broader sustainability-related risks.

About Çates Electricity Generation

Starting generation in 1948 as Türkiye's first base-load thermal power plant, Çates Electricity Generation Plant A was decommissioned after completing its economic life in 1982, and Çates Electricity Generation Plant B was commissioned in its place. Incorporating Aydem Holding in 2014, the power plant's efficiency was increased through modernization works.

Generating electricity entirely from domestic hard coal, the plant is located in the region with Türkiye's richest and most efficient hard coal reserves. The plant's proximity to hard coal resources and the logistical advantage provided by its coastal location support uninterrupted coal supply.

Çates Electricity Generation has an installed capacity of 314.68 MW and an annual production capacity of 2,286 GWh. Çates Electricity Generation plays a critical role in ensuring electricity supply security and meets approximately 0.4% of Türkiye's total electricity demand.

Shares of Çates Electricity Generation have been traded on Borsa Istanbul since 2023.

As a base load power plant, Çates Electricity Generation stands out in Türkiye's development across three key aspects:

- Stable and accessible energy is the most critical element in the development process of developing countries Development of a country is not possible without access to stable energy.

  Current technological constraints necessitate positioning thermal power plants which can provide continuous and reliable energy production when renewable energy sources yield variable generation dependent on natural conditions as base load power plants. Base load power plants have the capability to operate 24/7 without interruption as long as the fuel supply is ensured.

  In this regard, as a base load power plant, Çates Electricity Generation holds a significant place in Türkiye's development and energy supply security.

- Çates Electricity Generation utilizes entirely domestic coal in its production. Thus, it reduces dependency on imported fuel and ensures a more effective utilization of energy resources.

- Hard coal is the most efficient type of coal. For this reason, hard coal thermal power plants are relatively more efficient in terms of greenhouse gas emissions. Furthermore, modernization works as well as water and resource efficiency projects carried out after Aydem Energy took over the plant have increased the plant's efficiency while reducing its ecological footprint. Efforts in line with this direction are ongoing.

Shareholding Structure

Direct Shareholders

Shareholder's Name&Surname Trade Name	Capital Amount (TRY)	Share in Capital (%)
Parla Enerji Yatırımları A.Ş.	132,150,000	79.99
Publicly Traded	33,050,000	20.01
Toplam	**165,200,000**	**100.00**

Information Regarding the Direct Shareholding of Parla Enerji Yatırımları A.Ş.

Aydem Holding A.Ş.	100.00	
Total	**100.00**	

Real and Legal Persons Indirectly Holding Shares Exceeding 5%

Ceyhan Saldanlı	96,074,253.27	58.16
Ali Yağlı	31,453,554.92	19.04

Çates Power Generation has no subsidiaries.

Our Values

Sensitivity

While doing our job in the best way possible to carry the institution into the future, we fulfill our responsibilities toward individuals, society, our country, and the environment. While completing our work within the targeted timeframe and quality, we ensure that it is conducted within the framework of business ethics. We adopt a transparent and accountable working style in compliance with procedures and rules. If we encounter an unethical or unfair practice, we make our voice heard. We take into account how our actions affect others.

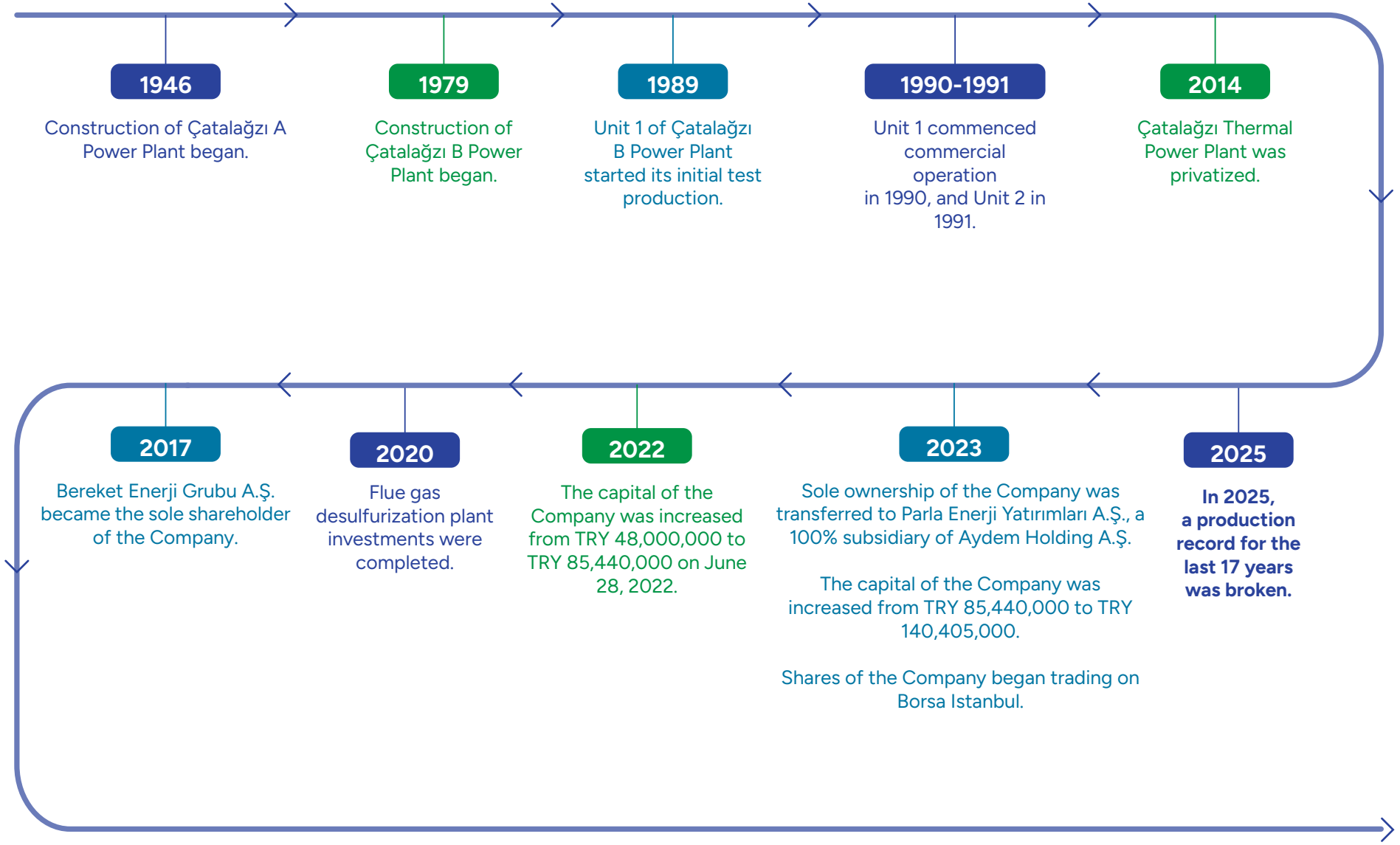
Dynamism

We track the evolving needs of our colleagues and stakeholders in changing conditions, continuously making the necessary developments in our working environment, business systems, products, and services. We lead the electricity sector and shape development and change within the industry through our actions. Driven by our inherent curiosity, we test new ways to deliver products, processes, and services more efficiently, rapidly, and flawlessly.

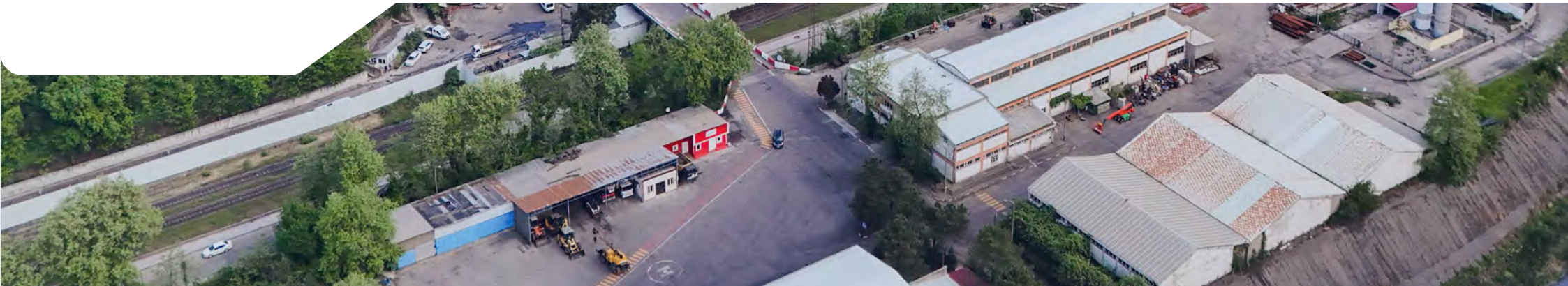
Touching Lives

"People" are at the core of every task we undertake and every step we take. Our continuous development, curiosity, inquisitive spirit, and expertise gained over the years enable us to develop solutions that add energy and value to every moment of life. We empower our colleagues to express diverse ideas, value their social needs, and celebrate their achievements together. We strive to enhance their quality of life by accurately analyzing the needs and expectations of our stakeholders.

Milestones


1946
Construction of Çatalağzı A Power Plant began.
1979
Construction of Çatalağzı B Power Plant began.
1989
Unit 1 of Çatalağzı B Power Plant started its initial test production.
1990-1991
Unit 1 commenced commercial operation in 1990, and Unit 2 in 1991.
2014
Çatalağzı Thermal Power Plant was privatized.
2017
Bereket Enerji Grubu A.Ş. became the sole shareholder of the Company.
2020
Flue gas desulfurization plant investments were completed.
2022
The capital of the Company was increased from TRY 48,000,000 to TRY 85,440,000 on June 28, 2022.
2023
Sole ownership of the Company was transferred to Parla Enerji Yatırımları A.Ş., a 100% subsidiary of Aydem Holding A.Ş.
The capital of the Company was increased from TRY 85,440,000 to TRY 140,405,000.
Shares of the Company began trading on Borsa Istanbul.
2025
In 2025, a production record for the last 17 years was broken.

02 CORPORATE GOVERNANCE



Board of Directors

The highest governing body at Çates Power Generation is the six-member Board of Directors. The Board plays a central role in setting strategic targets, managing risks, and overseeing sustainability performance. The Board, which is guided by a rational and prudent risk management approach, ensures the establishment of necessary mechanisms to align the company's short-term interests with the priorities of both the company and all stakeholders. It regularly reviews the company's governance practices and focuses on sustainable growth by monitoring stakeholder needs.

The six-member Board of Directors, which were elected by the General Assembly, consists of a chairman and five members. Members are appointed for a maximum term of three years. Members whose terms expire are eligible for reelection. The number and qualifications of independent members serving on the Board are determined in accordance with the Capital Markets Board's (CMB) regulations on Corporate Governance Principles. There are three independent members on the Board.

Çates Power Generation adopts the principle of separating executive and supervisory functions. In this scope, the positions of Chairman of the Board and General Manager are held by different individuals within the Company.

The attendance rate for the six Board of Directors meetings held in 2025 was 100%.

Detailed information regarding the responsibilities and operation of the Board of Directors can be accessed in the Working Principles of the Board of Directors.

Member of the Board of Directors

Mehmet Akif GÜL

Chairman of the Board of Directors -
Aydem Holding's Real Person Representative

Mehmet Akif Gül graduated from the Department of Metallurgical Engineering at Middle East Technical University. Mehmet Akif Gül, who started his career in 1980 at Elsan Elektrik Gereçleri A.Ş., which he co-founded as a shareholder, continues to serve as the Chairman of the Board of Directors at the same company.

Mehmet Akif Gül, with 40 years of industry experience, has also served as Vice Chairman of the Board of Directors at Adm Elektrik Dağıtım A.Ş. and Gdz Elektrik Dağıtım A.Ş., both Aydem Energy group companies. He currently serves as General Manager at Elsan and as a Member of the Board of Directors at Tümaş Mermer A.Ş.

Rıdvan Edip AKDENİZ

Member of the Board of Directors,
General Manager

Rıdvan Edip Akdeniz graduated from the Department of Electronics and Communication Engineering at Kocaeli University Faculty of Engineering in 2005. He began his career at Yatağan Yeniköy Power Generation A.Ş., where he held positions as Production Manager, Measurement and Control Engineer, FGD Operations Engineer, and Chief Engineer. He began his career at Aydem Energy in 2014. He served as the Deputy Power Plant Manager at Yatağan Termik Enerji Üretim A.Ş., and subsequently as the Senior Thermal Power Plants Production Planning Manager in 2019.

Rıdvan Edip Akdeniz was appointed as the Power Plant Director of Çates Power Generation in 2021. He became a Board Member of Çates Power Generation in 2023, and has been serving as the General Manager of Çates Power Generation since 2024.

Baran SALDANLI

Member of the Board of Directors

Having gratuated from Yeditepe University, Department of Industrial and Systems Engineering, he completed an Executive MBA program at Sorbonne University. He worked in production at Tümaş Mermer in 2011, in the Project Finance Department at Aydem Renewable Energy in 2013, and in 2014, he served in the Regional Management of Customer Relations Centers at Gediz Perakende, as well as at the General Directorate of Aydem Retail. He managed various projects across Adm Electricity Distribution, Aydem Retail between 2015 and 2018, and Aydem Renewable Energy, joining the holding management within Aydem Energy as of 2018.

In addition to his roles at Aydem Energy, Saldanlı, who also has investments in various sectors, has been serving as a Board Member of Aydem Holding since 2021.

Members of the Board of Directors

Fatma Elif YAĞLI

Member of the Board of Directors

She graduated from Bilkent University, Department of Electrical and Electronics Engineering, in 2005. She began her professional career as an engineer at Aydem Renewable Energy. She served for over three years at Nortel Networks Netaş as a Technical Support Engineer responsible for North America, Europe, the Middle East, and Africa. She held the position of Energy Sales and Trading Manager at Aydem Renewable Enerji between 2010 and 2018. Yağlı, who assumed the role of Board Member at Aydem Holding in 2021, has been serving as the Vice Chairman of the Board of Directors at Aydem Holding as of 2024. Yağlı also plays an active role in shaping Türkiye's energy transition, clean technology investments, and sustainability policies as a Board Member at HESİAD, Vice President of the Board of Directors at GÜNDER, and President of the Board of Directors at YEKÜD, all of which drive the future of the sector.

Kemal USLU

Independent Board Member

Kemal Uslu, who holds a Bachelor's degree in Physics from Gazi University, began his public service career in 1981 and served in various capacities at TEK, TEAŞ, and TETAŞ. Uslu, who took part as a project manager in the restructuring efforts of the Turkish electricity market starting in 2000, served as the Manager of Legislation and Tariffs at TEAŞ, and as the Head of Energy Sales Department and Deputy General Manager at TETAŞ. An expert in information technologies, modeling, short/long-term electricity demand and price projections, wholesale/retail electricity trading, reflecting risk-sharing into contracts, regulated tariffs, and project valuation and feasibility studies, Uslu also served as a member of the special expertise commissions on energy supply security and efficiency for Turkey's 10th and 11th Development Plans, as well as an advisor to the TOBB Turkey Energy Council.

Ayben KOY

Independent Board Member

Prof. Dr. Ayben Koy, who graduated from Istanbul University, Faculty of Economics in 2004, joined Istanbul Commerce University in 2012 following 8 years of professional experience in the finance sector and other industries. Having completed her Master's degree in Business Administration at Yıldız Technical University, Koy earned her Ph.D. title in finance from Istanbul University in 2016 with her dissertation on derivative markets. Koy, who was awarded the title of Associate Professor by the Council of Higher Education in 2018 and the title of Professor in 2024, has published numerous works in Turkish and English in the field of finance, particularly on derivative markets and capital markets. She lectures at undergraduate and graduate levels at universities both in Türkiye and abroad. She also provides consultancy services to businesses in various fields of finance, including financial management, risk management, hedging, and valuation.

Board of Directors Summary

Çates Power Generation aims to offer equal opportunity at all levels, as well as to ensure diversity and inclusion, through its **Diversity Policy**. The Company places great emphasis on a balanced representation of knowledge, experience, competence, and diversity within its Board of Directors.

Board of Directors Female Member Ratio

33%

The Chairman of the Board of Directors and the General Manager are separate individuals.

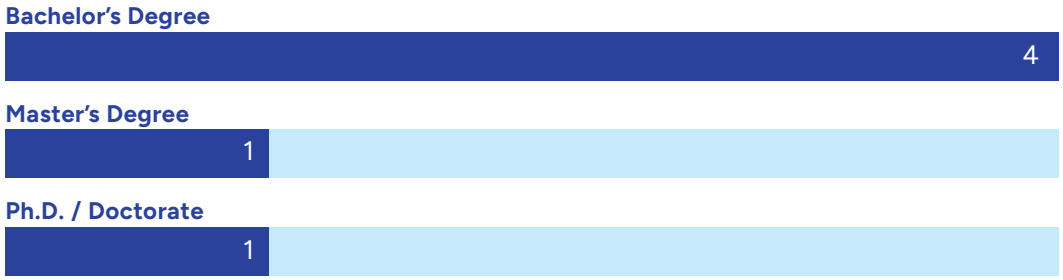
Member of the Board of Directors

Independent Member

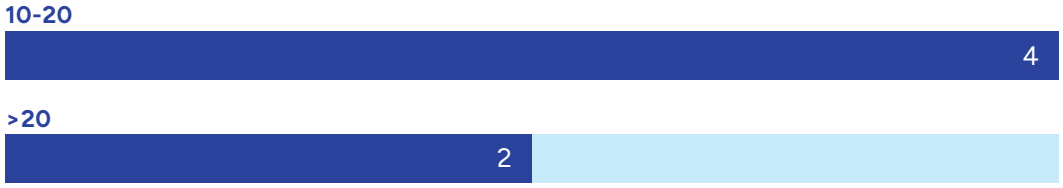
33%

Areas of Expertise

Educational backround (Persons)



Work Experience (Years)



Sustainability Competencies of the Board of Directors and Senior Management

Members of the Board of Directors possess comprehensive knowledge regarding global and national developments in sustainability, as well as the company's sustainability-related risks and opportunities, and ESG agenda topics. To this end:

A dedicated "Sustainability Master Class" training was organized for senior management and members of the Board of Directors in 2024 to enhance their strategic perspective on climate change and sustainability related risks and opportunities. This training covered topics such as corporate risk management, resilience planning, and strategic scenario analysis.

Throughout 2025, current developments in sustainability, global trends, and the impacts of the Climate Law were brought to the agenda during Sustainability Committee and Board of Directors meetings, with regular briefings provided to members within this scope. In preparation for future strategies, the company's sustainability and climate change-related risks and opportunities, ESG ratings, and recent developments were presented to the Board members in December 2025.

In 2025, the General Manager who also serves as the Vice Chairman of the Board of Directors along with the Power Plant Director and the company's HSE and Sustainability team, completed the Sustainability Management Certificate Program at Istanbul Technical University (ITU).

Board of Directors Committees

Corporate Governance Committee and Nominating and Remuneration Committee

Investment Committee

Audit Committee

Early Risk Detection Committee

Sustainability Committee

Committees	Corporate Governance Committee	Investment Committee	Audit Committee	Early Detection of Risk Committee	Sustainability Committee
Meeting Schedule	4 meetings per year	4 meetings per year	4 meetings per year	6 meetings per year	4 meetings per year
Chairman	**Kemal Uslu** (Independent Board Member)	**Mehmet Akif Gül** (Chairman of the Board of Directors)	**Ayben Koy** (Independent Board Member)	**Ayben Koy** (Independent Board Member)	**Gül Cora** (HSE and Sustainability Group Director)
Members	**Ayben Koy** (Independent Board Member)	**Kemal Uslu** (Independent Board Member)	**Kemal Uslu** (Independent Board Member)	**Kemal Uslu** (Independent Board Member)	**Rıdvan Edip Akdeniz** (General Manager)
	Merve İmirgi (Investor Relations Manager)	**Ayben Koy** (Independent Board Member)		**Ahmet Ersoy Önal** (Head of Operations Group)	**Hakan Kızıl** (Power Plant Director)
		Ahmet Ersoy Önal (Head of Operations Group)			**Kemal Uslu** (Independent Board Member)
					Ayben Koy (Independent Board Member)

Corporate Governance Committee

The Corporate Governance Committee consists of 3 members. The committee is chaired by an Independent Board Member. The members and the chairperson are appointed by the Board of Directors.

Operating in accordance with the Corporate Governance Committee Terms of Reference, the Committee meets regularly four times a year, aligned with the Board of Directors meetings. If deemed necessary by the chairperson, interim meetings may also be convened. If considered necessary, the Committee may invite subject matter experts, consultants, and relevant individuals from within or outside the Group to its meetings.

The Investor Relations Manager or a member designated by the Committee fulfills the role of Committee Secretariat, reporting directly to the Committee Chairperson. The Secretariat is responsible for distributing the agenda to the members prior to the meeting, drafting the meeting minutes and resolutions, distributing them to relevant parties, and reporting to the Board of Directors.

It convenes with the simple majority of the committee members and passes resolutions by a majority vote of the members present at the meeting.

The duties and responsibilities of the Committee, as defined in its Terms of Reference, are as follows:

- Ensuring the adoption and implementation of corporate governance principles within the Company,
- Identifying whether corporate governance principles are being applied, detecting any conflicts of interest arising from non-compliance with these principles, and offering recommendations to the Board of Directors to improve practices,
- Examining shareholder complaints received by the partnership and ensuring their resolution. Establishing communication with the relevant committees if the complaint pertains to audit or risk management,
- Conducting studies on other matters requested by the Board of Directors that fall within the scope of corporate governance,
- Developing recommendations to ensure that public disclosures and analyst presentations are made in compliance with **the Company's Disclosure Policy** as well as relevant laws and regulations.
- Ensuring coordination and oversight regarding the execution of corporate governance evaluation and rating activities,
- Informing the Board of Directors on matters falling within its scope of authority and responsibility,
- Documenting and maintaining records of its activities,
- Preparing reports on its studies and recommendations to present to the Board of Directors.

Nomination Committee and Remuneration Committee

The duties and responsibilities of the Nomination Committee and the Remuneration Committee are carried out by the Corporate Governance Committee in accordance with the Corporate Governance Communiqué No. II-17.1 of the Capital Markets Board (CMB).

The duties and responsibilities of the Committee, as defined in its Terms of Reference, are as follows:

- Ensuring the establishment of a transparent system for the selection of senior executives and Board members, and managing the nomination processes,
- Developing policies and strategies for the identification, evaluation, and development of suitable candidates,
- Determining the remuneration principles for Board members and senior executives, and establishing a remuneration structure aligned with the company's management policies through the oversight of performance evaluations,

It encompasses guiding the processes of competency development, training, remuneration, and performance evaluation for members of the Board of Directors and senior executives.

Investment Committee

The Investment Committee consists of 3 members. The committee is chaired by an Independent Board Member. The members and the chairperson are appointed by the Board of Directors.

Operating in accordance with the Investment Committee Terms of Reference, the Committee meets regularly four times a year, aligned with the Board of Directors meetings. If deemed necessary by the chairperson, interim meetings may also be convened. If considered necessary, the Committee may invite subject matter experts, consultants, and relevant individuals from within or outside the Group to its meetings.

The Chief Financial Officer (CFO) of the Company or a member designated by the committee fulfills the responsibility of Rapporteur, reporting directly to the Committee Chairperson. The Rapporteur is responsible for distributing the agenda to the members prior to the meeting, drafting the meeting minutes and resolutions, distributing them to relevant parties, and reporting to the Board of Directors.

The committee convenes with the simple majority of its members and passes resolutions by a majority vote of the members present at the meeting.

The duties and responsibilities of the Committee, as defined in its Terms of Reference, are as follows:

- Evaluating investment decisions against the following criteria and submitting them for the approval of the Board of Directors,
  - Project budgets, financing, and feasibility analyses
  - Strategic planning of the Company
  - Compliance with the Company's sustainability approach and principles alongside financial evaluations
  - Alignment with existing credit and contractual obligations
- Ensuring priority is given to projects with an equity internal rate of return (Equity IRR) exceeding 10%,
- Establishing mechanisms to ensure that investments do not exceed a specified percentage of total asset value and that revenue dependency on a single customer does not exceed 30%,
- Ensuring that the Company operates in accordance with its ESG commitments and approaches during project selection and investment processes,
- Ensuring that no investments are made in projects that could cause harm to UNESCO World Heritage sites or protected natural areas, and that no support is provided to projects involving child labor or forced labor,
- Ensuring the minimization of financial risks in investments
- Identifying ESG risks and opportunities in investment processes in line with the Company's objectives of providing safe and efficient energy supply, as well as regularly monitoring and managing them.

Audit Committee

The Audit Committee consists of 2 members. The committee is chaired by an Independent Board Member. Members are selected from among the independent members of the Board of Directors. At least one of the committee members must have five years of experience in auditing/accounting and finance.

Operating in accordance with the Audit Committee Terms of Reference, the Committee meets regularly four times a year, aligned with the Board of Directors meetings.

The Company's internal audit manager or a member designated by the committee fulfills the responsibility of Rapporteur, reporting directly to the Committee Chairperson. The Secretariat/ Rapporteur is responsible for distributing the agenda to the members prior to the meeting, drafting the meeting minutes and resolutions, distributing them to relevant parties, and reporting to the Board of Directors.

It convenes with the simple majority of the committee members and passes resolutions by a majority vote of the members present at the meeting.

The duties and responsibilities of the Committee, as defined in its Terms of Reference, are as follows:

- Overseeing the selection of the independent audit firm subject to the approval of the Board of Directors, the independent audit process, and the work of the independent auditor,
- Approving annual audit plans,
- Overseeing the performance, effectiveness, and adequacy of internal audit and internal control management systems,
- Submitting written evaluations to the Board of Directors to ensure the accuracy of the Company's annual and interim reports as well as accounting procedures,
- Overseeing compliance with laws and regulations,
- Overseeing the Company's compliance with the Principles Regarding Related Party Transactions, fulfilling the responsibilities assigned to it within the framework of the relevant principles, and specifically being responsible for fulfilling the duties and responsibilities specified in Article 8 of these principles

Early Detection of Risk Committee

The Early Detection of Risk Committee consists of 3 members. The committee is chaired by an Independent Board Member. Committee members are determined by the Board of Directors. The term of office cannot exceed three years, and committee members whose terms expire may be reappointed.

Operating in accordance with the Early Detection of Risk Committee Terms of Reference, the Committee meets regularly six times a year, aligned with the Board of Directors meetings.

The Company's manager responsible for risk management, the legal and compliance manager, or a member designated by the committee fulfills the responsibility of Rapporteur, reporting directly to the Committee Chairperson. The Rapporteur is responsible for distributing the agenda to the members prior to the meeting, drafting the meeting minutes and resolutions, distributing them to relevant parties, and reporting to the Board of Directors.

If considered necessary, the Committee may invite subject matter experts, consultants, and relevant individuals from within or outside the Group to its meetings.

The committee convenes with the simple majority of its members and passes resolutions by a majority vote of the members present at the meeting.

The duties and responsibilities of the Committee, as defined in its Terms of Reference, are as follows:

- Establishing a company-wide enterprise risk management approach, and ensuring the establishment and maintenance of an effective risk management framework,
- Submitting opinions to the Board of Directors to establish internal control systems, including their processes, risk management, and information systems that can minimize the impacts of risks that may affect the Company's stakeholders, primarily its shareholders,
- Conducting studies to determine risk policies and relevant standards and methodologies used in managing risks within the Company, and submitting them for the approval of the Board of Directors,
- Conducting studies to prepare policies defining the Company's risk appetite aligned with the strategic plan and objectives approved by the Board of Directors, and submitting these studies for the approval of the Board of Directors;
- Establishing proposals regarding the indicators and their respective levels within the scope of risk appetite and submitting them for the approval of the Board of Directors; monitoring indicators and presenting results, evaluations, and recommendations to the Board of Directors, when necessary,
- Ensuring the effective implementation of the Company's strategies and risk appetite throughout the company;
- Providing sufficient information to the Board members regarding the risk-generating activities of the company, including strategic management, capital and resource management, risk profile, risk appetite, business operations, financial performance, and reputation, and submitting recommendations to the Board of Directors within this scope,
- Ensuring the maintenance of internal processes, including stress testing where appropriate, to ensure that capital and liquidity levels as well as the asset-liability structure are aligned with the Company's normal and stressed conditions,
- Ensuring the integration of risk management and internal control systems into the Company's corporate structure and business processes;
- Identifying, evaluating, and monitoring existing and potential risk factors that could affect the achievement of Company objectives within the framework of enterprise risk management systematics; determining the principles for managing relevant risks in accordance with the Company's risk-taking profile, and ensuring their application in decision-making mechanisms;

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- Evaluating and approving risk management activities conducted within the Company; informing the Board of Directors and submitting recommendations when necessary;
- Evaluating and proposing risk management strategies regarding risks that will be accepted, managed, shared, or completely eliminated based on probability and impact calculations;
- Evaluating the development and maintenance of management reporting to ensure information is timely, accurate, and fit for purpose;
- Tracking the latest status of audit issues and findings, and evaluating the effectiveness and efficiency of actions taken;
- Overseeing activities related to business continuity management;
- Reviewing risk management systems at least once a year, and ensuring that practices in relevant departments responsible for risk management are carried out in accordance with committee decisions;
- Detecting technical insolvency early, ensuring the Board of Directors is alerted on this matter, and developing recommendations regarding actions to be taken;
- Submitting quarterly reports to the Board of Directors that evaluate the current situation, highlight potential hazards, and offer remedies, while sharing these reports with the independent auditor, audit committee, and internal audit department;
- Preparing an annual evaluation report to serve as the basis for the Board of Directors' assessment of the committee's effectiveness and working principles including its members, meeting frequency, and activities executed to be included in the annual report, and presenting it to the Board of Directors.

Sustainability Committee

The Sustainability Committee operates within the framework defined in the Sustainability Committee Terms of Reference document.

Committee members are determined by the Board of Directors. The Committee consists of at least one Board Member, the General Manager, the Aydem Energy HSE and Sustainability Group Director, and the Power Plant Director. The Aydem Energy HSE and Sustainability Group Director serves as the Chairperson of the Committee. If stakeholder engagement and social impact matters are included on the meeting agenda, the Human Resources Manager and the Corporate Communications Manager are also invited. When deemed necessary, the Committee may invite internal and external experts and consultants to its meetings to receive their opinions.

The HSE and Sustainability Manager or a member appointed by the committee assumes the responsibility of "Committee Secretariat," reporting directly to the Committee Chairperson. Decisions taken during meetings are documented in writing, shared with relevant departments, and reported to the Board of Directors. The Board Secretariat is responsible for the administrative organization of the meetings, distributing the meeting minutes to the Board members, and preserving the resolutions in the resolution book.

The Committee meets every 3 months, aligned with the Board of Directors meetings. * It convenes with the simple majority of the committee members and passes resolutions by a majority vote of the members present at the meeting. All four planned meetings were held in 2025.

Additionally, the HSE and Sustainability Directorate informs the Group Directorate and the General Manager through weekly and monthly reports.

The Committee Chairperson is responsible for ensuring coordination among Committee members and tracking the progress of activities.

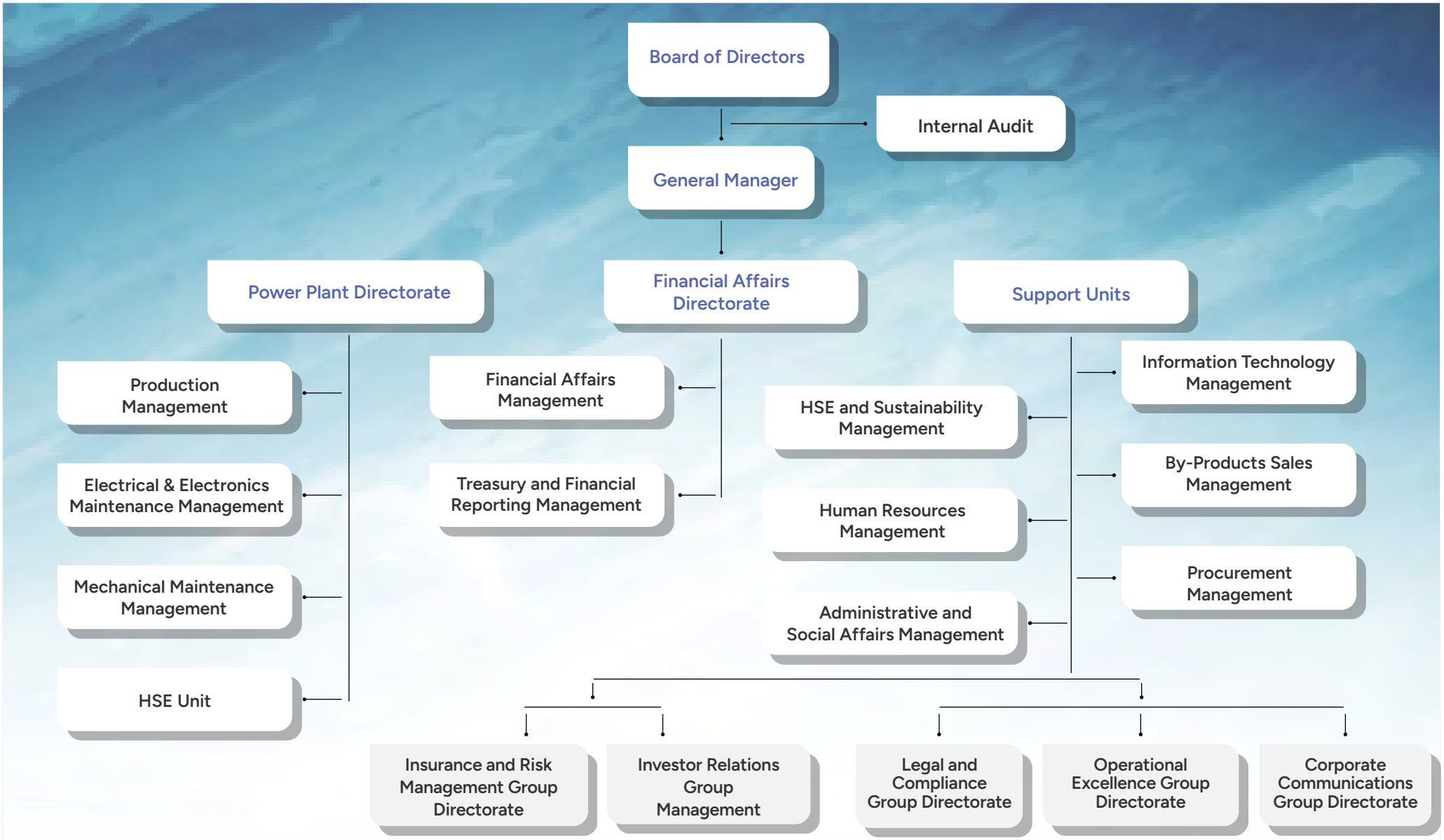
During the 4 Committee meetings held within the reporting year, the effectiveness of actions regarding the sustainability strategy and climate-related risks and opportunities, HSE performance, and projects developed to improve environmental and social impact were evaluated.

The duties and responsibilities of the Committee, as defined in its Terms of Reference, are as follows:

- Managing sustainability priorities, ensuring their integration with the strategy, and tracking targets,
- Reviewing progress and providing guidance on all matters related to sustainability, particularly policies, activities, and processes;
- Prioritizing and managing risks and opportunities arising from climate change,
- Planning activities to understand stakeholder needs regarding sustainability;
- Evaluating feedback related to environmental and social performance, energy consumption, waste management, and environmental and social risks,
- Evaluating plans and taking decisions to realize proposals that will ensure continuous improvement and development in environmental activities,
- Providing guidance for the continuous improvement of HSE performance, including proactive risk prevention, corrective and preventive actions, near miss incidents, unsafe acts and conditions, as well as LTI (Lost Time Injury);
- Providing guidance in building relationships with internal and external stakeholders,
- Evaluating KPI implementations and related matters;
- Tracking activities related to critical success factors;
- Providing support regarding ESG principles, and evaluating risk and opportunity analyses;
- Evaluating efforts to promote the HSE culture, along with planned management walks and audit results;
- Identifying, measuring, tracking, recording, auditing, and reporting the environmental and social risks as well as impact dimensions of the Company's operations;
- Tracking the processes of sustainability reporting and ESG ratings.
- Tools utilized by the Committee in monitoring and reporting sustainability risks include data sets prepared for GRI and TSRS reporting, carbon and water footprint reports, internal and external audit reports, as well as near-miss and hazard notifications. The monitoring and tracking of audit findings and corrective actions are carried out via the QDMS platform. Whether intended results and targets are achieved by the set dates is evaluated on a regular basis. Identified issues are communicated to the relevant departments through the QDMS system, and the status of each action is recorded and tracked within the system.

** As of 2026, the Terms of Reference have been updated to set the regular meeting frequency to once every 6 months.*

Organizational Structure



Corporate Governance Approach

Çates Power Generation aims for full compliance with the Capital Markets Board (CMB) Corporate Governance Principles. In line with this goal, the company focuses on continuous improvement and raised its Corporate Governance Principles Compliance Rating from 8.72 out of 10 in 2023 to 8.86 in 2024.

Having integrated risk management into its decision-making mechanisms, the company acts by evaluating financial, legal, operational, and sustainability-related risks and opportunities within its short-, medium-, and long-term strategies. In accordance with corporate governance principles, the company has separated its audit and executive functions. In line with the principles of transparency, traceability, and accountability, it regularly shares its policies, operations, and performance with the public.

Çates Power Generation has established an Integrated Management System to ensure that its operational activities are carried out in accordance with national and global standards. ISO 14001:2015 Environmental Management System, ISO 9001:2015 Quality Management System, ISO 45001:2018 Occupational Health and Safety Management System, ISO 50001:2018 Energy Management System, and ISO 27001 Information Security Management System standards are implemented with a holistic approach.

Transparency and Accountability

Çates Power Generation has been regularly publishing its annual and sustainability reports since 2022 to meet the expectations of its local and international stakeholders.

Adopting a transparent communication policy, the company has published the policies listed alongside, which were approved by the Board of Directors, **on its official website** on its official website.

Sustainable Development Goal 17: Partnerships for the Goals

Collaborating with public institutions, NGOs, and other stakeholders to support the development of effective energy supply security and just transition policies,

Contributing to the improvement of environmental and social impacts during the transition process through intra-industry and cross-industry partnerships.

Code of Ethics and Working Principles

Çates Power Generation aims to create sustainable value for its stakeholders by conducting all its operations in line with the principles of transparency, traceability, accountability, and fair management. The company considers its business ethics approach as a fundamental element of its corporate culture.

The company has published its code of ethics and working principles, stance on discrimination, as well as its commitments to human rights, diversity, fair management, and inclusion covering all of its management, employees, and business partners in the **Human Rights Policy** and **Code of Ethics and Working Principles** documents.

In line with the policies in question, Çates Power Generation prioritizes global human rights principles arising from the Constitution of the Republic of Turkey and international conventions to which our country is a party across all its activities.

Zero tolerance is applied against discrimination, harassment, and mistreatment. The company aims to promote a working environment respectful of humans and society throughout its entire value chain.

Reporting directly to the Board of Directors, the Internal Audit Unit regularly audits compliance with the Code of Ethics and Working Principles defined within the company, and oversees the effectiveness of control processes with a risk-oriented approach. In the event that a violation of the Code of Ethics and Working Principles is identified, disciplinary procedures are executed.

Ethics Hotline and Ethics Committee

All internal and external stakeholders of the company can submit reports to the ethics hotline through digital forms, email, telephone, and postal mail. In addition to violations of the Code of Ethics and Working Principles, all raised notifications including noncompliance with applicable legislation and human rights violations such as discrimination, mobbing, bullying, and harassment are recorded, and all investigations into the allegations are conducted as soon as possible following the receipt of the report.

The company's practice regarding the ethics hotline is defined in the Code of Ethics and Working Principles document. The ethics hotline can be reached via the address **https://www.aydemenerji.com.tr/etik-hat**, the email address **etik@cates.com.tr**, or the telephone number 0 (850) 575 0 575. The structure of the Ethics Committee is defined in the Disciplinary Practices Procedure.

Reports made to the ethics hotline are forwarded to the Ethics Committee by the Ethics Committee Representative. After the Ethics Committee completes its preliminary review, the investigation process, if deemed necessary, is conducted by the Internal Audit teams. The confidentiality and anonymity of informants are protected, and necessary precautions are taken to ensure that whistleblowers do not fear any adverse consequences for making a report.

In 2025, all reports received by the ethics hotline were meticulously evaluated, and no major non-compliance was encountered.

Combating Anti-Competitive Behavior and Compliance Processes

The company conducts its activities within the framework of integrity, transparency, accountability, and regulatory compliance principles; it regards compliance with competition law not merely as a legal obligation, but as one of the fundamental elements of a sustainable corporate governance approach. The company acts with the awareness that protecting fair competition is a primary condition for market confidence, corporate reputation, stakeholder relations, and long-term value creation. In line with this, competition law compliance processes are conducted under the coordination of the company's Senior Legal Directorate, and company operations are handled with an approach focused on the prevention, early identification, and effective management of risks that may arise from competition law.

In accordance with its **Compliance Activities and Compliance Risk Implementation Policy** ,the Company has integrated compliance and risk management processes into its strategic decision making mechanisms. The company's approach to competition law compliance is structured within a holistic framework supported by relevant internal policies, procedures, and control mechanisms. Within the scope of this framework, new business models, strategic projects, commercial practices, procurement and sales relationships, partnerships to be established with third parties, sectoral engagements, and business development processes are evaluated in terms of applicable competition legislation and relevant sectoral regulations. The primary objective of these evaluations is the prior identification of transactions and practices that could generate legal and administrative risks, the activation of necessary opinion and approval mechanisms, and the continuation of business processes in alignment with the company's ethical business approach.
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The company considers its compliance approach in the field of competition law as part of its sustainability and corporate governance vision. From the company's perspective, competition law compliance is among the indispensable components of being a reliable actor in the market, establishing long-term relationships with stakeholders, and achieving responsible growth.

In 2025, there were no administrative sanctions, judicial penalties, or monetary fines imposed due to non-compliance with competition law and energy market regulations.

Prevention of Conflicts of Interest

Considering the principles of transparency, traceability, and accountability, and in line with the goal of full compliance with the CMB Corporate Governance Principles, the Corporate Governance Committee is tasked with identifying potential conflicts of interest within the company, detecting practices contrary to ethical principles, and offering necessary improvement recommendations. The company operates a proactive control and audit mechanism to ensure that shareholders holding management control and senior executives avoid situations that could secure benefits for themselves and/or their relatives.

Pursuant to the relevant provisions of the Turkish Commercial Code (TCC), Board members can engage in activities that fall under the prohibition of transacting or competing with the company only with the approval of the General Assembly. These processes are transparently reported to the shareholders. Transactions that could lead to conflicts of interest such as issuing loans, extending credit, or providing guarantees in favor of Board members or executives with administrative responsibility by the company are strictly unaccepted.

The Internal Audit function, operating as an independent and objective structure taking its authority directly from the Board of Directors, regularly reports on processes bearing conflict of interest risks and provides reasonable assurance toward the protection of shareholders' rights. Furthermore, sensitive processes such as remuneration and performance management are conducted on the basis of equal opportunity and merit, also leveraging the expertise of independent consultants.

In the reports belonging to the 2025 accounting period, it has been recorded that members of the Board of Directors did not engage in any commercial activity that would compete with the company, and no conflict of interest occurred with institutions from which external services were received, such as investment consultancy.

Tax Approach

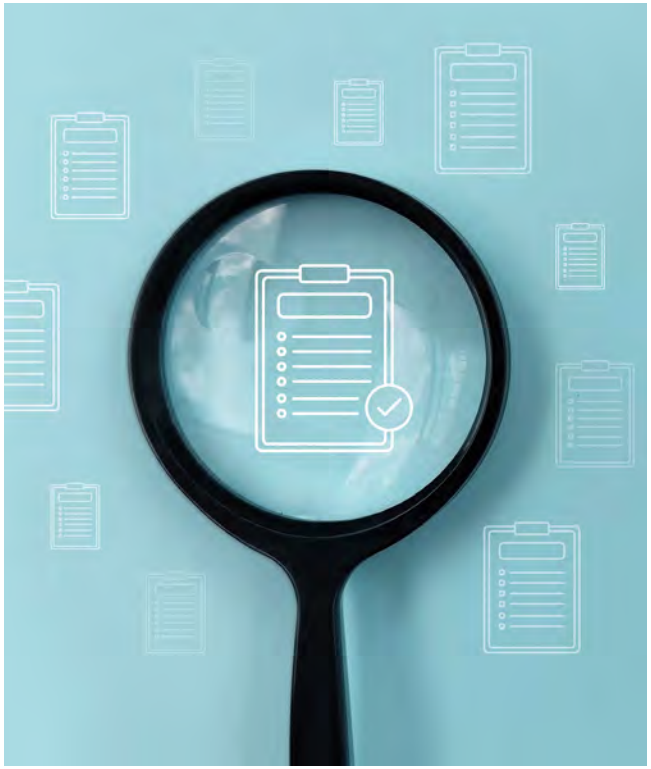
Çates Power Generation fulfills its tax obligations completely by ensuring full compliance with the applicable tax and regulatory legislation. While carrying out its operations in accordance with tax legislation, the company aims to evaluate and effectively manage tax risks.

The Tax and Finance Group Directorate holds a wide scope of responsibility, including the establishment of the tax strategy, management of tax audits, and answering questions originating from stakeholders. Across all its activities, actions are taken within the framework of full compliance with ethical principles and legal regulations. The company's tax processes are regularly evaluated by sworn financial advisors, and its tax returns are audited. Additionally, the company's financial statements undergo an independent audit by independent auditors every year.

All internal and external stakeholders can submit potential concerns regarding the company's tax policies or practices to the company's ethics hotline. In 2025, no administrative and/or judicial penalty was imposed on the company regarding tax legislation.

Anti-Bribery and Anti-Corruption

The company adopts a zero-tolerance approach against all forms of bribery and corruption. The company explicitly rejects all unethical or unlawful behaviors such as bribery, corruption, securing improper benefits, facilitation payments, irregular commissions, abuse of influence, gift and hospitality practices intended to gain advantage, and similar conduct. This approach reflects not only the company's commitment to regulatory compliance, but also its clean business culture, corporate reliability, and sense of responsibility toward stakeholders.



The company's anti-bribery and anti-corruption approach is handled within an integrated compliance system supported by written policies and procedures, risk-based controls, training activities, reporting mechanisms, and audit processes. The rules in question constitute the fundamental compliance standards observed with respect to the governing body, employees, and, to the extent applicable, business partners and third parties. The company's principles regarding the fight against bribery and corruption, as well as the preventive mechanism it has established, are defined within the scope of the **Anti-Bribery and Anti-Corruption Policy** and the **Donation and Aid Policy**.

Employees are expected to avoid any conflict of interest that could affect their impartiality, secure direct or indirect benefits for themselves or their relatives, or create an impression in this direction. In line with this, employees are obligated to fulfill their duties within the framework of independent judgment and integrity principles. Within the scope of the Anti-Bribery and Anti-Corruption Policy, strict rules and limits have been established regarding gifts that may be received or given. These rules apply to all management, employees, and business partners of the company.

Within the scope of the Donation and Charity Policy, the primary objective of donations and sponsorships to which the company is a party is to fulfill social responsibilities, build a sense of corporate responsibility among our shareholders and employees, meet social and societal needs, and provide public benefit. For this purpose, support is also provided for the implementation of projects that will contribute to societal development.

However, making donations and grants that would lead to a departure from the principle of protecting shareholders' rights is strictly avoided. In order to manage bribery and corruption risks effectively, relevant control and evaluation mechanisms are operated. Internal audit and internal control functions play a complementary role in terms of the effectiveness of the anti-bribery and anti-corruption framework, and regular risk analyses are conducted by internal audit teams.

When evaluating anti-bribery and anti-corruption risks; management awareness, field of activity and sector dynamics, product and service types, competitive conditions, legal framework, gifting, travel and hospitality processes, licensing and permitting processes conducted with public authorities, charitable contributions, as well as the transparency of the accounting and financial control environment are taken into account.

All internal and external stakeholders of the company can convey any suspicions, findings, or concerns that may constitute a breach of ethical principles including bribery and corruption through the company's ethical reporting channels. Reporting mechanisms function as an important safeguard for evaluating potential violations at an early stage, conducting necessary investigation processes, and taking corrective or disciplinary actions were deemed appropriate. The company attaches great importance to encouraging good-faith reporting and managing reporting processes within the framework of confidentiality, impartiality, and due care principles.

As of 2025, there are no administrative sanctions, judicial penalties, or monetary fines against the company and members of the Board of Directors related to corruption and bribery.

Enterprise Risk Management

Çates Power Generation **Risk Policy**, It is approved by the Board of Directors, it outlines the company's risk management strategy, general principles, and management guidelines. The implementation of risk management activities is the responsibility of the executive responsible for risk management or the legal and compliance managers. Risk management is fully integrated into daily operations and strategic planning in order to adapt rapidly to volatile market conditions. Risk management policies and processes are regularly reviewed to align with today's changing business conditions and competitive market dynamics. The risk management approach, in addition to minimizing the threats the company may face, provides the opportunity to evaluate opportunities and generate innovative solutions during strategic planning and investment processes. Çates Power Generation's integrated management approach has made risk awareness a part of its corporate culture. Thereby, all operational activities and strategic decisions proceed in line with the company's risk appetite, safeguarding critical elements such as financial performance and reputation within this framework.

Çates Power Generation's plans and policies regarding risk management are under the direct responsibility of the Board of Directors. The Board of Directors has tasked the Early Detection of Risk Committee to ensure the effective implementation of risk management. This committee, which was chaired by an independent Board member, plays a central role in the implementation of risk management strategies. The Committee holds regular meetings at least six times a year, convenes more frequently when necessary, and presents its findings to the Board of Directors.

Çates Power Generation identifies and effectively manages its financial and non-financial risks throughout the value chain in order to protect its assets and competitiveness in the long term, ensure sustainable financial success, and align the interests of all stakeholders.

The company's risk management is fully integrated into daily operations and strategic planning so as to adapt rapidly to changing market conditions. It is approved by the Board of Directors, the Risk Policy defines the company's strategy, general principles, and management guidelines regarding risk management. Risk management policies and processes are regularly reviewed and updated to ensure compliance with current business dynamics and competitive market conditions.

By following a strategy consisting of eight components, existing and potential risks that could affect the company's performance are identified, evaluated, and monitored. In accordance with risk-taking profiles, risk management principles and actions are determined and taken into consideration in decision-making processes. Processes are managed through continuous information sharing and integrated collaboration with relevant units and/or committees.

The management of the company's sustainability and climate change related risks and opportunities is also within the scope of the Risk Policy. Sustainability and climate change related risks and opportunities are executed through the coordinated activities of teams responsible for risk management, compliance, sustainability, and company operations in line with the company's Risk Management practices.

Input is provided to the Early Detection of Risk Committee through the creation of an inventory of sustainability and climate change-related risks and opportunities by the Sustainability Committee; thus, the risks in question are integrated into general risk management processes.

Under the management of the Sustainability Committee, current or prospective legislative changes linked to sustainability, natural disasters, shifting economic dynamics, emerging markets, technological innovations, digitalization, and all other sustainability-related risks beyond these are managed by being classified into six main risk categories. In addition to the Risk Management Methodologies applied regarding these risks, this monitoring mechanism is elevated to a higher level by conducting specialized studies and stress tests focused on climate change and sustainability topics, and actions are determined to mitigate risks.

The six primary risk types included in Çates Power Generation Risk Management Methodology are as follows:

1. Strategic Risks
2. Operational Risks
3. Employment / Safety / Business Environmental Risks
4. Regulatory Risks
5. Market Risks
6. Credit Risks

The risk management approach not only minimizes the threats the company may face, but also provides the opportunity to evaluate opportunities and generate innovative solutions during strategic planning and investment processes Çates Power Generation's integrated management approach has made risk awareness an integral part of its corporate culture. In this manner, all operational activities and strategic decisions are directed in accordance with the company's risk appetite, safeguarding critical elements such as financial performance and reputation within this framework.

Çates Power Generation implements a comprehensive eight-stage risk management strategy:

1. Governance: Risk management policies and procedures are established.
2. Objectives: Company targets are clarified and the alignment of risk management activities is ensured.
3. Event Identification: Potential risks are proactively identified.
4. Risk Assessment: The magnitude and likelihood of risks are evaluated, and risks are prioritized.
5. Action: Effective strategies are developed and implemented for risks.
6. Control: The effectiveness of risk management strategies is monitored through regular audits and evaluations.
7. Information and Communication: Risk management information is shared accurately and in a timely manner, ensuring a transparent flow of information with internal and external stakeholders.
8. Risk Monitoring: The effectiveness of risk management processes is regularly reviewed, and necessary adjustments are made.

All risk management processes are regularly tracked through performance indicators and key risk indicators.

The prioritization of risks is among the fundamental steps of the integrated risk and opportunity identification, evaluation, and management system. Each identified risk and opportunity is evaluated across two primary dimensions: likelihood of occurrence and severity of impact.

Likelihood Evaluation Criteria (1-5):

1. Less frequent than once every five years
2. Once every five years or more frequent; less frequent than once a year
3. Once a year or more frequent; less frequent than once every three months
4. Once every three months or more frequent; less frequent than once a month
5. Once a month or more frequent

Risk değerlendirme sürecinde, aşağıda belirtilen risk seviyesi sınıflandırması esas alınır:

Low

These are risks that have a limited impact on elements supporting the company's objectives and/or values. However, management should monitor these risks and, if deemed necessary, take appropriate actions to prevent the risk level from escalating.

Medium

These are risks that have a limited impact on elements supporting the company's objectives and/or values. However, management should monitor these risks and, if deemed necessary, take appropriate actions to prevent the risk level from escalating.

High

These are risks that have a limited impact on elements supporting the company's objectives and/or values. However, management should monitor these risks and, if deemed necessary, take appropriate actions to prevent the risk level from escalating.

Critical

These are risks that have a limited impact on elements supporting the company's objectives and/or values. However, management should monitor these risks and, if deemed necessary, take appropriate actions to prevent the risk level from escalating.

Risk appetite is defined as the maximum acceptable and approved risk level.

The acceptable risk appetite level is determined by the Board of Directors in line with the recommendations of the Early Detection of Risk Committee and is reviewed at least once a year, or more frequently if deemed necessary. Risk appetite is operationalized through the elements specified below:

- Risk Matrix and risk levels
- Established limits and/or obligations,
- Key Risk Indicator (KRI) tolerance levels

The risk score is calculated by multiplying the probability and impact scores.

Risk Assessment Framework

Risks are measured and monitored in accordance with international standards and legal legislation. At Çates Power Generation, risk management policies are established under the leadership of the Board of Directors and by the Early Detection of Risk Committee, ensuring that risks are managed effectively.

The Committee undertakes the duty to evaluate and provide recommendations on risk management strategies regarding risks that will be accepted, managed, shared, or completely eliminated within the company based on probability and impact calculations.

- **Acceptable Risks:** These are risks that can be managed within the company's operational strategies and minimized through control mechanisms. These risks are integrated into daily workflows and monitored continuously.

- **Unacceptable Risks:** These represent situations that exceed the company's risk tolerance and require more rigorous management strategies. Three main management strategies are implemented for these risks:

  - **Control:** It includes the implementation of appropriate risk mitigation measures to minimize unacceptable risks. Çates Power Generation executes this strategy by developing internal control systems, procedures, and policies. These controls are applied by intervening in the root causes of the risk or by mitigating its impacts.

  - **Risk Transfer** It ensures the transfer of risks through insurance policies, contracts, or agreements made with third parties. This method allows for the reduction of financial risks and the distribution of damage costs.

  - **Avoidance:** It aims to stay away from the source of the risk or completely eliminate it by ceasing risky activities. This approach is generally preferred for activities that carry high costs or reputational risks.

Internal Audit System

Internal audit and control activities carried out within Çates Power Generation provide reasonable assurance regarding the functionality of the mechanisms required to ensure that all company operations primarily operational processes, information systems, risk management, and financial reporting are conducted effectively, adequately, efficiently, and in compliance with existing legal and internal regulations.

Internal audit activities are conducted under the coordination of the Internal Audit and Control Group Directorate within the framework of the Internal Audit Charter and the Audit Committee Working Principles. In order for the Directorate to perform its duties objectively, a structure independent of execution has been established. In line with this, the directorate reports directly to the Audit Committee to provide reasonable assurance to the Board of Directors, shareholders, and other stakeholders.

At the beginning of the year, audit plans are prepared by the Internal Audit and Control Group Directorate and submitted to the Audit Committee for approval. During the year, audits are carried out in line with the approved plans.

In accordance with the 2025 audit plan, 3 internal audit activities, both centralized and on-site, were conducted within the company. The audits conducted revealed that current control activities are of a quality capable of providing a reasonable assurance level. Action plans have been created to ensure the improvement of isolated control deficiencies identified during the audits. Whether the plans in question are implemented on time is periodically monitored and reported to the Board of Directors every three months through the Audit Committee.

03 Sustainability Approach

Sustainability Milestones

2015

Initiation of MRV reporting and verification

2017

Industrial Symbiosis - Installation of fly ash dispatch lines

Commencement of regular fly ash sales

Plant Rehabilitation

2020

Commissioning of De-SO_X and De-NO_X systems

2021

Initial certification for ISO 14001, ISO 45001, and ISO 9001 management systems

2022

Publication of the First Sustainability Report (GRI-aligned)

Carbon Footprint Calculation and Verification (Scope 1, 2, and 3)

Water Footprint Calculation and Verification

2023

LACP Vision Awards

Worldwide Silver Award

Ranked among the Top 50 reports in the EMEA Region

Ranked among the Top 20 reports in Türkiye

2024

Initiation of rainwater harvesting projects

Establishment of the Sustainability Committee

Publication of the Sustainability Policy

2025

Commissioning of Phase 2 of the rainwater harvesting project

Completion of the Reverse Osmosis project

Publication of the First TSRS-aligned (Turkish Sustainability Reporting Standards) Sustainability Report

Çates Electricity Generation's Approach to Sustainability and Strategy

"Sustainable Development" entered the global agenda toward the end of the 20th century and transformed into a global action plan through international treaties signed in the 1990s. It began to be widely used following the 1987 "Our Common Future Report" (also known as the Brundtland Report) by the UN World Commission on Environment and Development. The concept of sustainable development sets "sustainability" as the common denominator in the economic and social development goals of countries.

It consists of three pillars—social, environmental, and economic—and envisages not sacrificing these dimensions for one another, but rather aligning them to be conducted simultaneously.

"Sustainable Development", which has entered the global agenda since the late '80s, points to a development model where today's needs can be met without compromising the ability of future generations to meet their own needs. This approach aims to protect the ecosystem and resources while improving the quality of human life. By adding social and environmental dimensions to the traditional economic development model, it raises development upon three main pillars. Çates Power Generation approaches sustainability from a holistic framework where these three dimensions are not sacrificed for one another, but rather aligned in complete harmony.

One of the most fundamental elements of sustainable development, particularly for developing economies, is a stable, continuous, and reliable energy supply. As one of Turkey's most well-established domestic coal-fired power plants, Çates Power Generation places energy supply security at the core of its sustainability strategy. While ensuring energy continuity, our company simultaneously focuses on reducing environmental impact across the value chain, supporting local employment, and increasing water and resource efficiency. This stable stance makes a critical contribution to enabling Türkiye to manage its green transition process without compromising its economic development goals.

In conducting our operations, we aim to align the common interests of society, our employees, shareholders, suppliers, and all our stakeholders.

In line with our goal of creating long-term value, we shape our business model, investments, and management processes within the framework of the following fundamental elements:

- Efficiently ensuring energy supply security while systematically reducing the environmental impact of operational processes.
- Implementing technological investments that will make energy production more efficient and minimize water consumption.
- Identifying Environmental, Social, and Governance (ESG) risks and opportunities across all investment processes in line with the objectives of secure and efficient energy supply; managing these elements with a strategic approach through regular monitoring.
- Avoiding projects that could harm UNESCO World Heritage sites or protected natural areas; ensuring that no support is provided to any processes involving human rights violations, such as child labor and forced labor.
- Adopting business models that support circularity in waste management and resource utilization.
- Ensuring the occupational health and safety of our employees and business partners at the highest international standards.
- Continuously increasing the contribution made to the regional economy and social development.

ENERGY SUPPLY SECURITY

Circular Economy	Environmental Performance	People-Centric Work Culture	Local Development	Water and Resource Efficiency	ESG Integration and Risk Management	Ethical and Responsible Investment Projects

Value Creation Model

In line with its business strategy and sustainability approach, Çates Power Generation considers contributing to the following United Nations Sustainable Development Goals (SDGs) throughout its operations.

	Input	Main Activities and Projects	Created Value and Outputs	UN SDG's
Financial Capital	• TL 300 million capital • TL 14,980 total assets • 20.01% free float rate	• Base load power plant operation with an installed capacity of 314.68 MW	**Ekonomik Performans** • Net sales revenue of TL 6,500 million • Operating profit of TL 368 million • EBITDA of TL 1.194 billion • Tax and similar duty payments of TL 973 million • Corporate Governance Rating Score of 8.86 • BIST Stars Market	**Decent Work and Economic Growth** • Target 8.2 • Target 8.4
Natural Capital	• Use of domestic hard coal • Use of rainwater	**Environmental Impact and Circularity** • Sale of fly ash to different sectors as a secondary raw material through an industrial symbiosis approach • Rainwater harvesting and recovery projects • Design of floating platforms from waste pipes	**Environmental Gain** • Establishment of the Çates Power Generation Memorial Forest with 10,000 saplings • Savings of 15,000 Euros through the design of floating platforms from waste pipes • Recovery of 234,000 tons of fly ash into the economy through an industrial symbiosis approach	**Responsible Consumption and Production** • Target 12.2 • Target 12.4 • Target 12.5 • Target12.6 • Target 12.a **Life on Land** • Target 15.2 • Target 15.b
Human Capital	• Expert workforce of 395 employees • Occupational Healthand Safety "Golden Rules" culture • Fair and inclusive recruitment policy • 32 newly hired employees • TL 2,124,624 in training expenditure • Fair and performance-based reward system	**Investment in Human Resources** • 19,079 total hours of employee training • Gender equality initiatives under the "Equal Life" program • Leadership Development Program and succession planning projects	**Employee Rights and Safety** • 100% collective bargaining agreement coverage among blue-collar employees • Zero fatal work accident performance • Internship opportunities provided to 50 young talents • An average of 4 hours of training per employee • 4.30% employee turnover rate • 18,276 person-hours of total OHS (Occupational Health and Safety) training	**Gender Equality** • Target 5.1 • Target 5.2 • Target 5.5 **Decent Work and Economic Growth** • Target8.2 • Target 8.4 **Reduced Inequalities** • Target 10.2 • Target 10.4

	Input	Main Activities and Projects	Created Value and Outputs	UN SDG's
Social Capital 	• Strategic coal supply agreement of 500,000 tons annually with TTK (Turkish Hard Coal Enterprises) • Academic collaborations with local governments and universities • 26% local supplier ratio	**Creating Value for Society** • Corporate social responsibility projects with educational institutions • Sustainability and environmental awareness training sessions in primary schools • Turkish Red Crescent (Kızılay) blood donation drives and local relief campaigns	**Social Impact** • 360-degree uninterrupted communication and dialogue channels with stakeholders • Contribution to the local economy through coal procurement and employment generation • Active representation at industry conferences (such as FOCUS 2024)	 **Decent Work and Economic Growth** • Target 8.5 • Target 8.7 • Target 8.8  **Industry, Innovation and Infrastructure** • Target 9.2 • Target 9.5  **Reduced Inequalities** • Target 10.2 • Target 10.4  **Peace, Justice and Strong Institutions** • Target 16.1 • Target 16.2 • Target 16.3 • Target 16.5 • Target 16.6 • Target 16.7 • Target 16.b
Manufactured Capital 	• Heritage as Turkey's first base load thermal power plant • Strategic logistical location along the coastline • Local domestic coal fields	**Security of Energy Supply** • Digital transformation investment with the Distributed Control System (DCS) • Boiler rehabilitation and efficiency improvement works • Flue gas treatment plant investments • Capital expenditure of TL 258,000,000 for maintenance and repair	**Production Efficiency** • Gross electricity generation of 2,034,137 MWh • Overall power plant efficiency achievement of 33.80% • Revenue from fly ash sales of TL 76,207,295 • Equivalent availability factor from a production standpoint: 81.96% • Meeting 0.4% of Turkey's total electricity demand	 **Decent Work and Economic Growth** • Target 8.2 • Target 8.4  **Responsible Production and Consumption** • Target 12.2 • Target 12.4 • Target 12.5 • Target 12.6 • Target 12.a

Sustainability Governance

In order to integrate the sustainability approach into its decision-making processes, Çates Power Generation published its **Sustainability Policy** in 2024. The Sustainability Policy is supported by tailored, topic-specific policies developed for areas such as the Environment, Occupational Health and Safety (OHS), and Human Rights.

Sustainability Policy

- Making the corporate sustainability perspective a company policy and raising awareness in this area among both employees and stakeholders,
- Creating a learning, continuously improving, and sharing organization by placing importance on training and making it continuous,
- Ensuring the implementation and development of quality, environmental, occupational health and safety, and energy management systems and continually improving their effectiveness,
- Reducing waste, recovering materials, preventing pollution, and acting with a sustainable environmental awareness by ensuring the efficient use of process inputs and energy resources,
- Determining business objectives in its activities by taking into consideration the human, economic, environmental, and social aspects of sustainability.
- The Company is committed to ensuring efficiency, continuity, and security in energy generation,
- Carrying out its activities and investments in accordance with ethical rules, as well as considering, measuring, and evaluating their impacts on environmental, social, natural, and cultural heritage,
- Tracking and reporting water consumption, ensuring the efficient use of water, and creating awareness by informing both its employees and stakeholders on this matter,
- Developing sustainability strategies in line with ethical standards while adhering strictly to anti-corruption principles,
- Supporting the social and economic development of society and local stakeholders, and taking care to prioritize local employment as well as goods and services supplied by local companies to the greatest extent possible,
- Enhancing employee loyalty and well-being to achieve sustainable productivity, and working to build a more efficient working environment,
- Offering equal opportunities to its employees to drive sustainable productivity and strengthen organizational commitment,
- Serving the community and maintaining active cooperation with a strong sense of social responsibility,
- Allowing no room for discrimination among employees under any circumstances, and ensuring equal rights for all personnel regarding employment and related opportunities.

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Adhering to the sustainability approach in the company's decision-making processes and improving its environmental and social performance are monitored by the Sustainability Committee appointed by the Board of Directors. Detailed information regarding the Sustainability Committee can be found in the Board of Directors section of this report.

Matters such as the implementation of the sustainability strategy, the evaluation of sustainability risks and opportunities, carbon and water footprint reporting, the preparation of sustainability reports, and the tracking and enhancement of OHS (Occupational Health and Safety) performance are managed by the HSE (Health, Safety, and Environment) and Sustainability teams. Operating under the General Manager, this team reports to the Sustainability Committee on sustainability performance, risks and opportunities, and the impact of corporate operations across the value chain.

Environmental matters and regulatory compliance, the monitoring of greenhouse gas and pollutant emissions, IRD (Environmental Declaration/Reporting) disclosures, water footprint tracking, waste reduction monitoring, and environmental impact analyses are managed by the company's Environmental Directorate in coordination with the power plant management. The Directorate reports directly to the General Directorate.

04 Double Materiality

DOUBLE MATERIALITY

While developing its business strategy, Çates Power Generation evaluates its environmental and social impact across the value chain, as well as its sustainability risks and opportunities. In this direction, the Company utilizes the Double Materiality Analysis.

Double Materiality refers to the evaluation of sustainability issues by companies through a two-way impact perspective, representing one of the core concepts of the European Sustainability Reporting Standards (ESRS) developed by EFRAG (European Financial Reporting Advisory Group). According to EFRAG, double materiality requires a sustainability topic to be assessed simultaneously in terms of Impact Materiality and Financial Materiality.

1. Impact Materiality

Evaluates whether the company's activities generate significant (material) positive or negative impacts on the environment and society.

2. Financial Materiality

Evaluates whether the same issue creates significant (material) risks or opportunities for the company's financial position, financial performance, or future cash flows.

Within the scope of the Double Materiality Analysis, the company has followed these steps:

- Identification of the value chain,
- Identification of stakeholders and stakeholder engagement,
- Determination of material topics,
- Environmental and social impact analysis,
- Evaluation of sustainability risks and opportunities, and identification of those above the financial materiality threshold

Determining Organizational Context and Value Chain Mapping

Companies' environmental and social impacts, along with sustainability-related risks and opportunities, do not stem solely from their direct operations; they can also influence the company's operational activities and financial performance through the supply chain, business relationships, and market conditions. Therefore, to comprehensively and holistically evaluate impacts, risks, and opportunities, it is first necessary to define the company's value chain and analyze how elements of the value chain are affected by corporate activities, as well as how they impact the company's sustainability performance.

The operational boundaries of the company were established as the initial step in order to assess the actual and potential impacts of Çates Power Generation alongside its sustainability-related risks and opportunities. In this regard;

- The company's direct operations,
- Business lines projected to be included within the scope of activity as a result of new investments,
- Upstream and downstream value chain elements

have been included in the evaluation.

In line with the value chain analysis, a stakeholder map was created, and relevant stakeholder groups were identified.

The company's direct operations encompass the processes executed under its direct control within the scope of energy generation, maintenance, repair, and operational activities. Within the technical design limits of the power plant, Çates Power Generation efficiently utilizes domestic hard coal to generate electrical energy and contributes to Turkey's security of energy supply.

The upstream value chain covers the procurement of hard coal and other raw materials required to execute direct activities, as well as processes related to equipment, material, logistics, and service purchasing.

The downstream value chain, on the other hand, spans the processes from transmitting the generated electrical energy into the national transmission and distribution infrastructure to delivering it to end consumers.

Value Chain

UPSTREAM VALUE CHAIN

Ecosystem Services

Çatalağzı Thermal Power Plant fundamentally relies on natural resources such as coal and water in its value creation process. This dependency on resources directly dictates the power plant's operational continuity, cost structure, and environmental impacts.

Resource Extraction and Processing

The extraction of coal utilized as fuel in electricity generation within the scope of mining operations, alongside its processing through crushing, screening, and enrichment procedures to prepare it for thermal power plant usage.

Suppliers

Suppliers of thermal power plant equipment and auxiliary facilities, selected through a comprehensive evaluation process.

Shareholders and Investors

Stakeholders who provide equity capital to ensure that Çatalağzı Thermal Power Plant can maintain its ongoing operations.

Banks and Financial Institutions

Stakeholders providing debt capital to ensure that Çatalağzı Thermal Power Plant can maintain its ongoing operations

Regulatory Institutions and Regulators

Public institutions and governmental authorities regulating the energy value chain

OPERATIONS

Thermal Power Plant

The thermal power plant, which was located in Zonguldak Çatalağzı, features an installed capacity of approximately 314 MWe and holds an annual electricity generation capacity of around 2,286 GWh.

Commercial Operations

Sales of byproducts generated as a result of the electricity production process, such as fly ash, bottom ash, and slag.

Energy Trading

Teams executing transactions across Day-Ahead, Intraday, Balancing, and related wholesale power markets.

Auxiliary Services

Construction, engineering, maintenance, repair, and other supporting services (such as logistics).

DOWNSTREAM VALUE CHAIN

Transmission, Distribution and Retail

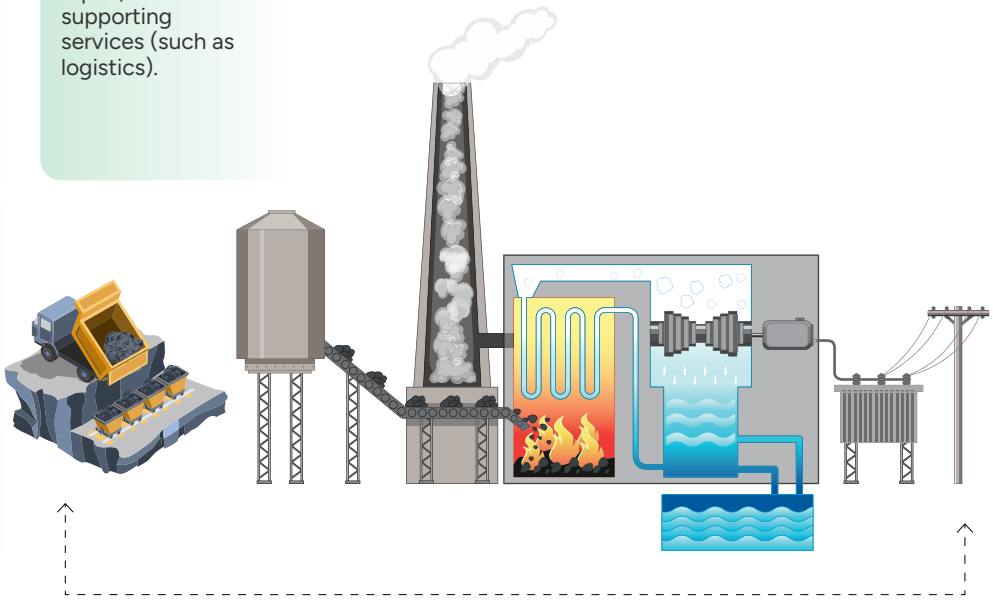
Institutions and entities responsible for the transmission, distribution, and retail sales of electricity.

Industrial Customers

Cement and iron-steel manufacturing facilities utilizing by-products such as fly ash, bottom ash, and slag resulting from the electricity generation process as raw materials or additives.

End-Users (Households and Commercial Consumers)

Consumers obtaining electricity from the grid via distribution and retail companies, or through bilateral agreements.



Stakeholder Engagement and Management

Çates Power Generation executes a continuous, dynamic, and integrated stakeholder communication mechanism in order to effectively address the needs and expectations of its stakeholders, adapt to changing conditions, and foster a transparent communication environment. Following the mapping of its stakeholders, the Company has established the most suitable and effective communication methods by taking into account the unique characteristics of each stakeholder group. This structured approach plays a critical role in shaping the Company's strategic priorities and operational processes while simultaneously reinforcing collaborations with internal and external stakeholders. The stakeholder communication mechanism is systematically reviewed and updated on a regular basis.

Viewing its employees as one of its primary stakeholder groups, Çates Power Generation maintains interaction with them through multi-faceted communication channels. Direct contact with employees is actively established within the scope of monthly management walk throughs. The union representative also serves as the employee representative, contributing to the transmission of employees' views and expectations to management by participating in monthly Occupational Health and Safety (OHS) Committee meetings.

Employee satisfaction and suggestions are systematically evaluated during these regular meetings. Employees can follow developments within both the company, and the broader group, through the Enport Intranet Platform as well as stay informed about social events and corporate announcements. Email communications and social events further support continuous engagement with the workforce.

Relationships with shareholders and investors are conducted through regular meetings, disclosures on the Public Disclosure Platform (KAP), the Investor Relations website, and other statutory communication channels. Transparent information sharing regarding financial performance, strategic objectives, and significant corporate developments is maintained via General Assembly meetings and real-time information mechanisms.

Furthermore, not only investors and shareholders, but all stakeholders can transmit their inquiries and feedback to the company through these Investor Relations channels. Submitted requests and requests for information are addressed and responded to within an average of three business days.

The Company has been publishing sustainability reports since 2022, in addition to its mandatory regulatory disclosures to strengthen its communication with external stakeholders. Taking these efforts a step further in 2025, the Company published its first sustainability report compliant with the Turkish Sustainability Reporting Standards (TSRS). Furthermore, quarterly activity reports are prepared, and investor presentations along with corporate announcements are made accessible to both local and international stakeholders via the official website.

Great importance is placed on maintaining open and accessible communication with local communities directly impacted by corporate activities. In this regard, local stakeholders are provided with the opportunity to engage in direct dialogue with the power plant management, and community relations are strengthened through social investment projects and strategic partnerships.

Communication with public authorities and local governments is conducted through official correspondence, permitting processes, and periodic reporting. The Company also plays an active role within industry associations and sectoral platforms, contributing to legislative and regulatory development processes, and supporting the reinforcement of public-private cooperation through its policy feedback and strategic recommendations.

Relationships with suppliers and subcontractors are managed in accordance with the Çates Power Generation Sustainable Supply Chain Principles. In addition to tendering and procurement processes, information sharing and mutual development are supported through face-to-face meetings, performance evaluations, supplier assessment surveys, and e-tender systems.

Collaborations conducted with universities, research institutions, and consultants are focused on knowledge sharing, technical development, and innovation. While relationships with financial institutions are maintained through regular meetings and a transparent reporting approach, initiatives undertaken alongside non-governmental organizations, trade unions, and industry associations contribute to generating social utility and building shared value.

Communication activities executed via annual sustainability reports, quarterly activity reports, investor presentations, press releases, industry meetings, and conventions strengthen the relationship of trust established with the company's stakeholders and support its long-term value creation objective.

Stakeholders	Communication Channels	Social events
Employees	Social Events	Ongoing
	Management Walks	Ongoing
	Employee Training	Ongoing
Shareholders and Investors	Board of Directors Meetings	Monthly
	Committee Meetings	Quarterly
	Investor Relations Section of the Website	Ongoing
	General Assembly Meetings	Annually
	Email, Telephone Calls, and Meetings	Ongoing
	Sustainability Report	Annually
Public Institutions and Local Governments	Sustainability Report	Annually
	Activity Report	Annually
	Online and in-person meetings	Ongoing
	Audits	Ongoing
Suppliers and Subcontractors	Sustainability Report	Annually
	Email, Telephone Calls, and Meetings	Ongoing
Financial Institutions	Online and in-person meetings	Ongoing
	Reports	Immediate
Educational and Training Institutions	Online and in-person meetings	Ongoing
	Congresses	Ongoing
Independent Audit and Credit Rating Agencies	Online and in-person meetings	Ongoing
	Reports	Annually
Unions, Civil Society Organizations, and Industry Associations	Sustainability Report	Annually
	Activity Report	Annually
	Online and in-person meetings	Ongoing
Local Communities, Public Opinion	Sustainability Report	Annually
	Website	Ongoing
Media Organizations	Sustainability Report	Annually
	Activity Report	Annually
	Press releases	Ongoing
	Press conferences and face-to-face meetings	Immediate

Stakeholder Prioritization Analysis Results

A total of 110 stakeholders participated in the stakeholder prioritization exercise conducted by Çates Power Generation. The study aims to evaluate the company's priority issues across environmental, social, and governance (ESG) domains in alignment with stakeholder expectations. The survey results reveal that sustainability is not perceived as being limited solely to environmental performance; rather, its social, environmental, and governance dimensions are addressed through a holistic approach.

Participants assigned the highest priority to occupational health and safety practices. Considering the operational structure and working conditions of the energy generation sector, this result demonstrates that a safe working environment stands among the most fundamental expectations. Occupational health and safety is followed by employee rights, diversity, and inclusion, as well as business ethics, transparency, and anti-corruption. This evaluation underscores that sustainability extends beyond managing environmental impacts alone, highlighting that a human-centric approach and a strong corporate governance framework are equally prioritized by stakeholders.

Emerging with the same level of high priority, the topic of water use and water efficiency management indicates that expectations regarding the effective and responsible utilization of natural resources are steadily increasing. In today's world, where the impacts of climate change are felt with increasing severity, the protection and efficient utilization of water resources are evaluated as core elements of both environmental responsibility and operational sustainability.

When evaluated holistically, the stakeholder prioritization study reveals that a safe working environment, the protection of employee rights, an ethical and transparent management approach, and the efficient use of natural resources stand out as primary focus areas in Çates Power Generation's overarching sustainability approach. The findings obtained provided critical input for the company's materiality assessment process and were directly taken into consideration when shaping its strategic sustainability roadmap.

Stakeholder Assessment Results

Priority Ranking	Internal and External Stakeholder Average
Occupational health and safety practices	4.96
Employee rights, diversity, and inclusion issues	4.86
Business ethics, transparency, and anti-corruption	4.84
Water use and water efficiency management	4.84
Energy efficiency	4.83
Waste management and recycling practices	4.74
Corporate governance, risk management, and compliance processes	4.69
Implementation of sustainability criteria in the supply chain	4.67
Community development and corporate social responsibility projects	4.65
Technological enhancements directed toward carbon emission reduction	4.60

Determination of Material Topics

Çates Power Generation evaluates risk drivers, impacts, and dependencies linked to sustainability and climate change within a comprehensive, holistic, and broad framework. In this scope, it addresses both actual and potential, positive and negative impacts on the economy, the environment, and people across the entire value chain including impacts on human rights within an expanded scope.

The Company has leveraged historic events, studies by global and regional industry peers, SASB Sector Guides, ESRS, GRI, S&P, MSCI, and the Sector-Based Implementation Guidance for TSRS 2, alongside expert opinions to determine material topics across its value chain, and evaluated the outcomes of peer benchmark analyses. As an expanded layer of analysis, it has also taken into consideration Türkiye specific localized conditions and sustainability related risks.

Determination of Time Horizons

İClimate change impacts and dependencies on ecosystems expose companies to different risks in the short, medium, and long term. Therefore, risks and opportunities need to be assessed over the short, medium, and long term.

For Çates Power Generation's ESG risk and opportunity analysis, the short term has been defined as 0–1 year, the medium term as 2–3 years, and the long term as 3 years and beyond, directly linked to the planning periods used in the company's strategic decision-making processes.

While the short-term period focuses on setting operational priorities and improving existing processes, the medium-term period encompasses planning investment projects, adopting new technologies, and implementing strategies aligned with sustainability goals adopting new technologies, and implementing strategies aligned with sustainability goals . The long-term period encompasses the implementation of transformation projects across the value chain in line with the company's sustainable growth objectives and the realization of its strategic vision.

For the identified material topics, the potential positive and negative impacts that Çates Power Generation may create across its value chain in the short, medium, and long term have been qualitatively identified.

Impact Materiality Assessment

The identified impacts were assessed by taking into consideration the nature of the potential and actual impacts (positive, negative, or both), the likelihood of their occurring and/or continuing to occur in the short, medium, and long term, and the severity of the impact that may arise on the environment and/or society.

In evaluating the impacts across the identified material topics, in addition to the metrics recommended in the SASB Sector Standards, ESRS, and GRI, local and global environmental and social standards as well as the UN Universal Declaration of Human Rights, ILO Conventions, OECD Guidelines, and the UN Guiding Principles on Business and Human Rights were utilized.

In addition, the outcomes of consultations with stakeholders and stakeholder assessments regarding material topics were taken into consideration.

The results measured through metrics and stakeholder assessments were evaluated in line with expert opinions, and the topics exceeding the impact materiality threshold defined based on the median impact score were prioritized.

Assessment of Sustainability and Climate-Related Risks and Opportunities

What Is a Climate Change-Related Risk and Opportunity Analysis?

The primary objective of climate change risk and opportunity analyses is to ensure that organizations, sectors, or countries are prepared for the impacts of climate change and to integrate these impacts into strategic decision-making processes. However, the financial, operational, and environmental impacts of climate change extend over the long term. Particularly in the medium and long term, the impacts of climate change vary depending on future policy decisions, technological developments, and market conditions.

For complex and long-term issues such as climate change, relying on a single forecast is not sufficient. Therefore, scenario analyses are used in assessments of the impacts of climate change to address potential future developments. Scenario analyses enable different possibilities to be considered systematically and help assess the resilience of existing strategies under different future conditions.

Accordingly, when evaluating the financial analyses of climate change-related risks and opportunities, it should be taken into consideration that the scenarios used measure impacts within the framework of potential future conditions projected by those scenarios.

Climate Change Scenarios

Climate change scenarios are analytical frameworks that describe how the climate system and socioeconomic structures may evolve in the future under different assumptions. Rather than explaining the future through a single linear projection, these scenarios provide consistent sets of assumptions regarding key uncertainties, such as greenhouse gas emissions trajectories, the scope of climate policies, the pace of technological transformation, and economic developments. Companies use these scenarios in their long-term strategic and financial planning processes to test potential risks and opportunities.

The purpose of scenarios is not to produce precise forecasts, but to present different possible futures in a comparable manner. Generally, low-temperature-increase scenarios, in which more stringent climate policies are implemented, and high-temperature-increase scenarios, in which existing policies largely continue and the physical impacts of climate change become more pronounced, are considered together, this enables companies to assess their resilience to different climate and policy conditions.

Modelling the impacts of these scenarios is based on linking global and regional climate projections to companies' operations.

> From a **physical risk** perspective, projected changes in climate variables such as temperature, precipitation, or water stress are translated into business outcomes such as production volumes, operational continuity, asset performance, or maintenance costs.
>
> For **transition risks and opportunities**, potential impacts on revenues, costs, and investment needs are analyzed using scenario-specific assumptions, such as carbon prices, regulatory requirements, technology costs, and changes in demand patterns.

Rather than producing a single outcome for an uncertain future, climate change scenario analyses aim to understand the magnitude and direction of the risks and opportunities that may arise under different conditions.

1st Step:
Selection of Scenarios

The scenarios to be used in the assessment of risks and opportunities should be selected in a manner that represents potential risks and uncertainties as comprehensively as possible. Accordingly, taking into consideration the expectations and guidance of the TSRS Standards and the CDP framework, it was deemed appropriate to assess scenarios in which both potential transition risks and potential physical climate risks are prominent, including a scenario aligned with the Paris Agreement. In addition, the availability of accessible model data was also taken into consideration in the assessment. The scenarios included in the final assessment were selected based on the evaluations conducted by the Sustainability and Risk Management departments.

Risks and opportunities were assessed under six scenarios representing three global warming levels "Low-Emission," "Business-as-Usual," and "High-Emission," namely RCP2.6 and NGFS Below 2°C; RCP3.4 and NGFS NDCs; and RCP6.0 and NGFS Current Policies, respectively. To diversify third-party data sources, the NGFS scenarios were mapped to the RCP scenarios based on the "NGFS Climate Scenarios Technical Documentation v5.0," dated November 2024. In addition to these scenarios, due to data quality and availability considerations, the IEA's Net Zero Emissions by 2050, Announced Pledges, and Current Policies scenarios were also taken into consideration when assessing certain risks and opportunities.

Under **the NGFS Below 2°C (RCP 2.6)** scenario, early, strong, and coordinated policy interventions are envisaged to keep global temperature increases well below 2°C. Within this framework, carbon pricing and regulatory instruments are rapidly expanding, the share of fossil fuels in the energy system is declining rapidly, and low-carbon solutions such as renewable energy, energy efficiency, energy storage technologies, and green hydrogen are being prioritized. Under this scenario, transition risks are high in the short and medium term, while physical climate risks remain relatively limited in the long term. From a macroeconomic perspective, despite initially increasing investment and adaptation costs, a more stable and resilient growth trajectory emerges in the long term.

The NGFS NDCs (RCP 3.4) scenario is based on a world in which countries fully implement their existing Nationally Determined Contributions (NDCs) submitted under the Paris Agreement. Under this scenario, climate and energy policies are gradually strengthened, the share of renewable energy increases, and emissions intensity decreases; however, the pace of transition remains more limited compared to the Below 2°C scenario. This results in the continued presence of fossil fuels in the energy mix for a longer period, while physical climate risks become more pronounced, particularly in the medium and long term. Although technological developments continue to advance around low-carbon solutions, they vary across countries, from a macroeconomic perspective, while transition costs remain at more manageable levels, increasing physical risks and uncertainties place pressure on the long-term economic outlook.

Under **the NGFS Current Policies (RCP 6.0)** scenario, it is assumed that only the policies currently in force will continue, with no additional tightening of climate policies. Under this pathway, emissions remain at high levels, energy systems remain largely dependent on fossil fuels, and the deployment of low-carbon technologies remains limited. As a result, physical climate risks reach their highest levels under this scenario. Extreme weather events, droughts, and rising temperatures have significant adverse impacts on economic activities and infrastructure.

The NGFS NDCs scenario, on the other hand, provides a reasonable middle ground between the most optimistic and the most pessimistic scenarios, as it is based on countries' official commitments and current policy realities, for this reason, it is used as the business-as-usual scenario.

2nd Step:
Identifying Risks and Opportunities

In the process of identifying potential risks and opportunities that could impact the company's financial performance, financial position, and/or cash flows, historic risk and opportunity inventories, SASB sector guidelines, frameworks of ESG rating agencies such as S&P and MSCI, the EU Taxonomy Regulation for physical climate risks, and risk and opportunity disclosures of industry peers were systematically examined.

The identified risk and opportunity drivers, the potential transmission channels through which these drivers could materialize into financial impacts, possible scenario-based changes in these drivers, and the potential qualitative financial impacts these changes could generate across Çates Power Generation's value chain over the short, medium, and long term were comprehensively defined.

3nd Step:
Assessment of Risks and Opportunities

A feasibility analysis was conducted for each identified risk and opportunity driver to evaluate the suitability of qualitative or quantitative scenario analysis methodologies. In this context, the cost of internal and third-party data, modeling approaches, and the maturity of internal modeling capabilities were taken into account, incorporating input and insights from relevant departments and subject matter experts. Internal and third-party data were collected for each risk and opportunity; where primary data was unavailable, the appropriateness of proxy data was evaluated.

For risk and opportunity drivers deemed suitable for quantitative assessment, the methodology was tailored according to the specific transmission channels. Accordingly, the developed models evaluated the potential financial impacts of net risks in terms of absolute monetary values as well as ratios of relevant financial indicators. The outcomes of these modeling should be interpreted not as forecasts or predictions, but rather as an assessment of plausible potential futures. In this context, it should be taken into account that the impacts of all action plans currently taken and/or potentially taken to manage risks may not be fully captured.

When identifying risks and opportunities that could reasonably impact its financial position in the future, the Company leveraged historic events, studies by global and regional industry peers, sectoral guidance, scenario analyses, the SASB Sector Guide, the Climate Disclosure Standards Board (CDSB) Framework Application Guide, and the Sector-Based Implementation Guidance for TSRS 2.

For risks and opportunities where quantitative assessment could not be performed due to insufficient data and/or high levels of uncertainty, a qualitative assessment was pursued, utilizing insights gathered from interviews with subject matter experts alongside desktop research findings based on sectoral and thematic reports.

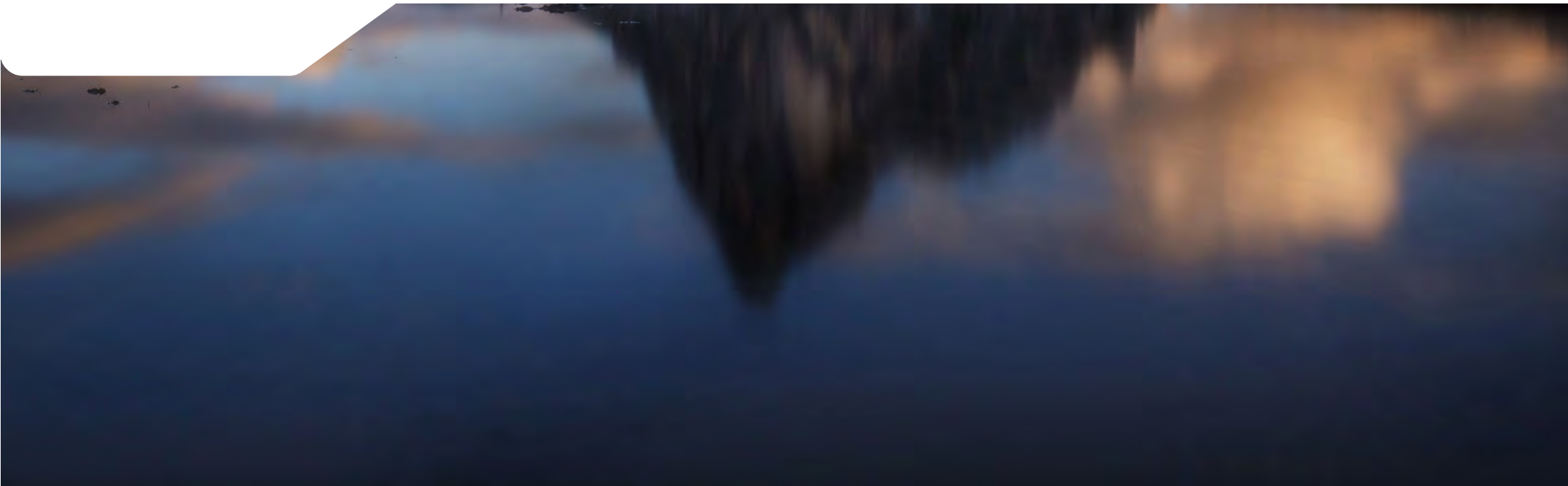
Double Materiality Table

			Upstream Value Chain						Operations			Downstream Value Chain				
Topic	category	Actual / Potential	Ecosystem Services	Resource Extraction and Processing	Suppliers	Shareholders and Investors	Banks and Financial Institutions	Regulatory Authorities and Regulators	Production	Energy Trading	Ancillary Services	Industrial Customers	Transmission, Distribution, and Retail	End Users (Residential and Commercial)	Local Communities	Time Horizon
Climate Change	!	Potential						Carbon Pricing								
Climate Change	−	Actual		Greenhouse gas emissions					Greenhouse gas emissions							
Circular Economy	✓	Actual							Secondary Raw Material Sales			Secondary Raw Material Sales				
Environmental Pollution	−	Actual	Pollutant emissions						Pollutant emissions		Pollutant emissions				Pollutant emissions	
Water	−	Actual							Water Consumption							
Biodiversity and ecosystems	−	Actual	Habitat degradation and land use						Habitat degradation and land use							

! Risk − Negative Impact ✓ Opportunity

Short Term
Medium Term
Long Term

05 Environmental Performance



While carrying out its operational activities, Çates Power Generation bears the responsibility of minimizing its impacts on the environment and supporting the sustainability of natural life. The Company demonstrates full compliance with legal regulations regarding the environment, air quality, energy management, and sustainability; it takes proactive actions beyond mandatory regulatory requirements and develops target-driven projects to reduce its environmental footprint.

Environmental management at Çates Power Generation is executed strictly within the framework of its **Environmental Policy** and **Sustainability Policy** . Activities related to mitigating, managing, and reporting environmental impacts are conducted directly by the Environmental Department, reporting directly to the Power Plant Director. This unit operates in close coordination with the Health, Safety, Environment (HSE) and Sustainability Department, which directly reports to the General Manager.

Çates Power Generation carries out activities aimed at reducing its environmental impact beyond its operational scope, in line with its corporate responsibility approach:

- In 2023, as part of a collaboration with the Foundation for the Development of Forestry and Support for Forest Fire Prevention and Response Services (OGEM-VAK), 10,000 saplings were planted in the Saruhanlı district of Manisa. The project was completed in 2025 under the name Çates Power Generation Memorial Forest. Through each sapling planted, the project has contributed to our country and planet by preventing approximately 100–250 tonnes of CO_2 emissions per year during the initial years. In 2026, a donation of 10,000 saplings is also planned in collaboration with OGEM-VAK.

- Comprehensive training programs were conducted for primary school students to raise awareness of biodiversity and ecosystem conservation. In this context, 4 classes across 4 different schools were reached in 2024, while 4 classes across 3 different schools were reached in 2025; a total of 74 students received sustainability training. In line with our vision of making a stronger contribution to future generations, the scope of the educational programs will be expanded in the coming period, and sustainability awareness will continue to be promoted through the distribution of educational materials such as books and magazines.

Energy Management and Resource Efficiency

Increasing energy efficiency in energy generation is a fundamental part of Çates Power Generation's strategy. The company aims to maximize energy production by using raw materials and other resources as efficiently as possible within the limits of the power plant's design. To this end, electrostatic precipitators were upgraded in 2017, while DENOX and DESOX treatment facilities were installed in 2020. In addition, revision and maintenance works are carried out regularly every year.

As a result of optimization efforts aimed at ensuring uninterrupted and efficient energy generation in power plant operations, Çates Power Generation's production availability rate increased to 81.96% in 2025. This rate reflects the reliability of power plant equipment, the effectiveness of maintenance planning, and the success of improvement processes integrated into the energy management system. Achieving a high availability rate in energy generation is considered a critical priority for sustainable energy management and security of supply.

Çates Power Generation implements a systematic energy management policy aimed at increasing energy efficiency, reducing energy consumption, and minimizing environmental impacts. Energy management is carried out in accordance with the ISO 50001:2018 Energy Management System standard.

The strategic objectives and targets related to energy management set out in Çates Power Generation's **Integrated Management System Policy** are as follows:

1. 1. Conducting current-state energy analyses to identify areas for improvement and ensuring the implementation of projects that will enhance energy performance,

    - Reducing the electricity consumption required per unit of electricity generated,
    - Monitoring and increasing the planned production achievement factor,
    - Monitoring and increasing power plant efficiency.

2. 2. For all purchases that may have an impact on the environment and energy efficiency, requirements are identified and the procurement of energy-efficient products is increased.

Efforts are being carried out to reduce energy consumption.

- LED lamps are used for lighting.
- Heat losses are reduced by improving mechanical installation insulation in industrial facilities.
- The number of electric vehicles used for material transportation within the facility has been increased, replacing diesel-powered vehicles.

Under the Energy Efficiency Specification, ISO 50001, the Energy Efficiency Law, and the Regulation on Energy Performance of Buildings are taken into consideration in all purchases made by the company. The company prioritizes high-efficiency, low-energy-consumption, and long-lasting products in order to reduce energy consumption. As part of the Integrated Management System targets, the company aims to ensure that 85% of purchases comply with the Energy Efficiency Specification.

- Energy-efficient motors categorized under IE4 and IE3 efficiency classes are explicitly prioritized for electric motor applications.
- Low-loss and high-efficiency models are specifically preferred for transformers and industrial pump systems.
- Energy consuming office equipment is systematically selected from Class A rated energy-efficient products, thereby reducing idle power consumption in stand-by modes.
- Comprehensive lifecycle operating cost analyses are rigorously conducted for all energy-consuming equipment assets.
- In 2024, by converting the under-hull water discharge pumps to operate via natural flow, they were successfully decommissioned, achieving a sustainable reduction of 0.3 MW per hour in internal auxiliary power consumption

Management of Greenhouse Gas Emissions

Çates Power Generation manages greenhouse gas emissions within the framework of applicable environmental legislation. Since 2022, the company has also calculated its carbon footprint in accordance with the ISO 14064-1 standard and the GHG Protocol and has had it verified by independent organizations.

The company evaluates its greenhouse gas emissions within the framework of resource efficiency in energy generation, reducing energy consumption, and water management, te key actions taken in this context are as follows:

- Reducing carbon emissions per unit of energy generated by increasing power plant efficiency,
- Monitoring fuel consumption data and developing low-emission generation strategies,
- Ensuring full compliance with legal regulations and sustainability standards,
- Monitoring emissions reduction performance through Management Review (MR) processes,
- Implementing sustainable energy policies by taking into consideration energy security and the impacts of climate change,
- Providing regular training to increase awareness of energy efficiency and ensuring that all stakeholders contribute to the process.

Carbon footprint calculations are carried out in accordance with the ISO 14064-1 standard and the GHG Protocol, and data for 2025 were verified by an accredited certification body in accordance with the ISO 14064-3 standard.

Greenhouse Gas Emissions*	Unit	2024	2025
Scope 1	t CO_2e	1,924,278	2,207,022
Scope 2	t CO_2e	2,543	3,034
Scope 3	t CO_2e	540,267	622,980
Total Emission Intensity*	t CO_2e/ MWh	1.29	1.39

**Total Emission Intensity: It is calculated by dividing the total amount of tCO_2 by gross electricity generation.*

The efforts carried out in line with the energy efficiency targets resulted in tangible gains in the 2025 performance results. The targets set for reducing the amount of heat used per unit of electricity generated were exceeded. The ratio of auxiliary consumption to gross generation was also reduced below the targeted level, thereby demonstrating tangible improvements in energy management by ensuring the continuity of electricity generation at the power plant, Overall power plant efficiency exceeded the planned level, supporting operational sustainability, while the planned production achievement factors also exceeded their targets

Strategic Target	Metric	2024	2025
Monitoring and Improving Power Plant Efficiency	Overall Efficiency (%)	33.87	34.33
Increasing Planned Production	Actual gross production (MWh)	1,906,197	2,034,137

Water Management

Çates Power Generation carries out efforts to reduce natural resource consumption and ensure the efficient use of water. Through projects implemented within the scope of SDG 12 and SDG 13, the company aims to reduce water consumption and minimize its impact on ecosystems.

As part of its water management practices, the company prioritizes areas such as wastewater management, water recovery, and reducing its water footprint. These activities are coordinated by the Environmental Unit and the HSE and Sustainability Departments. Targets aimed at reducing water consumption have been incorporated into the KPIs of these units.

Within the scope of the Water Pollution Control Regulation, the company ensures that wastewater generated as a result of its operations is treated and monitored through regular analyses. Water discharged from existing wastewater treatment facilities is continuously monitored and reported to ensure compliance with legal standards. The environmental impacts of water use and natural resource consumption are assessed through the Environmental Aspect Impact Risk Assessment Table, and an Environmental Impact Assessment (EIA) report is prepared prior to each new activity to analyze potential impacts related to water consumption and use in advance.

The company has been measuring its water management performance based on its water footprint, which has been calculated since 2023. Water footprint reports are verified by an independent and accredited organization in accordance with the ISO 14046 Standard.

Water Efficiency and Water Recovery Initiatives

- Construction of the industrial wastewater treatment plant was completed in 2024, and the plant was commissioned in 2025. The facility enables treated ash water to be incorporated into the existing cooling water system, with the aim of reducing water consumption by 876,000 m³ per year through this method. This helps reduce pressure on natural water resources.
- Rainwater collection channels were installed in buildings, enabling the reuse of rainwater as part of water recovery projects. The project, which was completed for five buildings as of 2024, was expanded in 2025 with the addition of five more buildings.
- Pumps operating with gland seal water were converted to an oil-based system to optimize water consumption. This conversion resulted in total water savings of 45 m³, approximately 15 m³ per pump.
- The reverse osmosis system, for which work commenced in 2025, is planned to be commissioned in February 2026. The investment cost of the system is EUR 165,000.

Water Footprint Unit	Unit	2024	2025
Blue Water Footprint	m³/ year	644,315	668,880
Green Water Footprint	m³/ year	477,784	475,289
Grey Water Footprint	m³/ year	311,775	290,358
Water Consumption Intensity	m³/ MWh	0.34	0.33

Water Consumption Intensity: It is calculated by dividing the total amount of water consumed by gross electricity generation.

Waste Management and the Circular Economy

Çates Power Generation has held a Zero Waste Certificate issued by the Ministry of Environment, Urbanization and Climate Change since 2020. The certificate was updated in 2025. To ensure that waste is managed in a manner that does not harm human health or the environment, a waste management process fully compliant with applicable legislation and regulations is implemented.

The company follows the reduce, reuse, and recycle hierarchy in its waste management practices. In this regard:

- Waste is segregated according to type and collected in accordance with the Zero Waste principles and the ISO 14001:2015 Environmental Management System standards.
- The primary focus is on minimizing waste and, for waste that is nevertheless generated, reusing it with minimal processing wherever possible, and recycling it where reuse is not feasible.
- Records of all waste are maintained, and waste is sent to recovery and disposal facilities holding the required environmental licenses, waste declaration forms are regularly submitted each year through the Ministry of Environment, Urbanization and Climate Change's system.
- In line with the Environmental Unit's KPI targets, the amounts of waste reduced, reused, and recycled are regularly monitored, and individual targets are set each year.

The following measures were taken in 2025 as part of waste management:

- A 120-meter barrier was constructed at the ash pond to prevent floating ash from entering the pumps. In addition, a floating platform was constructed using waste pipe buoys, resulting in savings of more than EUR 15,000.
- As part of the Marine Litter Action Plan, coastal clean-up activities have been carried out annually since 2020 to prevent marine pollution and protect ecosystems. Waste brought to the Çates Power Generation coastal area by storms and waves is collected each year with the participation of employees, thereby minimizing adverse impacts on the ecosystem.
- In 2024, the use of bottled water and plastic cups was eliminated at the power plant as part of efforts to reduce domestic waste and combat single-use plastics.

32.55 tonnes of hazardous waste and 849.60 tonnes of nonhazardous waste generated from operations were reported.

Industrial Symbiosis: Reuse of Fly Ash

What Is Industrial Symbiosis?

Industrial symbiosis is the adaptation of the biological concept of "symbiosis" (living together) to industry. In its simplest terms, it refers to the use of waste or by-products generated as a result of one company's production processes by another company as a raw material or energy source. This circular approach aims to increase resource efficiency while reducing the environmental footprint.

Industrial symbiosis is never an activity carried out in isolation; it is a form of ecosystem management. The following stakeholder dynamics are essential for the successful implementation of this process:

The Importance of Strong Stakeholder Collaboration

1. Mutual Trust: Long-term and transparent data sharing should be established among companies. The quality and continuity of supply of secondary raw materials can only be ensured within such an environment of trust.

2. Intermediary Organizations (Symbiosis Networks): Structures such as Organized Industrial Zones (OIZs), universities, or technoparks can act as "matchmakers" between companies, providing technical support and coordination.

3. Multidisciplinary Approach: This requires a collaborative working culture that brings together engineers' technical solutions, lawyers' contract management expertise, and economists' cost-benefit analyses.

Industrial symbiosis is not merely an engineering project; it is also a cultural and managerial transformation. It is not possible to establish a sustainable system without creating a collective mindset that views waste not as "waste", but as a "resource."

Why Is Establishing Industrial Symbiosis Challenging?

- Although industrial symbiosis is highly efficient and beneficial to all stakeholders, it faces many complex barriers in practice:

- Technical and Geographical Barriers: For waste to be converted into a secondary raw material, it must meet certain physical and chemical standards. In addition, the proximity of facilities to one another is a critical factor in terms of logistics costs and emissions.

- Legislation and Standards: In many countries, the definition of "waste" is quite strict. The legal processes required for a material to cease being classified as waste and to be recognized again as a "product" or "raw material" may face bureaucratic obstacles.

- Economic Risks: Relying entirely on another company's waste as a source of raw materials may be considered risky in terms of production continuity. If the supplier company suspends production or the characteristics of the waste change, the receiving company may face difficulties.

As a result of production activities, fly ash was previously stored and disposed of as waste under the linear business model. Waste storage required significant amounts of space and also created environmental impacts. Furthermore, disposal processes resulted in operational inefficiencies. A project was initiated to identify potential applications for fly ash as a secondary raw material in order to address these issues. Among these applications, options with demand levels compatible with the amount of waste generated and those supporting the financial model were identified. As a result of collaborations with stakeholders across different sectors, an industrial symbiosis model was established with the cement industry.

Fly ash from Çates Elektrik Üretim is utilized in ready-mix concrete production. This ensures resource efficiency across different sectors and reduces the overall environmental impact. into the circular economy and promotes sustainable inter-industry resource use. By contributing to the conservation of natural raw material resources, this approach strengthens the integration of waste.

05

Economic Performance

Financial Performance

Çates Power Generation generated net sales revenue of TRY 6.6 billion during the reporting period. Of this amount, TRY 76 million was generated from circular economy activities.

The company prioritizes digital transformation investments, such as Distributed Control Systems (DCS), and mine site improvement projects that support the use of domestic resources, in order to mitigate risks that could threaten the continuity of energy supply.

With a local supplier ratio of 26%, the company channels a significant portion of its supply chain expenditures into the regional economy in which it operates.

In line with its corporate governance and social benefit-oriented approach, Çates Power Generation also shares the economic value it generates with the public and civil society. In this context, as of the reporting period, approximately TRY 3.5 million in donations and aid were provided through social responsibility projects, educational support, and activities aimed at raising environmental awareness.

Energy Supply Security

Energy supply security refers to the uninterrupted, sufficient, high quality, and cost-effective delivery of energy to end users. In today's energy ecosystem, where the share of renewable energy sources is rapidly increasing, thermal power plants such as Çates Power Generation serve as a critical anchor for maintaining system balance and security. Renewable energy sources such as solar and wind are inherently dependent on meteorological and physical conditions, resulting in intermittent generation. However, baseload power plants capable of providing uninterrupted energy 24/7 are needed to ensure the sustainability of industrial production and social life.

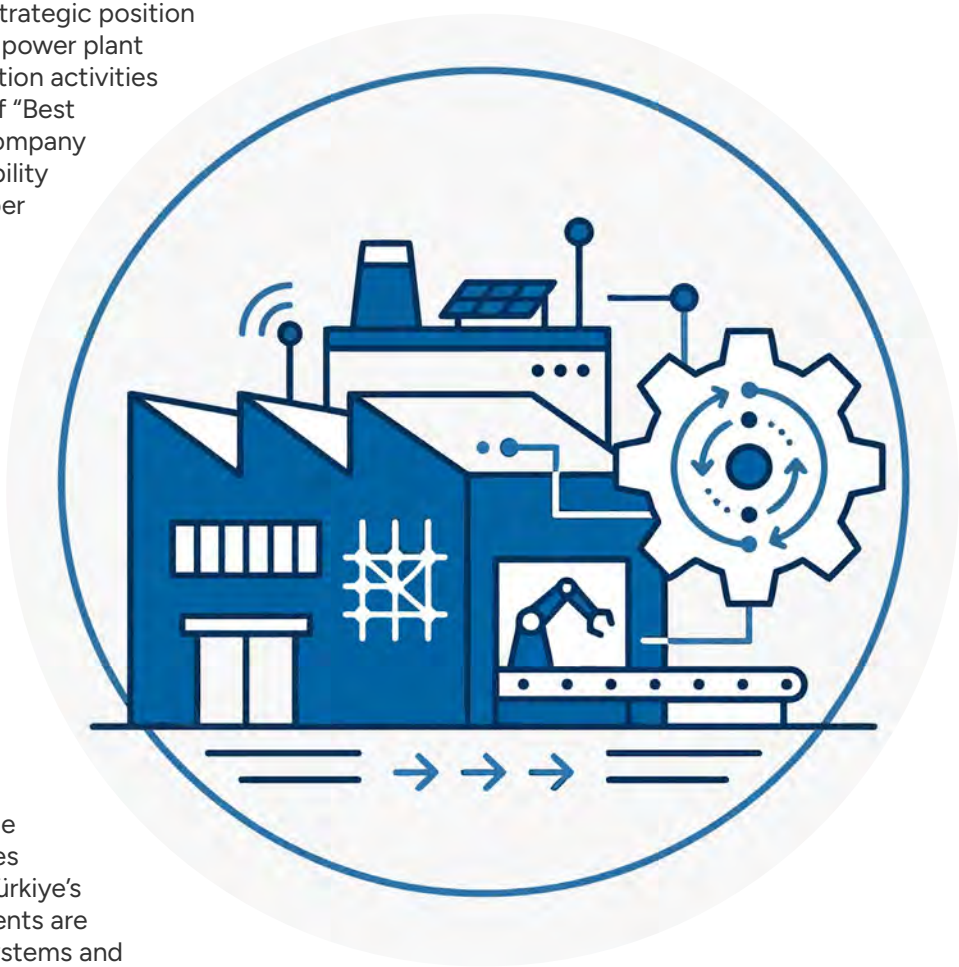
With its legacy as Türkiye's first baseload thermal power plant, Çates Power Generation plays a critical role in ensuring the country's energy supply security. The company meets approximately 0.4% of Türkiye's total electricity demand with an installed capacity of 314.68 MW and an annual generation capacity of 2,286 GWh.

While making a significant contribution to Türkiye's energy supply security, Çates Power Generation also contributes to reducing dependence on foreign energy sources and lowering the current account deficit by utilizing domestic resources. While using domestic raw materials, the company focuses on achieving the most efficient generation possible within the limits of the power plant's design, in line with Türkiye's transition policies. Within the scope of the continuity of raw material supply, a strategic agreement has been signed with the Turkish Hard Coal Authority (TTK) covering the annual supply of a minimum of 500,000 tons of coal.

The company carries out improvement initiatives to increase its availability and efficiency rates in order to fulfill the responsibilities arising from its status as a baseload power plant and its strategic position in energy supply security. Through power plant modernization and boiler rehabilitation activities carried out within the framework of "Best Available Techniques" (BAT), the company aims not only to increase its availability rate but also to reduce emissions per unit of generation and maximize resource efficiency.

In 2025, the power plant's availability factor was increased to 81.96%, achieving a level of success above the sector average in terms of operational continuity.

As part of its digitalization strategy, the Distributed Control System (DCS) project aims to automate operational processes, reduce error rates, and improve energy generation efficiency. This technological transformation, together with continuous generation capacity, supports the stable operation of the national electricity grid and provides flexible and efficient solutions to Türkiye's energy needs. In addition, investments are being made in advanced control systems and infrastructure security protocols to protect against cyber and physical attacks that could threaten the continuity of energy supply.



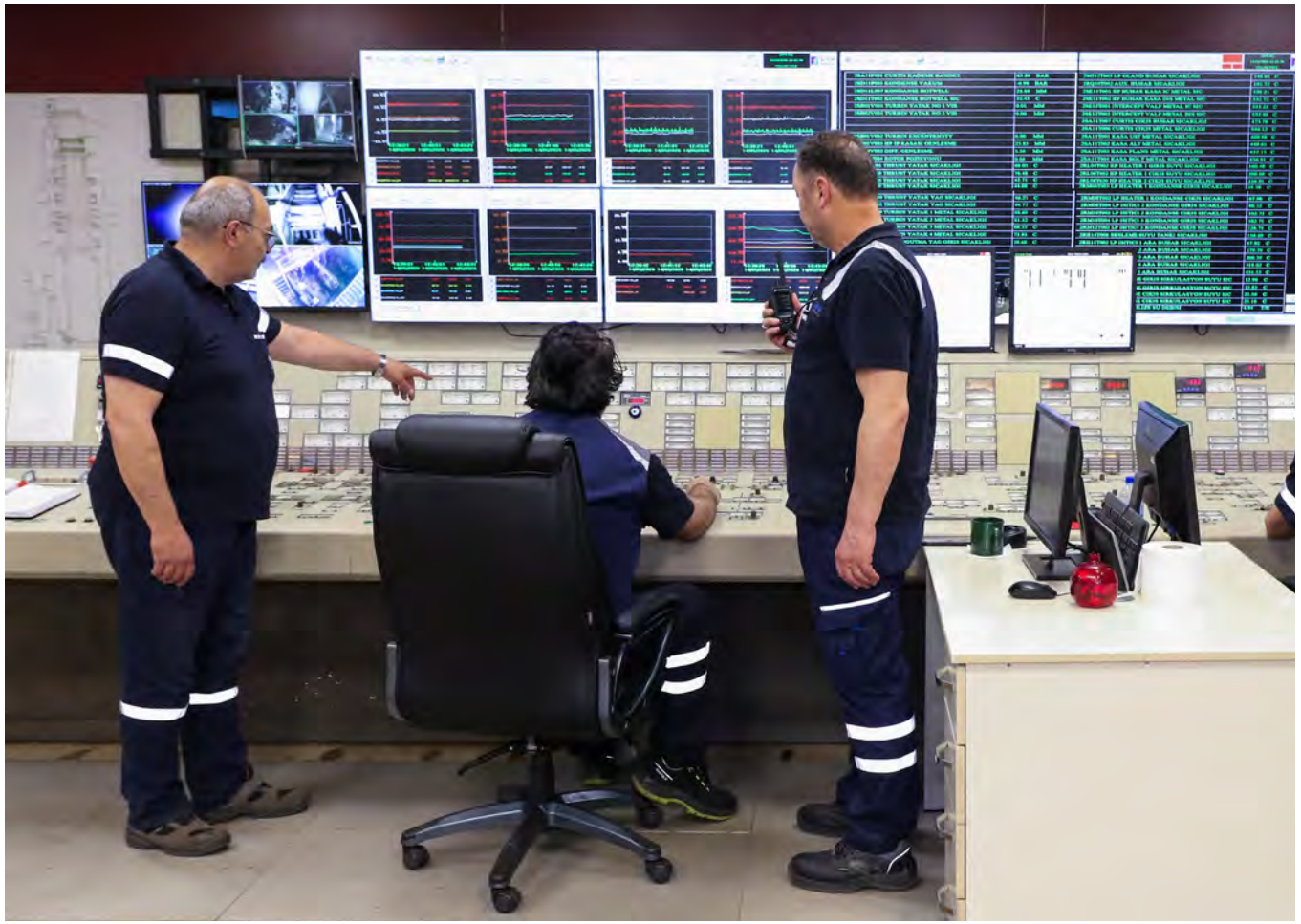
Digitalization

Çates Power Generation closely follows global technology trends in the energy sector and aims to manage its operations at world-class standards and enhance its competitiveness. The company considers digitalization an integral part of this vision. Digitalization is regarded as an effective means of increasing efficiency in energy generation processes, improving data quality, reducing operational risks, minimizing environmental impacts, and supporting transition processes.

Projects aimed at digitalizing the continuous monitoring and management of power plant operations are being implemented. While data collection and analysis processes using traditional methods can be time-consuming and prone to errors, digital platforms enable data to be collected automatically and monitored in real time. This improves data quality while enabling potential errors to be detected at an early stage and processes to be improved more rapidly.

The transformation to a DCS (Distributed Control System) at the thermal power plant increases operational reliability by enabling centralized and integrated monitoring of all processes. Fault detection and response times are shortened, while unplanned shutdowns and maintenance costs are reduced with a modern DCS infrastructure. Advanced control algorithms enable boilers, turbines, and auxiliary systems to operate more efficiently, thereby reducing fuel consumption and emissions. In addition, compared to legacy control systems, the system provides enhanced cybersecurity, greater data storage capacity, and remote monitoring capabilities, facilitating operational management.

Key priorities include enhancing system maturity through infrastructure investments and security solutions, ensuring secure and uninterrupted communication between production facilities and central units, implementing solutions that facilitate access to business processes, and increasing the company's technology-driven added value through all these initiatives.



Automation and Digital Control Systems

Çates Power Generation aims to increase energy generation efficiency and achieve cost savings by using resources more effectively through digitalization and automation investments. The automation systems established for this purpose enable real-time monitoring of equipment conditions and the early detection of potential failures, thereby supporting business continuity and resource efficiency.

In line with its digitalization and operational efficiency objectives,

- The installation of a Distributed Control System (DCS) is planned. With the DCS system, processes will be automated, operational management will become more efficient, and error rates will be reduced. Real time data analysis and automation will enable rapid intervention in production processes, creating safe and sustainable operating conditions. This transformation will contribute to reducing production costs and increasing the overall efficiency of the facilities.

- In 2024, the contractor monitoring system was activated through the HSE Portal. Records of all contractors working on site can be viewed online through the system.

- Employee training programs were transferred to a digital platform in collaboration with Aydem Academy, facilitating access to more than 8,000 training programs while accelerating the process of updating training content.

- The Digital Work Permit system, initiated in 2025, is expected to increase efficiency and facilitate monitoring in both operational and occupational health and safety processes.

Cybersecurity

The company considers data confidentiality, integrity, and availability among its highest priorities and continuously updates its technical and administrative measures to ensure information security.

The highest security standards are applied throughout the processes of acquiring, processing, transmitting, and storing information, thereby establishing a strong defense mechanism against cyber threats. To ensure information security and protect against cyber threats, Çates Power Generation implements the latest security protocols under the ISO 27001 Information Security Management System and raises employee awareness in this area.

The Information Technologies Department provides 24/7 technical support services to ensure the uninterrupted continuity of user processes while integrating corporate hardware and solutions with business units.

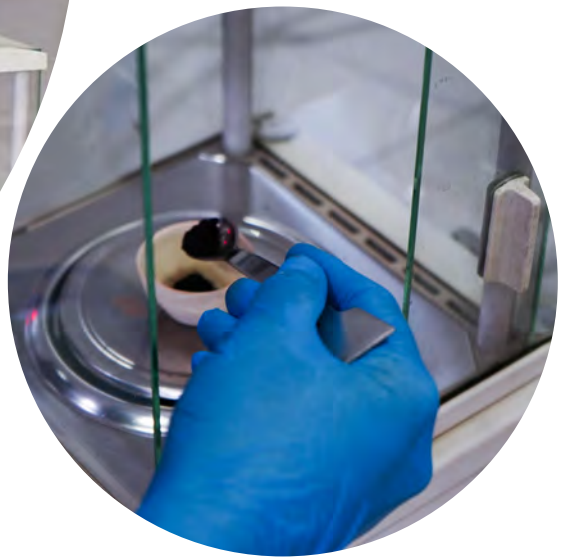
No incidents related to cybersecurity and/or communication disruptions occurred in 2025.

Research and Development R&D

Çates Elektrik Üretim aims to optimize emissions by incorporating investments in flue gas treatment facilities and efficiency improvements into its strategic planning in 2020. Projects aimed at technologically improving domestic hard coal extraction processes and enhancing energy supply security are included within the scope of incentives in full alignment with national energy policies, thereby strengthening the Company's long-term competitiveness and economic resilience.

The Company acquired the mining licenses and operating rights for the Çankırı Orta and Zonguldak Bağlık-İnağzı coal fields on December 19, 2022 and November 28, 2022, respectively, for TL 88 million for the Çankırı Orta field (an amount indexed based on purchasing power as of December 31, 2025) and TL 148 million for the Zonguldak Bağlık-İnağzı coal mining field (an amount indexed based on purchasing power as of December 31, 2025).

As of December 31, 2025, production had not yet commenced at the Zonguldak Bağlık-İnağzı field. In 2024, a dryer, screening, and crushing stock facility amounting to TL 261 million (an amount indexed based on purchasing power as of December 31, 2025) was constructed at the Çankırı-Orta field. These investments have been classified under property, plant, and equipment as part of the mine's machinery and equipment.



Sustainable Supply Chain Management

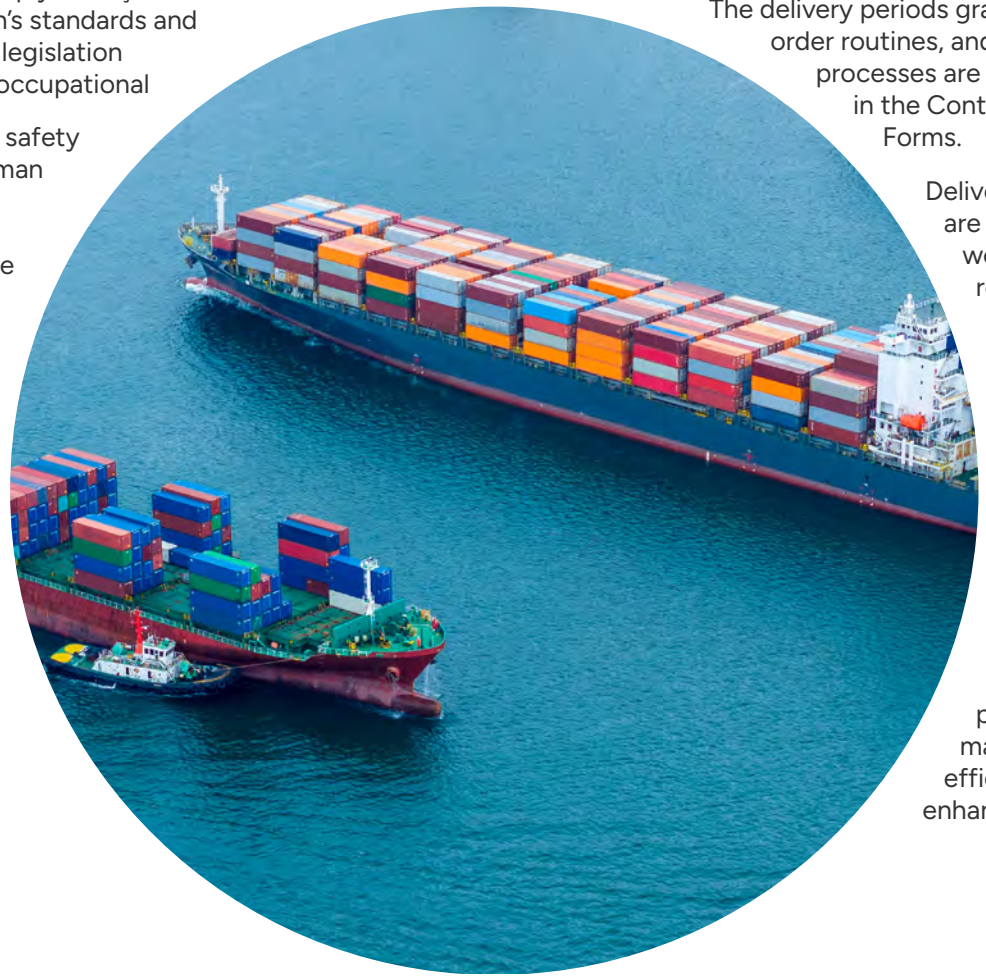
The company adopts a sustainable and responsible production approach to enhance the resilience of its business model and strengthen its supply chain processes. Accordingly, Çates Power Generation has integrated its sustainability approach into its supply chain management. All suppliers are expected to fully comply with Çates Power Generation's standards and applicable legislation regarding occupational

health and safety (OHS), human rights, and corporate governance principles.

Within this scope, the HSE-Environmental Specification is included among the standard agreements used in procurement processes. The protection of the social and labor rights of employees working for suppliers, in accordance with the national Labor

The delivery periods granted to suppliers, order routines, and order change processes are clearly specified in the Contracts and Order Forms.

Delivery tracking reports are prepared on a weekly basis. To reduce the burden on the supply chain, payment terms are defined transparently and clearly.



The Company implements effective supply chain management practices to maximize operational efficiency and enhance resilience.

Within this scope, two main elements are prioritized:

- Ensuring security of supply by increasing the resilience of the supply chain, particularly through continuity and diversification in raw material procurement,
- Integrating the company's sustainability approach and quality standards into the supply chain.

Potential risks across the supply chain, particularly those related to the flow of raw materials, are systematically analyzed, and proactive solutions are developed to address potential disruptions arising from changes in demand, supplier performance, and logistics processes. The impacts of physical risks and transition risks arising from climate change on the supply chain, including cost increases and their effects on business continuity, are analyzed annually. In line with business continuity and efficiency strategies, logistics management, supplier diversification, and inventory management processes are optimized. This approach helps maintain the company's competitive advantage in the sector.

Çates Power Generation works with a total of 2,874 suppliers, of which 26% are local suppliers. During the reporting year, 131 new suppliers were added to the company's supplier portfolio.

Supplier Evaluation and Performance Management

Çates Power Generation considers criteria such as quality, on-time delivery, price competitiveness, compliance with occupational health and safety (OHS) requirements, and environmental compliance when selecting suppliers.

Supplier evaluation processes are carried out in accordance with the Supplier Evaluation Procedure and Supplier Evaluation Instruction. In procurement processes, in addition to price and technical criteria, the requirements of environmental legislation and OHS conditions are also included among the evaluation criteria. All procurement processes are managed in a transparent, fair, traceable, and accountable manner within the framework of Competition Law and corporate governance principles.

All prospective suppliers are required to complete supplier forms covering criteria such as pricing/financing, quality, technical competence, absence of tax liabilities, prohibition of child labor, environmental compliance, and OHS. Supplier performance is evaluated on a 100-point scale, and companies meeting the specified criteria are included in the approved supplier list. Supplier performance is monitored through ERP and SAP systems.

Supplier performance is evaluated regularly. Suppliers demonstrating poor performance are subject to a development process, and companies that fail to show improvement within the specified period are removed from the supply chain.

As a result of supplier performance evaluations conducted in 2025, no supplier relationship was terminated. In addition, a total of 191 suppliers were evaluated in 2025 in terms of their environmental impacts. As a result of these evaluations, no suppliers with significant actual or potential adverse environmental impacts were identified.

07

Social Performance

Çates Power Generation aims to ensure that its employees work in an environment where they are happy, committed to the company culture, and where everyone feels encouraged to be part of the organization. Its Human Resources strategies are shaped by an approach that promotes engagement, unlocks potential, ensures transparency and fairness, and supports continuous development.

Human Rights

Çates Power Generation is committed to full compliance with the Constitution of the Republic of Türkiye and the Universal Declaration of Human Rights adopted by the United Nations, to which Türkiye is a signatory, in all of its activities.

In line with its **Human Rights Policy**, Çates Power Generation focuses on building a workforce that is committed to ethical values, environmentally conscious, and innovative, and on extending this approach throughout its supply chain and to communities within its sphere of influence. Çates Power Generation clearly maintains its stance against child labor and has zero tolerance for child labor within the company and throughout its supply chain.

Within the scope of its Human Rights Policy, Çates Power Generation is committed to:

- Not allowing discrimination among employees under any circumstances and providing equal rights to all employees in matters such as remuneration, performance evaluation, employment, and related processes.
- Empowering women in the workplace and supporting women's employment
- Improving gender balance in the company's decision-making mechanisms and increasing the proportion of women on the company's Board of Directors and in senior management.
- Recognizing and valuing the age, religion, race, and cultural differences of all its stakeholders
- Not permitting child labor at any stage of its operations or supply chain.
- Not permitting forced or compulsory labor or working conditions that do not comply with applicable laws and regulations at any stage of its operations,
- Preventing any circumstances that may hinder employees from exercising their right to freedom of expression in the workplace and enabling cooperation with civil society organizations.
- Respecting employees' right to collective bargaining and freedom of association.
- Providing employees with healthy, ergonomic, and safe working conditions in which they can work with satisfaction,
- Being a socially responsible and trustworthy employer for its employees.
- Creating a work environment that supports employees' work-life balance and is suitable for working parents.
- Not tolerating incidents of mistreatment, bullying, harassment, or similar misconduct in the workplace.

Diversity, Equal Opportunities and Inclusion

Çates Power Generation aims to create a fair and inclusive work environment that supports diversity within the scope of its Human Rights Policy. The company aims to establish a workplace where all employees can fully and fairly benefit from their rights, resources, and opportunities. It adopts a zero tolerance approach to all forms of discrimination, including discrimination based on language, religion, race, gender, age, ethnicity, and other characteristics.

The company positions diversity as a strategic strength in achieving its corporate objectives. It regards different perspectives and cultures as a source of enrichment and considers diversity an important element in developing its corporate strategy and practices.

The equal opportunity approach has been integrated into all Human Resources processes. In recruitment procedures, the principle of “the right person for the right job” is followed, and candidates are evaluated solely based on their skills and competencies, regardless of their personal characteristics. Within this scope, gender-neutral CVs are used. Objective tools such as personality inventories and general aptitude tests are used in candidate selection to identify the most suitable candidates. The company applies the principle of “equal pay for equal work.”

Efforts to promote gender equality have been systematically carried out since 2020 under the “Eşit Hayat” (Equal Life) initiative. Since the initiative was launched in 2020, the company’s culture, organization, Human Resources processes, training programs, and communication strategies have been reviewed and transformed from a gender equality perspective.

The company brings together academics, activists, and representatives from the business world to conduct awareness-raising activities through monthly online meetings. Within the scope of the Equal Life initiative, transformation is being carried out with a gender equality perspective across all areas, from recruitment processes and training programs to physical working conditions and corporate messaging.

Investing in Human Resources

Total number of employees
395

The number of new employees joining the teams in 2025
32

Turnover rate
4.30

Average training per employee
4 hours

The performance evaluation results obtained through the system provide input for various human resources processes, including employee development planning, training needs analysis, compensation management, promotion, and rotation decisions. The Performance Management System not only measures individual performance but also contributes to employees' career development, thereby supporting the Company's sustainable growth and success. In addition, with the newly implemented succession planning project, the necessary processes have been identified to help employees move closer to achieving their career goals.

Talent Management and Career Development

In line with the Company's Human Resources strategies and objectives, investments are made to develop employees' technical and behavioral competencies and enable them to enhance their potential.

Talent and career management begins with performance evaluation processes. The Performance Management System developed to objectively and fairly assess employees' contributions to the Company's objectives is based on two fundamental elements: "objectives" and "competencies." In alignment with the Company's strategic objectives, priorities, and corporate competencies, each employee, together with their manager, sets individual objectives and determines how these objectives will contribute to the Company's success. It is essential that objectives are measurable and specific.

Feedback, which is an important tool for helping employees identify their areas for development, is actively incorporated into performance monitoring, goal-setting, and evaluation processes.

Performance evaluations are conducted at least once a year. Individual development plans established jointly by employees and their managers as part of the performance evaluation processes are implemented in alignment with corporate objectives. Corporate competencies are evaluated by observing employees' attitudes and behaviors throughout their work processes and are taken into account in determining the final performance results.

Remuneration Policy

In line with its Human Resources Policy, Çates Power Generation meticulously manages its remuneration processes and operates in strict adherence to the principle of equality. Collaborating with a global and independent compensation consultant, the Company implements a fair remuneration system based entirely on performance analysis. Discrimination based on factors such as gender, language, religion, race, sect, belief, nationality, or marital status is prevented, creating a work environment where everyone feels safe. In line with the principle of "equal pay for equal work," it manages its workforce policies in a fair and transparent manner.

The Company implements a performance management system that clearly defines Key Performance Indicators (KPIs) for each employee and department. Promotions and bonuses are determined through evaluations based on these indicators, which are designed to align with the Company's strategic goals.

Employees' rights to form unions, join unions, and engage in collective bargaining are supported. All 337 blue-collar employees are union members.

Continuous Development and Training Program

On-the-job training forms the cornerstone of our development processes to enhance the technical competencies of our field staff and ensure sustainable operational excellence. Within this framework, an average of 10 technical briefings is held monthly by analyzing the specific needs of each site. In addition to technical expertise training, employee safety is maintained at the highest level by offering periodic information and awareness sessions on occupational accidents, driven by a culture of learning from past incidents.

Furthermore, employees' technical certification processes are supported. In 2025, 30 employees received VQA (Vocational Qualifications Authority) Certification Training for equipment operation.

Training activities are not limited solely to on-the-job training. In collaboration with Aydem Academy and external educational institutions, both classroom and online training programs have been established. In this scope, the Leadership Development Program, launched as of 2024, supports leadership processes aligned with the career paths of mid- and senior-level managers.

To shape training and development activities according to employee expectations and needs, and to maximize the value delivered, feedback is gathered through Training Evaluation Forms following each session. Training programs are revised and, if necessary, redesigned based on these employee insights.

Çates Power Generation actively supports young people's entry into professional life. Within this scope, internship opportunities were provided to 28 university students in 2025. The internship program aimed to equip students for the business world by offering orientation training and practical applications. Students receive training and mentorship support to acquire sectoral knowledge and skills, encouraging young talent to make a strong start to their careers.

Employee Satisfaction

and sense of belonging, aiming to ensure they feel valued both professionally and socially. Through various events shaped around the corporate culture and values, employees are encouraged to come together, enhancing their work motivation while fostering social interaction.

Adopting diversity and inclusion as a core value, Çates Power Generation operates with the conviction that all employees should benefit equally from rights, resources, and opportunities. To support women's empowerment, the Equal Life initiative was launched. Within this scope, efforts are carried out to increase female employment, and the principle of "equal pay for equal work" is strictly applied.

Occupational Health and Safety Management

Çates Elektrik Üretim considers the health and safety (OHS) of its employees to be its highest priority. The Company complies with all legal requirements under Occupational Health and Safety Law No. 6331, Labor Law No. 4857, and the relevant regulations. Beyond legal requirements, the Company's OHS processes are managed in accordance with the ISO 45001 Occupational Health and Safety Management System to ensure compliance with global standards. The Company's **Occupational Health and Safety Policy**, developed in accordance with ISO 45001 and applicable legislation, covers all employees and contractors.

Employee health and safety are considered one of the Company's fundamental priorities, and comprehensive measures are implemented to ensure a safe and healthy working environment. Systematic risk management, regular training, and proactive inspections are carried out to prevent occupational accidents and maintain the highest level of workforce safety.

OHS processes are managed by the OHS and Sustainability Directorate, which operates directly under the General Manager. The department consists of specialists holding international certifications such as NEBOSH and IOSH. The Company is supported by one full-time Class A OHS specialist, two Class C OHS specialists, one field technician, one full-time occupational physician, and an occupational health nurse. In addition, the Directorate has a 13-member fire department and a nine-member ambulance team.

Risk Management and Preventive Measures

The Company aims to prevent risks or reduce them to acceptable levels in accordance with the hierarchy of controls. Within this framework, existing and potential risks are assessed through the "5 Minutes for My Risks (R5)" assessment system, work permit forms, and risk assessment processes. In addition, hazard reports, the outcomes of OHS Committee meetings, and findings from OHS inspections are taken into account and incorporated into risk assessments.

Employees receive annual training on hazard identification and risk assessment. These trainings are reinforced through on-the-job training in the field.

Following assessments of potential risks, campaigns are conducted to raise awareness of risks and transform them into opportunities for improvement. All employees are encouraged to identify and report risks, and initiatives such as the Golden Rules Campaign are implemented to increase awareness.

All employees can report accidents, incidents, near misses, and hazards through near-miss reporting boxes or the QR application available on the HSE Portal. Reports are reviewed by the HSE Department, referred to the relevant units, and promptly addressed. Employees who report hazardous situations are also provided with feedback by the HSE Department and are rewarded based on the level of risk identified in their reports Furthermore, when an unsafe condition or behavior requiring disciplinary action is identified, the incident is documented through an OHS-EHS report, and the Company's disciplinary procedure is initiated for the individuals concerned.

In service procurement processes, if service providers fail to comply with the requirements specified in the Health, Safety and Environment (HSE) Specification attached to the service contracts, contractual penalties are imposed on the relevant service providers in accordance with the penalty provisions stipulated in the specification.

Employee participation in risk management has been strengthened. Hazardous situations reported by employees are reviewed by the HSE Department, communicated to the relevant units, and addressed through prompt corrective actions. Taking employee reports into consideration, near-miss reports are rewarded, while OHS Committee meetings, management safety walks, and one-on-one feedback processes are conducted to continuously improve OHS practices.

Golden Rules Campaign

The Golden Rules Campaign, implemented across the Holding, was developed by taking into consideration the most frequently encountered occupational accidents and high-risk activities. As of 2024, training had been completed under the following six main topics:

- Working at Height
- My Hands Are Safe
- Work Permit / LOTO (Lockout-Tagout)
- Driving
- Line of Fire
- Lifting Operations

The Golden Rules Campaign is implemented across all Group companies with the aim of maximizing employee safety.

Audits, Inspections, and Training

Regular OHS audits and meetings are conducted by the HSE and Sustainability Department to ensure the continuity of occupational health and safety:

- Continuous field inspections are conducted by OHS teams Continuous field inspections are conducted by OHS teams.
- OHS Committee meetings are held every month, and decisions are made to prevent hazardous situations and ensure that accidents do not recur.
- Environmental and occupational safety and health assessment meetings are held every 15 days to address nonconformities observed on-site within the facility, and the decisions made at these meetings are implemented by all technical departments.
- Monthly Management Walks are held with the participation of senior management, and feedback is gathered from employees
- As part of the activities of the Life Safety and Environment Committee composed of the plant's technical teams and employee representatives' behavior-focused inspections and monthly scheduled safety checks are conducted. A total of 144 inspections were conducted in 2025.
- Information sessions on occupational health and safety and sustainability are being held for subcontractor employees.
- OSH bulletins, regulatory updates, and decisions made are posted on the OSH and Sustainability information boards in common areas.
- Through the training portal, employees can access legally required training and personal development content.
- As part of the region's emergency management efforts, collaboration is underway with AFAD and Başkent Electricity Distribution.
- Two comprehensive drills were conducted covering search and rescue, chemical spills, rescue of people from confined spaces, fire, and first aid.

Employees received 15,739 person-hours of training, and contractors received 2,537 person-hours of training, representing a 15% increase compared to 2024. The training programs were structured under four main headings in full compliance with legal regulations:

Incident Management and Continuous Improvement

All data related to accidents, near misses, hazard reports, and lost days are recorded and analyzed in accordance with applicable legislation and reporting standards. Performance data are entered into the HSE Portal and also shared through the accident portal system used across the Holding.

Root cause analyses are conducted for accidents that occur, and action plans are developed to prevent recurrence.

Following an accident, employees receive specific training, and the lessons learned from the incident are shared with all employees. Accidents are reviewed during committee meetings, and the measures taken are evaluated.

During basic OHS training, daily and weekly toolbox talks, and briefings provided by unit supervisors, employees are reminded of their right to stop work when they believe that a hazardous situation may result in injury or adverse health effects. Employees report work they consider unsafe to their unit supervisors and the HSE and Sustainability Department. They can also submit such reports directly from the field through QR-based reporting systems.

Work at height, lifting operations, hot work, confined-space work, and electrical hazards are among the activities that pose a risk of high-consequence injuries. Accordingly, work permit systems have been established, and activities are carried out following pre-work inspections of the work area and the implementation of the necessary control measures.

Health Services and Employee Support Programs

Health services at Çates Power Generation are provided by a full-time occupational physician and healthcare personnel in compliance with legal requirements. The 24/7 healthcare unit is staffed across three shifts by six paramedics and one emergency medical technician (EMT), and is equipped with a patient transport ambulance.

Training is provided on health and safety practices for employees from disadvantaged groups. An employee is designated to support each employee from a disadvantaged group, and these designated employees are also trained as part of the Company's emergency response plan. In addition, ramps and designated parking areas have been provided and clearly marked within the facility to facilitate access for employees from disadvantaged groups.

To support employees' access to healthcare services:

- Private health insurance is provided to white-collar employees.
- Blue-collar employees can benefit from discounted healthcare services at private hospitals through the TES-İŞ trade union.
- Through the Good Life Practices program, the Company provides employees with access to psychologists, dietitians, and physiotherapists. Employees' family members can also benefit from these services.

A gym was opened at the power plant in 2024 for use by the fire department and white-collar employees, with the aim of supporting employees' physical fitness and promoting healthy lifestyle habits.

As part of its sustainable transportation strategy, Çates Power Generation has introduced bicycle parking facilities to encourage employees to increase their levels of physical activity and adopt healthy lifestyle habits. This initiative contributes both to protecting individual health and to reducing transportation-related emissions.

OHS Culture and Reward Systems

The employee representative who participates in the OHS Committee meetings maintains continuous communication with employees and conveys their suggestions and requests to the committee members during committee meetings. When committee decisions are published, they are posted on the HSE and Sustainability information boards located in all departments and common areas, such as the cafeteria, administrative building, and main security gate. The documents displayed on the HSE and Sustainability information boards in the departments, including Company decisions, regulatory amendments, instructions, and monthly OHS bulletins, are regularly updated.

- Employees who report hazards are rewarded, and the "Employee of the Month" and "Group Awards" are presented each month.
- As part of Occupational Health and Safety Week, traditional knowledge competitions are organized to encourage employee participation.
- A Personal Protective Equipment (PPE) stand is also set up to engage with employees.

Following the legally required and recurring annual training programs, training evaluation forms are distributed to employees to collect their feedback and opinions. The employee representative participates in the Management Walks conducted in different departments each month, during which employees' suggestions and feedback are collected.

The QDMS program, which is accessible to chief technicians and foremen, enables them to access documents such as legislation, instructions, and procedures and share them with other employee

To increase employee participation, various activities and knowledge competitions were organized as part of OHS Week. Prize-based games were held, PPE stands were set up, and employees were informed through prize-winning mini knowledge competitions.

OHS in the Supply Chain

Through an online contractor tracking system, service providers upload their personnel and equipment data to the system via a link provided to them. Before service providers are granted access to the site, their compliance is reviewed through the system by the OHS, Environment, Human Resources, Security, and requesting departments. Following these checks, companies with no documentation deficiencies are approved and authorized to enter the site. Upon arrival at the site, contractor employees receive a two-hour orientation training covering the facility's risks, procedures, and emergency management practices. These trainings are recorded. Following the orientation, each contractor employee is issued an RTLS card by the Human Resources Department. During their time on site, the locations of contractor employees are monitored through the NAVBEA system to ensure that they remain within their designated work areas and are not exposed to hazards outside those areas.

Local Communities

One of Çates Power Generation's key priorities is to strengthen social acceptance and enhance engagement with local communities by maintaining strong communication with stakeholders. Through stakeholder engagement based on dialogue, consensus, and cooperation, the environmental and social impacts of the Company's operations are proactively addressed, and solutions are developed in response to identified needs.

To raise environmental awareness, coastal clean-up activities are organized with the participation of volunteer employees as part of Environment Week, while regular blood donation campaigns are held in support of the Turkish Red Crescent (Kızılay).

As part of the social responsibility projects carried out in 2025, the following support was provided:

- Three Turkish Red Crescent blood donation campaigns were organized at the power plant, resulting in a total of 107 blood donations. Following the blood donations, 225 saplings were planted.

- A stage, projector, and remote-controlled stage curtain system were installed at Kilimli İsmet İnönü Primary School for its multipurpose conference hall.
- Clothing support was provided to the folk dance team of Kilimli Public Education Center.
- Contributions were made to Çatalağzı Municipality's food aid campaign.
- Clothing support was provided to Çatalağzı Demir Spor Club.
- Roller blinds were purchased for 20 windows across five classrooms at Göbü Secondary School.
- The accommodation facility in Kokurdan village, which was damaged by a fire, was repaired by the Company's Construction and Maintenance Department, with all costs fully covered by the Company.
- Sponsorship was provided to the students of Bülent Ecevit University's OVAT team.
- As part of Environment Week, a coastal clean-up activity was carried out at the power plant on June 18.
- Support was provided for the construction of the Macar Dostluk Park in cooperation with Çatalağzı Municipality.
- Support was provided for the infrastructure of the water supply network in Kokurdan Neighborhood.

08

Annexes

Reporting Guide

	TYPE	INDICATOR	SCOPE
Energy Consumed Energy (MWh)	Environmental	Natural Gas	Refers to the amount of natural gas consumed (over a 12-month period) as tracked through invoices received from service provider groups during the reporting period.
		Coal	Refers to the amount of coal consumed (over a 12-month period) as tracked through invoices received from service provider groups during the reporting period.
		Electricity	Refers to the amount of electricity purchased (over a 12-month period) as tracked by invoices received from service provider groups during the reporting period.
		Diesel	Refers to the amount of diesel consumed (over a 12-month period) as tracked through invoices received from service provider groups during the reporting period.
Greenhouse Gas Emissions (metric tons of CO_2e)	Environmental	Scope 1	Refers to direct greenhouse gas emissions from sources under the control of Çates Electricity Generation during the reporting period.
			• Fuel consumption
			• Company vehicles
			• On-site process emissions
		Scope 2	Electricity consumption and electricity losses and theft have been taken into account.
		Scope 3	The emission categories defined in the GHG Protocol's 15 subcategories were taken into account. The calculations were performed in accordance with the GHG Protocol. The categories included in the calculations are as follows:
			3.1. Purchased Products and Services
			3.2. Capital and Assets
			3.3. Indirect Emissions from Fuel and Energy
			3.4. Upstream Transportation and Distribution
			3.5. Waste
			3.6. Business Trips
			3.7. Employee Transportation
			3.8. Assets Leased Out
			3.9. Downstream Transportation and Distribution
			3.10. Processing of Sold Products
			3.11. Use of Products Sold
			3.12. End of the Useful Life of Sold Products
			3.13. Downstream Leased Assets
			3.14. Dealers
			3.15. Investments

Performance Tables

Environmental Performance Data		2022	2023	2024	2025
Total direct energy consumption (by fuel type)	Diesel Fuel Consumption (Liters)	23,307.00	18,768.66	57,451.48	19,646.99
	Fuel oil consumption (metric tons)	8,060.82	5,384.68	4,715.76	5,944.66
	Coal consumption (metric tons)	1,575,426.86	1,536,958.14	1,396,571.29	1,519,414.82
Total Electricity Generation	Total Gross Generation (MWh)	1,867,412.00	2,033,349.00	1,906,197.00	2,034,137.00
	Total Net Generation (MWh)	1,704,260.00	1,855,387.00	1,738,317.00	1,854,033.00
	Steam Production (metric tons)	6,028.60	6,587.00	6,185.40	6,641.70
Water Use (m^3)	Tap water	28,214.00	27,674.00	53.25	81,933.00
	Process Water	189,816.00	227,938.00	267.89	266,884.00
	Net generation (MWh)	1,704,260.00	1,855,387.00	1,738,317.00	1,854,033.00
	Water Consumption per Unit of Production (m^3/MWh)	0.02	0.01	0.03	0.04
	Total wastewater discharge (m^3)	189,816.00	227,938.00	267.89	266.88
Wastes	Total amount of waste (ton)	607.61	537.24	417.28	882.15
	Recovered (R-coded) non-hazardous waste (metric tons)	585.03	504.50	374.96	849.60
	Recovered (R-coded) hazardous waste (metric tons)	22.58	32.74	42.32	32.55

Environmental Performance Data		2022	2023	2024	2025
Emissions Management	Direct greenhouse gas emissions (Scope 1) (metric tons of CO_2)	2,004,187.00	1,960,380.00	1,914,277.00	2,207,022.00
	Indirect greenhouse gas emissions (Scope 2) (metric tons of CO_2)	2,308.51	2,678.07	2,542.79	3,033.59
	Indirect greenhouse gas emissions (Scope 3) (metric tons of CO_2)	544,066.81	560,692.05	540,267.44	622,980.09
Amount Spent on Environmental Activities and Investments (TL)	Measurement and analysis costs	337,682.00	867,258.00	1,172,526.00	1,576,357.00
	Total waste costs	14,237.95	30,695.00	48,111.50	57,575.00
	Chemical expenses	127,448.13	427,591.87	1,216,312.48	1,111,532.38
	Certification and licensing expenses	55,737.29	8,424,070.04	16,838,234.21	24,209,878.87
	Consulting and training costs	509,578.25	544,252.11	744,279.67	2,124,624.10
	Maintenance and repair expenses	180,208.90	403,192.02	749,659.58	697,284.42

Social Performance Data	2022	2023	2024	2025
Skills and professional development training—total number of participants (people)	155	381	381	101
Office employee—female	8	8	11	14
Field employee—female	2	2	2	2
Office employee—male	38	38	43	44
Field employee—male	326	333	325	335
Skills and professional development training—total hours (person-hours)	335	625	820	707

Social Performance Data		2022	2023	2024	2025
OHS Statistics	Total Recordable Accident Frequency Rate	23.94	15.39	12.58	38.87
	Incidence Rate of Accidents Resulting in Lost Workdays	5.44	0	3.14	24.29
	Occupational disease rate	0	0	0	0
	Number of fatal workplace accidents	0	0	0	0
Injury Rate	Direct employment	0.31	0.31	0.25	0.2
	Employee of the contractor company	0.2	1	0	0
Number of Workplace Accidents	White-collar employees	0	0	0	1
	Blue-collar employees	22	16	8	23
	Employees of the contractor company	5	1	2	2
OHS Training Provided to Employees – Total Hours (person-hours)	Direct employment	12,13	12,551	11,812	15,739
	Employee of the contractor company	1,229	1,783	2,17	2,537
OHS Training Provided to Employees – Number of Participants	Direct Employment	20,116	21,866	22,378	25,149
	Employee of the contractor company	2,269	4,333	3,986	3,314
	Number of participants in disaster and emergency training sessions	97	124	111	116
	Total number of hours of disaster and emergency training (people × hours)	194	248	222	232

**The total number of working hours used to calculate accident rates is 7.5 hours.*

**There have been no accidents where recovery took longer than 6 months.*

Employee Demographics		2022	2023	2024	2025
	Total Labor Force (Number)	373	382	378	395
Direct Employment	Female	10	10	12	16
	Female (%)	3%	3%	3%	4%
	Male	363	372	366	379
	Male (%)	97%	97%	97%	96%
Direct Labor by Contract Type (Number)	Employment contract for an indefinite term	373	382	378	395
Direct Workforce by Education Level (Number)	Elementary School	2	3	3	3
	High School	272	274	269	274
	Secondary Education	3	4	4	7
	College	52	53	52	54
	Bachelor's Degree	40	43	45	52
	Master's Degree	4	5	5	5
Direct Labor by Age Group	18-29	53	66	59	52
	18-29 (%)	14.2	17.3	15.6	13.2
	30-39	141	148	134	143
	30-39(%)	37.8	38.7	35.4	36.2
	40-49	104	113	126	143
	40-49 (%)	27.9	29.6	33.3	36.2
	50-59	68	49	52	44
	50-59 (%)	18.2	12.8	13.8	11.1
	60+	7	6	7	13
	60+ (%)	1.9	1.6	1.9	3.3

Employee Demographics		2022	2023	2024	2025
Employees Taking Maternity Leave	Total Number of Employees	0	0	1	0
	Female	0	0	1	0
	Male	0	0	0	0
Number of Employees Returning from Maternity Leave	Total Number of Employees	0	0	0	1
	Female	0	0	0	1
	Male	0	0	0	0
Number of Employees Who Remained Employed for 12 Months After Returning from Maternity Leave	Total Number of Employees	0	0	0	1
	Female	0	0	0	1
	Male	0	0	0	0
Number of Employees with Disabilities	Total number of employees	11	11	9	11
	Female	0	0	0	0
	Male	11	11	9	11
Number of Employees Covered by Collective Bargaining Agreements*		333	335	327	337

** The minimum notice period to be provided to employees and their representatives prior to the implementation of major operational changes (such as closures, mergers, outsourcing, etc.) that could significantly affect employees is 30 days. These notice periods are explicitly specified in the collective bargaining agreement.*

GRI Index

Notice of Use	Çates Electricity Generation has prepared its report for the reporting period from January 1, 2025, to December 31, 2025, in accordance with the GRI Standards.
GRI 1	GRI 1: Foundation 2021
GRI Sector Standard Applied	None

"For the "Content Index - Essentials Service," GRI Services confirms that the GRI content index is presented in a manner consistent with the Standards and in a clear manner, and that the references to explanations numbered 2-1 through 2-5, as well as 3-1 and 3-2, align with the corresponding sections of the report..

GRI Standard	Notifications	Page Number/Direct Source
GRI 2: General Disclosures 2021	2-1 Organization details	page 27
	2-2 Organizations included in the organization's sustainability reporting	page 11
	2-3 Reporting period, frequency, and point of contact	page 5
	2-4 Corrections to the Previous Period's Report	No restatements have been made.
	2-5 External Assurance	No external assurance has been conducted.
	2-6 Operations, Value Chain, and Other Business Relationships	page 11, 46,47
	2-7 Employees	page 72-82
	2-8 Unemployed Workers	page 72-82
	2-9 Governance Structure and Composition	page 15-27
	2-10 Appointment and Election of the Highest Governing Body	page 15-27

GRI Standard	Notifications	Page Number/Direct Source
GRI 2: General Disclosures 2021	2-11 Chair of the Highest Governing Body	page 15-16
	2-12 The Role of the Highest Governing Body in Overseeing Impact Management	page 15-27
	2-13 Delegation of Responsibility for Managing Impacts	page 15-27
	2-14 The Role of the Highest Governing Body in Sustainability Reporting	page 15-27
	2-15 Conflicts of Interest	page 31
	2-16 Communication on Critical Issues	page 48-51
	2-17 Collective Knowledge of the Highest Governing Body	page 15-27
	2-18 Evaluation of the Performance of the High-Level Governance Body	page 15-27
	2-19 Renumeration Policies	page 75
	2-20 Remuneration Determination Process	page 75
	2-21 Total Annual Compensation Ratio	This information is not disclosed in accordance with Çates' privacy policy
	2-22 Declaration on the Sustainable Development Strategy	page 39-40
	2-23 Policy Commitments	page 28
	2-24 Integration of Policy Commitments	page 28
	2-25 Processes Aimed at Mitigating Negative Effects	page 51-55
	2-26 Mechanisms for Seeking Advice and Voicing Concerns	page 29, 76
	2-27 Compliance with Laws and Regulations	There are no fines or sanctions.
	2-28 Corporate Memberships	There are no fines or sanctions.
	2-29 Stakeholder Engagement Approach	page 48-50
	2-30 Collective Bargaining Agreement	page 41
GRI 3: Material Topics 2021	3-1 Process to Determine Material Topics	page 50,51,55
	3-2 List of Material Topics	page 55
	3-3 Management of Material Topics	page 45-55

GRI Standard	Notifications	Page Number/Direct Source
Biodiversity		
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	page 55,56
	101-2 Management of Biodiversity Impacts	
	101-3 Access and Benefit-Sharing	page 55,56 page 55,56
	101-4 Assessing the Impacts on Biodiversity	page 55,56
	101-5 Locations with impacts on biodiversity	page 55,56
	101-6 Direct causes of biodiversity loss	page 55,56
	101-7 Changes in the state of biodiversity	page 55,56
	101-8 Ecosystem services	page 55,56
Contribution to the Local Economy and Community		
Economic Performance		
GRI 201: Economic Performance 2016	201-1 Direct Economic Value Generated and Distributed	page 41,42
	201-2 Financial Results and Other Risks and Opportunities Arising from Climate Change	page 52-55
	201-3 Defined Benefit Plan Obligations and Other Pension Plans	page 52-55
	201-4 Financial Assistance Received from the Government	As of the reporting date, Çates has not benefited from any government incentives.
Market Position		
GRI 202: Market Presence in 2016	202-1 Ratios of the Standard Entry-Level Wage to the Local Minimum Wage by Gender	At Çates, the standard entry-level wages of all employees are above the local minimum wage.
	202-2 Percentage of senior management hired from the local community	100%

GRI Standard	Notifications	Page Number/Direct Source
Procurement Applications		
GRI 204: Procurement Practices 2016	204-1 Percentage of spending on local suppliers	page 69,70
Business Ethics and Corporate Governance		
GRI 205: Anti-Corruption 2016	205-1 Operations assessed in terms of corruption-related risks	page 32
	205-2 Communication and training on anti-corruption policies and procedures	page 32
	205-3 Measures Taken to Combat Corruption	page 32
Ethics and Compliance		
GRI 206: Anti-Competitive Conduct 2016	206-1 Legal proceedings regarding anti-competitive conduct, trusts, and monopolies	page 30
Tax		
GRI 207: Tax 2019	207-1 Approach to Taxation	page 31
	207-2 Tax governance, oversight, and risk management	page 31
	207-3 Stakeholder engagement and managing tax-related concerns	page 31
	207-4 Country-by-country reporting	page 31
Materials		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	page 61,62
	301-2 Recycled raw materials used	page 61,62
	301-3 Recycled products and packaging materials	page 61,62

GRI Standard	Notifications	Page Number/Direct Source
Energy		
GRI 302: Energy: 2016	302-1 Energy consumption within the organization	page 58, 86
	302-2 Energy consumption outside the organization	page 58, 86
	302-3 Energy density	page 58, 86
	302-4 Reducing energy consumption	page 58, 86
	302-5 Reduced energy requirements for products and services	page 58, 86
Water and Wastewater		
GRI 303: Water and Wastewater 2018	303-1 Interactions with water as a shared resource	page 60, 86
	303-2 Managing the Impacts of Water Discharge	page 60, 86
	303-3 Water intake	page 60, 86
	303-4 Water drainage	page 60, 86
	303-5 Water consumption	page 60, 86
Emissions		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) greenhouse gas emissions	page 59,87
	305-2 Indirect energy (Scope 2) greenhouse gas emissions	page 59,87
	305-3 Other indirect (Scope 3) greenhouse gas emissions	page 59,87
	305-4 Greenhouse gas emission intensity	page 59,87
	305-5 Reducing greenhouse gas emissions	page 59,87
	305-6 Emissions of ozone-depleting substances (ODS)	page 59,87
	305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	page 59,87

GRI Standard	Notifications	Page Number/Direct Source
Wastes		
GRI 306: Wastes 2020	306-1 Water Discharge by Quality and Destination	page 59,87
	306-2 Waste by Type and Disposal Method	page 61,62
	306-3 Significant Spills	page 61,62
	306-4 Transportation of Hazardous Waste	page 61,62
	306-5 Water bodies affected by water discharges and/or flow	page 59,87
Supplier Environmental Assessment		
GRI 308: Suppliers Environment Evaluation 2016	308-1 New suppliers monitored based on environmental criteria	page 69,70
	308-2 Negative Environmental Impacts in the Supply Chain and Measures Taken	page 69,70
Employment		
GRI 401: Employment 2016	401-1 Hiring New Employees and Employee Turnover	page 74,75
	401-2 Rights Granted to Full-Time Employees but Not to Temporary or Part-Time Employees	page 74-76
	401-3 Parental Consent	page 72
Employee-Management Relations		
GRI 402: Employee / Management Relations 2016	402-1 Applicable Minimum Notice Periods	page 72-76

Occupational Health and Safety		Page Number/Direct Source
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and Safety Management System	page 77-82
	403-2 Hazard Identification, Risk Assessment, and Incident Investigation	page 77-82
	403-3 Occupational Health Services	page 77-82
	403-4 Employee Participation, Consultation, and Communication Regarding Occupational Health and Safety	page 77-82
	403-5 Employee Training on Occupational Health and Safety	page 77-82
	403-6 Promotion of Occupational Health	page 77-82
	403-7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Related to Labor Relations	page 77-82
	403-8 Employees Covered by the Occupational Health and Safety Management System	page 77-82
	403-9 Work-Related Injuries	page 77-82
	403-10 Work-Related Illnesses	page 77-82
Training and Development		
GRI 404: Training and Development 2016	404-1 Average Annual Training Hours Per Employee	page 74-75
	404-2 Employee Skills Development Programs and Transition Assistance Programs	page 74-75
	404-3 Percentage of Employees Who Receive Regular Performance and Career Development Evaluations	page 74-75
Workplace Practices		
Diversity and Equal Opportunity		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of Governance Bodies and Employees	page 73
	405-2 The Ratio of Women's Basic Salaries and Wages to Those of Men	page 73
Prevention of Discrimination		
GRI 406: Prevention of Discrimination 2016	406-1 Incidents of Discrimination and Corrective Measures Taken	No cases of discrimination were identified during the reporting period

GRI Standard	Notifications	Page Number/Direct Source
Right to Freedom of Association and Collective Bargaining		
GRI 407: Right to Freedom of Association and Collective Bargaining 2016	407-1 Operations and Suppliers at Risk for Freedom of Association and Collective Bargaining	page 41
Child Labor		
GRI 408 Child Labor 2016	408-1 Activities and Suppliers at Significant Risk of Child Labor Incidents	Çates also does not employ child labor under any circumstances.
Forced and Compulsory Labor		
GRI 409: Forced and Compulsory Labor2016	409-1 Operations and Suppliers at Significant Risk of Forced or Compulsory Labor	No cases of forced or compulsory labor were reported in 2025.
Rights of Local Communities		
GRI 411: Local Communities' Rights 2016	411-1 Incidents involving violations of the rights of indigenous peoples	No violations were reported in 2025.
Local Communities		
GRI 413: Local Communities 2016	413-1 Operations involving local community participation, impact assessments, and development programs	page 83
	413-2 Operations that have significant current and potential adverse impacts on local communities	page 83
Supplier Social Assessment		
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers screened using social criteria	page 69,70
	414-2 Negative Social Impacts in the Supply Chain and Measures Taken	page 69,70
Public Policy		
GRI 415: Public Policy 2016	415-1 Political contributions	Çates has adopted the principle of impartiality and carefully safeguards its impartiality through its policies in this regard.

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The entire report was prepared by internal teams.