



**Building a better
working world**

Güney Bağımsız Denetim ve SMMM A.Ş.
Maslak Mah. Eski Büyükdere Cad.
Orjin Maslak İş Merkezi No: 27
Daire: 57 34485 Sarıyer
İstanbul - Türkiye

Tel: +90 212 315 3000
Fax: +90 212 230 8291
ey.com
Ticaret Sicil No : 479920
Mersis No: 0-4350-3032-6000017

(Convenience translation of a report originally issued in Turkish)

INDEPENDENT AUDITOR'S REPORT ON THE ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the Shareholders of OYAK Çimento Fabrikaları Anonim Şirketi

1) Opinion

We have audited the annual report of OYAK Çimento Fabrikaları Anonim Şirketi ("the Company") and its subsidiaries (together referred as "the Group") for the period of January 1 – December 31, 2023.

In our opinion, the consolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated financial statements and the information we obtained during the audit.

2) Basis for Opinion

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards (InAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Report* section of our report. We are independent of the Group in accordance with the *Code of Ethics for Independent Auditors* (Code of Ethics) as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Our Auditor's Opinion on the Full Set Consolidated Financial Statements

We have expressed an unqualified opinion in our auditor's report dated March 1, 2024 on the full set consolidated financial statements of the Group for the period of January 1 – December 31, 2023.

4) The Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC") and the provisions of the Communiqué II-14.1 on the "*Principles of Financial Reporting In Capital Markets*" ("the Communiqué") of the Capital Market Board ("CMB"), the management of the Group is responsible for the following items:

- a) Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- b) Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.

c) The annual report also includes the matters below:

- Subsequent events occurred after the end of the fiscal year which have significance,
- The research and development activities of the Group,
- Financial benefits such as salaries and bonuses paid to the board members and to those charged governance, allowances, travel, accommodation and representation expenses, financial aids and aids in kind, insurances and similar deposits.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Trade and related institutions.

5) Auditor's Responsibilities for the Audit of the Annual Report


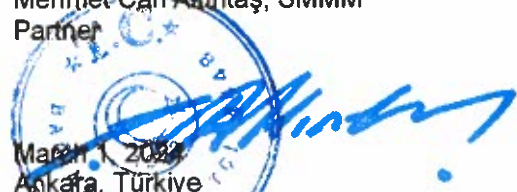
Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code and the Communiqué, on whether the consolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's audited consolidated financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with InAS and the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated financial statements.

The name of the engagement partner who supervised and concluded this audit is Mehmet Can Altıntaş.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Mehmet Can Altıntaş, SMMM
Partner



March 1, 2022
Ankara, Türkiye

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT



BOARD OF DIRECTORS' REPORT

PREPARED IN ACCORDANCE WITH COMMUNIQUE NO. II-14.1

01 JANUARY – 31 DECEMBER 2023

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

A- GENERAL INFORMATION

1. Reporting Period

01/01/2023 - 31/12/2023

2.

- **Commercial Name** : OYAK Çimento Fabrikaları A.Ş.
- **Trade Registration Number** : 445644 (Mersis No: 0612005096100011)
- **Headquarters contact information** :
 - Address** : Çukurambar Mah. 1480. Sok. No:2 A/56
 - Phone** : 0(312) 220 02 90
 - Fax** : 0(312) 220 02 91
- **Website address** : www.oyakcimento.com

3. Shareholding Structure and Capital Distribution, Organization

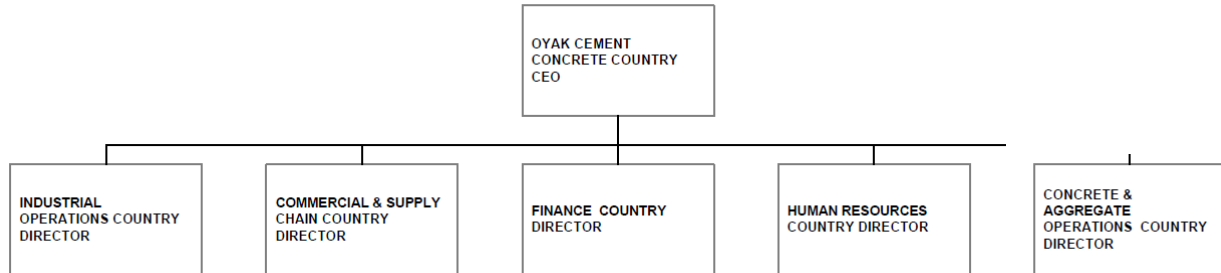
Registered Capital Ceiling (TRY) : 1.500.000.000 TRY
Paid-in capital (TRY) : 1.246.578.406 TRY

Shareholders	Nominal Value (TRY)	Share of Capital (%)
CIMPOR GLOBAL HOLDINGS B.V.	945.082.998,67	75,81
Other	301.495.407,33	24,19
Grand Total	1.246.578.406,00	100,00

During the period, there was a change in the partnership structure due to the merger of OYAK Denizli Çimento A.Ş. Cimpor Global Holdings B.V has become the main shareholder of the company with a ratio of 75,81%. Detailed explanations regarding the transactions in question are included in the E.11-Development of the Business section of the report.

Due to the acquisition of OYAK Denizli Çimento A.Ş., the capital amount increased by **86.784.965,00 TL**. The increased capital is given to OYAK Denizli Çimento A.Ş.'s partners.

4. Organizational Structure of the Company



On 15/09/2023, the organizational structure was changed as above.

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

5. Explanations on privileged shares and voting rights of shares

There are no privileged shares in the Company.

6. Information about the Board of Directors, executive officers and number of personnel

Board members are assigned in accordance with the provisions of the Articles of Association of our Company per the Turkish Commercial Code and related regulations. Changes during the period are made by the Board of Directors' decision subject to approval in the next Ordinary General Assembly. The Ordinary General Assembly of the Company for the year 2022 was convened on 30/03/2023.

Members of the Board of Directors as of the reporting period:

Company	Duties	Term Start Date(*)	Titles out of the Company
OYKA Kağıt Ambalaj Sanayii ve Ticaret A.Ş. (Person Acting on its Behalf: Suat ÇALBIYIK)	Chairman	20/09/2016	OYAK Group President - Cement Concrete Paper Sector In other OYAK Group Companies, he has the duties of Chairman of the Board of Directors / Deputy Chairman (as a representative).
OYAK Pazarlama Hizmet ve Turizm A.Ş. (Person Acting on its Behalf: İbrahim KOYUER)	Vice Chairman	01/06/2023	
ATAER Holding A.Ş. (Person Acting on its Behalf: Naci BEKTAŞ)	Board Member	01/06/2023	
OYTAŞ İç ve Dış Ticaret A.Ş. (Person Acting on its Behalf: Muzaffer IŞIN)	Board Member	01/06/2023	
OMSAN Lojistik A.Ş. (Person Acting on its Behalf: Vehbi BAYSAK)	Board Member	03/08/2023	OYAK - Mergers, Acquisitions and Public Offering Director Board membership (representing) in other OYAK Group Companies
OYAK Denizcilik ve Liman İşletmeleri A.Ş. (Person Acting on its Behalf: Arda Kaan ALPMAN)	Board Member	10/12/2021	OYAK Treasury and Corporate Finance Director He has duties as a Member of the Board of Directors (as a representative) in other OYAK Group Companies.
Kazım YETİŞ	Independent Board Member (Chairman of the Audit Committee, Member of the Early Risk Detection Committee)	19/03/2020	Chartered accountant
Sezai Afif ENSARİ	Independent Board Member (Chairman of the Early Risk Detection Committee, Member of	19/03/2020	

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

	the Corporate Governance Committee)		
Abdurrahman ÇELİKER	Independent Board Member Chairman of the Corporate Governance Committee, Member of the Audit Committee	19/03/2020	Director

(*) Appointment dates of real person representatives are stated.

Changes Made to the Board of Directors During the Period

At the 2022 General Assembly meeting dated 30/03/2023, Independent Board members were elected to serve until the next ordinary general assembly meeting, and other Board members were elected to serve until the Ordinary General Assembly meeting to be held regarding the activities of 2025.

In the task distribution made by the Board of Directors after the 2022 Ordinary General Assembly meeting dated 30/03/2023;

- OYKA Kağıt Ambalaj Sanayii ve Ticaret A.Ş. has been appointed as the Chairman of the Board of Directors (Person Acting on its Behalf: Mr. Suat ÇALBIYIK),
- OYAK Pazarlama Hizmet ve Turizm A.Ş. has been appointed as the Vice President of the Board of Directors (Person Acting on its Behalf: Mr. Mehmet OKKAN),

At our company's Board of Directors meeting dated 01/06/2023;

- Deputy Chairman of the Board of Directors of our Company, Legal Entity OYAK Pazarlama Servis ve Turizm A.Ş. Based on the decision of the Board of Directors of OYAK Pazarlama Hizmet ve Turizm A.Ş. as of June 01, 2023. As a real person representative acting on behalf of Mr. Mehmet OKKAN was replaced by Mr. İbrahim KOYUER's,
- Our Company's Legal Entity Board Member ATAER Holding A.Ş. Based on the decision of the Board of Directors of ATAER Holding A.Ş. as of June 01, 2023. As a real person representative acting on behalf of Mr. Muammer ATİLA was replaced by Mr. Naci BEKTAŞ,
- Our Company's Legal Entity Board Member OYTAŞ İç ve Dış Ticaret A.Ş. Based on the decision of the Board of Directors of OYTAŞ İç ve Dış Ticaret A.Ş. as of June 01, 2023. As a real person representative acting on behalf of Mr. Ramazan PATIR was replaced by Mr. Muzaffer IŞIN.

At our company's Board of Directors meeting dated 03/08/2023;

- In accordance with the Board of Directors decision of our company's legal entity Board Member OMSAN Lojistik A.Ş dated 03/08/2023, it has been decided to register and announce Mr. Vehbi BAYSAK in the trade registry as the representative acting on behalf of OMSAN Lojistik AŞ, instead of Mr. Gökhan GÜZEL.

Duties and Powers of the Board Members

The Chairman and Members of the Board of Directors have the duties and powers set out in the relevant articles of the Turkish Commercial Code and the Articles of Association of the Company.

Information About Board Members' and Executive Management's Titles out of the Company and The Declarations of Independent Board Members

Information about the duties carried out by the Board Member Representatives and managers outside the company is included in the Board Members table as of 31/12/2023, and the declarations regarding the independence of the Independent Board Members are included in Annex-1.

Numbers of Board Meetings Convened throughout the Year and Attendance by the Board Members to these Meetings

As of 01/01/2023-31/12/2023, the Board of Directors met 35 times and made 66 decisions. Members of the Board of Directors attended the meetings.

Committee Members of the Committees of the Board of Directors, Frequency of Meetings, Working Principles, including the Activities to be Carried Out, and Evaluation of the Board of Directors on the Effectiveness of the Committees

In 2025, the Audit Committee has convened 5 time, the Corporate Governance Committee has convened 5 times, and the Early Risk Detection Committee has convened 6 time. Board Members regularly attended these meetings. Working guidelines for committees are available on www.oyakcimento.com.

The Company's Board of Directors has established the Audit Committee, the Corporate Governance Committee and the Early Risk Detection Committee in order to properly fulfill its duties and responsibilities and comply with Corporate Governance Principles, and has published the principles of the functioning of the Committees on the website. The Audit Committee and the Corporate Governance Committee of the Board of Directors meet every 3 months, and the Early Risk Detection Committee meets every 2 months and informs the board of directors in accordance with the purposes specified in the operating principles. Under the framework of the Corporate Governance Communiqué of the Capital Markets Board, the authority, duty and responsibility for the fulfillment of the tasks stipulated for the Nomination Committee and the Remuneration Committee are also assigned to the Corporate Governance Committee. No external consulting service has been procured by the committees throughout the year.

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

Committee	Duties	Name and Surname	Title	Meeting Frequency
Audit Committee	Chairman	Kazım YETİŞ	Independent Member	Once every 3 month period, at least four times a year.
	Member	Abdurrahman ÇELİKER	Independent Member	
Corporate Governance Committee	Chairman	Abdurrahman ÇELİKER	Independent Member	Once every 3 month period, at least four times a year.
	Member	Sezai Afif ENSARİ	Independent Member	
	Member	Burak KÖROĞLU	Investor Relations Manager	
Early Risk Detection Committee	Chairman	Sezai Afif ENSARİ	Independent Member	Once every 2 month period, at least six times a year.
	Member	Kazım YETİŞ	Independent Member	

Executive Officers

Executive Officers	Duties	Term Start Date
Murat İdris SELA	OYAK Cement Concrete Country Ceo	12/09/2023
Ozan ERİNÇKAN	Commercial and Supply Chain Country Director	15/09/2023
Ali Onur AYGÜN	Finance Country Director	15/09/2023
Turan Barış ARPACI	Human Resources Country Director	15/09/2023
Erhan TURAN	Concrete and Aggregate Operations Country Director	15/09/2023
Kadir Serdar MEHTER	Industrial Operations Country Director	18/12/2023

The number of our company personnel is 2.730 people, including 1.948 that are covered by collective agreements and 782 that are not covered by collective agreements.

Changes to Executive Officers during the Period

Our Company's General Manager Mr. Ali PASTONOĞLU, Mr. Kadir Kaan KAHVECİ, who served as Vice President - Financial Affairs, and Mr. Sabri Levent ÖZÇENGEL, who served as Vice President - Human Resources, left our company as of 07/04/2023.

At our company's Board of Directors Meeting dated 12/09/2023, it was decided to appoint Mr. Murat İdris SELA as General Manager of OYAK Çimento Fabrikaları A.Ş.

At our company's Board of Directors Meeting dated 15/09/2023, Mr. Ozan ERİNÇKAN was appointed as Commercial and Supply Chain Country Director, Mr. Ali Onur AYGÜN as Finance Country Director, Mr. Turan Barış ARPACI as Human Resources Country Director, and Mr. Erhan TURAN as Concrete and Aggregate Operations Country Director.

At our company's Board of Directors Meeting dated 18/12/2023, it was decided to appoint Mr. Kadir Serdar MEHTER as Industrial Activities Country Director of OYAK Çimento Fabrikaları A.Ş.

7. Actions of Board Members with the company on behalf of themselves or someone else, as well as activities falling under non-competition

In the Ordinary General Assembly meeting held on 30/03/2023 regarding the activities of the Company for 2022, board members were granted permission for 2023 to carry out transactions within the framework of the relevant articles of the TCC. In this context, no transaction has occurred.

8. Employee and Worker Movements and Collective Agreement Practices and Rights and Benefits Provided to Employees and Workers

In-scope and out-of-scope personnel working in the company are subject to the Social Insurance and General Health Insurance Law No. 5510 in terms of social security, and the Labor Law No. 4857 in terms of labor law.

The personnel rights of out-of-scope personnel are carried out in accordance with the service contracts signed between the Company and the employee, and the personnel rights of in-scope personnel are carried out in accordance with the provisions of the collective bargaining agreement. In-scope personnel are affiliated with the Turkish Çimse-İş union.

Negotiations for the new term Group Collective Labor Agreement, which started on December 19, 2023, between the Cement Industry Employers' Union (ÇEİS), of which we are a member, and the Turkish Çimse-İş Union, resulted in an agreement as of January 31, 2024. In accordance with the group collective bargaining agreement signed with a valid period of 01.01.2024 - 31.12.2025, the bare hourly wages received on 31.12.2023 by the workers who worked in the workplace on 01.01.2024 in the first year of the agreement and whose employment contract continues on the date of signing the collective labor agreement, will be paid as of 01.01.2024. Effective as of 31.12.2024, the bare hourly wages of workers who worked in the workplace on 01.01.2025 in the second year of the contract and whose employment contract continues will be increased by 60 percent, CPI + 3.

According to the CMB communiqué numbered II-14.1, the severance pay provision amount allocated at the end of the period is 388.291.832 TL.

9. Corporate Governance Principles Compliance Report

"Corporate Governance Principles" published by the Capital Markets Board are followed and applied during the period 01/01/2023 - 31/12/2023. The "Corporate Governance Principles Compliance Statement" published by the company is included in Annex-2.

10. Amendments to the Articles of Association

The application made to amend the 7th article titled "Part II: Share and Transfer of Shares and Company Capital" of the Company's Articles of Association, which was taken by the decision of the Board of Directors of our company on 20.11.2023, was approved by the CMB on 23.11.2023 and by the Ministry of Commerce on 08.12.2023. The amendment to the Articles of Association was accepted at the Extraordinary General Assembly of our company dated 25.12.2023.

B- Financial Rights Granted to Board Members and Executive Officers

1. Total amount of financial benefits such as attendance payment, remuneration, premia, bonuses and dividends

In the General Assembly meeting which took place on 30/03/2023, it has been decided to pay a net remuneration of 16.000 TRY/Month as of 01/04/2023 to the Independent Board Members who are to serve until the next Ordinary General Meeting and to not pay any remuneration to the other Board Members. In addition, Life Insurance (death) have been granted for all Board Members.

No performance-based rewarding payments have been made to the Board members.

During the period, no amounts were credited to the board members and managers, directly or through a third party as a personal loan, and no guarantees such as collateral were given in their favor.

The salaries of the Company's executive officers are determined by the Company's Board of Directors. Additional performance-based payments are made within the Company to non-covered personnel, including the Company's executive officers.

A total of TRY 70.999.573 is recorded as an expense in the reporting period as wages and other short term benefits for the executive officers of the Company.(*)

(*) TAS 29 effective amount 165.074.270 TL.

2. Information on the total amount of allowances, travel, accommodation and representation expenses, as well as in-kind and cash benefits, insurance and similar guarantees

Expenses were not recorded during the reporting period in relation to the Company's Board members.

C- Research and Development Activities

R&D activities regarding concrete designs for our current and alternative customers, along with studies carried out for the purposes of alternative energy sources in the manufacturing process at our Company, development of new products and product applications, are currently being carried out;

Per the cooperation protocols executed by "Çukurova University Faculty of Engineering and Architecture", and "Adana Science and Technology University"; work for R&D, innovation, business development, project studies for scientific and technological research, project-based articles and working papers, and work that would ensure an experimentation capacity at a national or international level to ensure the efficient use and sustainability of research infrastructure are currently ongoing.

For the period 01/01/2023-31/12/2023, TRY 66.498.957 (*) is recorded as a research and development expense.

(*) TAS 29 effect included in the amount.

D- Activities and Important Developments Related to Activities

1. Investment Activities

OYAK Çimento, which carries out pioneering activities in its sector in order to contribute to a sustainable world, continues its work without slowing down in accordance with the 2050 road map it has prepared focusing on risks related to climate change, in today's world where the transition to a carbon neutral world is planned through energy transformations. In this context, OYAK Çimento, the first cement company in Turkey to make the "Net-Zero" commitment, which brings together the criteria needed by companies to determine science-based targets to limit the global temperature increase to 1.5°C, will be implemented within 2023. Its "Net-Zero" commitment has been registered by the Science Based Targets Initiative (SBTi). Thus, OYAK Çimento has once again demonstrated its difference in the sector with its value-oriented business model in the light of R&D and innovation studies. OYAK Çimento has declared that it will reduce its 2021 carbon emissions by 22.8% by 2030.

OYAK Çimento, which has determined its direction in the field of sustainability to contribute to Turkey's 2053 net zero target, has made significant investments in the last 5 years to reduce energy costs, take waste feeding systems to further levels, build waste heat recovery facilities and establish more environmentally friendly units within the scope of its environmental responsibility. has designed projects that will take it further in the future by significantly increasing the rate of alternative fuel use.

With the creative and innovative digital solutions offered thanks to OYAK Çimento 4.0, the first digital transformation project for the cement industry, industrial digitalization, energy efficiency and quality increase have been achieved for sustainable operation.

2. Internal control system and internal audit activities

In order to increase the effectiveness and efficiency of the internal control system, the Company regularly monitors periodic measurements, preventive maintenance practices, specific energy monitoring reports, daily production tracking tables, monthly activity reports and takes instant measures against elements that may affect the Company's productivity. In addition, a management system is implemented with targets and committee activities are carried out.

An internal audit unit department exists in the cement and concrete group. The Company carries out Audit Committee studies and reports and internal control system within its business processes. On 25/07/2012 it established the Early Risk Detection Committee. The committee, consisting of a total of 2 members, meetings are held from the date of its establishment to the date of the report, for the purpose of early diagnosis of reasons that endanger the existence and development of the Company and the implementation of the necessary measures and remedies for this and risk management, and submission of reports prepared by the committee in this context to the Board of Directors.Guidelines of the committees are available at the Company's website www.oyakcimento.com

3. Direct and Indirect Subsidiaries

Company	Sector	Participation Rate (%)
Adana Çimento Sanayi ve Ticaret Ltd.	Sales of cement, clinker, ready-mixed concrete	100
Adana Çimento Free Port Ltd.	Sales of cement, clinker, ready-mixed concrete	100
Cimpor Romania Terminal S.R.L.	Cement and packaging	100
Marmara Madencilik San. ve Tic. Ltd. Şti.	Exploration, extraction, discovery, exploitation and procuring exploitation of all kinds of mines, processing found raw materials into semi finished and finished goods, purchasing and selling of all	98,9
OYAK Çimento Enerji A.Ş. (*)	Energy production	100

(*) OYAK Çimento Enerji A.Ş. is not included in consolidation because of its limited transactions.

4. Information regarding the shares of the Company that it has acquired

None exists between 01/01/2023 –31/12/2023.

5. Explanations on Independent audit and public audit

The independent external audit activities for 2023 will be carried out by the auditing company Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş., which was approved at the 2022 Ordinary General Assembly meeting held on 30/03/2023. (a member firm of Ernst & Young Global Limited) and the Full Attestation Audit is done by PwC Yeminli Mali Müşavirlik A.Ş. It is carried out by.

Annual Audit and Full Certification and Tax details that was carried out between 01.01.2023-31.12.2023 are as follows:

Auditor	Start Date	End Date	Audit Subject	Result
DRT Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.	07/01/2023	07/03/2023	Independent Audit (*)	Unqualified
Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.	18/07/2023	29/08/2023	Independent Audit	Unqualified
Denet Yeminli Mali Müşavirlik A.Ş.	12/01/2023	18/01/2023	Full Certification and Tax Audit (*)	Unqualified
PwC Yeminli Mali Müşavirlik A.Ş.	07/04/2023	11/04/2023	Full Certification and Tax Audit	Unqualified
PwC Yeminli Mali Müşavirlik A.Ş.	17/07/2023	21/07/2023	Full Certification and Tax Audit	Unqualified
Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.	11/12/2023	01/03/2024	Independent Audit	Unqualified

(*) This is the tax and independent audit for the period 01/01/2022-31/12/2022.

6. Legal Matters

a) Lawsuits

There are no ongoing lawsuits that may affect the financial position and activities or significant lawsuits filled against the Company. In the financial statements dated 31/12/2023, an amount of TRY 45.918.639,45 is allocated in accordance with the legal report for the cases filed against the company and which are not of a significant nature.

b) Administrative-Judicial sanctions

There are none.

7. General Assemblies

On 30/03/2023, Ordinary General Assembly meeting for the year 2022 has been held. The outcomes of Ordinary General Assembly meeting are presented to our shareholders by publishing them on the Public Disclosure Platform (PDP), Company website (www.oyakcimento.com) and the information portal of the Central Securities Depository (CSD).

Resolutions adopted in the 2022 Ordinary General Assembly meeting held on 30/03/2023 have been implemented.

An Extraordinary General Assembly meeting was held on 25/12/2023. The results of the Extraordinary General Assembly Meeting were published on our Company's page on the Public Disclosure Platform (KAP), the Company Website (www.oyakcimento.com) and the information portal of the Central Registry Agency (MKK) and were presented to the information of the partners.

The decisions taken at the Extraordinary General Assembly held on 25/12/2023 have been implemented.

8. Donations and Social Responsibility Projects

The total amount of aid and donations made as of 31/12/2023 is 323.323.415,91 TL. 322.333.364,00 TL of this amount consists of aid and donations made to these regions due to the earthquakes that occurred in our country on 06/02/2023. The amount of aid and donations made to various other institutions and organizations is 990.051,91 TL. (*)

(*) TAS 29 effective amount 477.937.411 TL.

9. Group Companies

a) Transactions

Our Company's Board of Directors has prepared a report explaining our relations with our Controllers and Subsidiaries within the scope of Article 199 of the Turkish Commercial Code and has been approved by our Board of Directors dated 1 March 2024. The conclusion part of the said report;

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

"In 2023, there are no legal actions taken for the benefit of OYAK or an affiliated company, no measures taken or avoided for the benefit of OYAK or an affiliated company, no measures taken for the benefit of OYAK or an affiliated company by the Ordu Yardımlaşma Kurumu (OYAK), the controlling partner of our Company, and/or OYAK's subsidiaries or OYAK. in 2023, all commercial activities dec between our subsidiaries and our Company, both our dominant partner and our dominant partner, were carried out on conditions appropriate to market conditions. it has the form."

b) Information about Transactions

Not available.

E- Financial Situation

1. Summary of Financial Statements

Financial statements are prepared in accordance with the CMB's Communiqué Serial:II, 14.1 and have been audited as of December 31, 2023 and December 31, 2022.

(All amounts are expressed on the basis of purchasing power of Turkish Lira ("TL") as of December 31, 2023, unless otherwise stated.)

Summary Balance Sheet (TRY)

	31/12/2023	31/12/2022
Current Assets	14.806.966.083	15.462.634.839
Non Current Assets	20.569.124.393	20.297.091.757
Total Assets	35.376.090.476	35.759.726.596
Short-Term Liabilities	6.665.400.816	8.510.619.637
Long-Term Liabilities	2.044.543.037	8.651.659.109
Equity	26.666.146.623	18.597.447.850
Total liabilities and equity	35.376.090.476	35.759.726.596

Summary Income Statement (TRY)

	31/12/2023	31/12/2022
Revenue	30.699.746.814	26.312.734.932
Operating Profit	7.710.163.826	5.720.104.407
Profit Before Tax	9.755.652.080	6.434.733.313
Net Profit for the Period	8.127.896.250	8.822.949.317

The Entity prepares its budgets within the frame of its strategic goals that is approved by the Board of Directors.

In the regular meetings of the Board of Directors, Board members review the current position of the Company and activities are compared with the previous period and budget targets.

2. Key Ratios**Significant Ratios**

	31/12/2023	31/12/2022
Operating Profit Margin(%)	25,11	21,74
Net Profit Margin(%)	26,48	33,53
EBITDA Margin (%)	29,43	26,73

3. Financial Capacity

It has been observed that the capital of the company was not unrequited within the framework of the calculation made by taking into account the ratios specified in Article 376 of the Turkish Commercial Code.

4. Development of Funding Sources and Policies Implemented by the Enterprise Regarding this Development

New financing alternatives that are suitable for market conditions are constantly being investigated and suggestions are being evaluated. It has full access to all national and international financing sources and there are no changes in the Company's financing sources.

OYAK Çimento Fabrikaları A.Ş. was evaluated by JCR Avrasya Rating Inc. on 27/09/2023.

As a result of the rating studies carried out by JCR Avrasya Rating Inc.; Our company's long and short term national ratings have been confirmed as 'AA+(tr)' and 'J1+(tr)' respectively, and their outlook on the ratings has been confirmed as "Stable".

5. Nature and Amount of Issued Capital Market Instruments

Pursuant to the decision of our Company's Board of Directors dated 18/10/2023 and numbered 56, up to an amount of 2.000.000.000 TL (Two Billion Turkish Liras) in Turkish Lira, pursuant to the authorities specified in Article 9 of the Company's Articles of Association titled "Issuance of Debt Securities". or more than once and without public offering within the country, to issue debt instruments in private placement and/or to be sold to qualified investors or by using a combination of sales methods, to determine the maturity of debt instruments not to exceed 48 months, to issue debt instruments with discounts or coupon payments depending on market conditions. It has been decided that the interest rates of the debt instruments will be determined as variable or fixed interest, all the terms and conditions regarding the debt instruments to be issued will be determined, and the General Directorate of our Company will be authorized to carry out all kinds of transactions within the framework of the principles determined above. The Capital Markets Board application was made on 01/11/2023. The application was approved by the CMB on 14.12.2023. The company has no capital market instruments issued as of 31.12.2023.

6. Dividend Distribution

Our profit distribution policy adopted in the Ordinary General Assembly meeting for 2014 held on March 12, 2015 is as follows.

"The Company, in principle, has adopted the policy of distribution of the entirety of the distributable profit for the period in cash, to the extent that the financial leverage rates and the needs for investment / funding and expectations regarding the creation of free cash in the future, including market forecasts, in accordance with the legislation in force and the Articles of Association of the Company. The dividend distribution policy is reviewed annually by the Board of Directors according to national and global economic conditions, the projects on the company's agenda and the status of its funds.

Dividends are paid until 15th of December of the relevant calendar year, in installments with equal or different amounts, in accordance with the provisions of the legislation, with the authorization of the Board of Directors in the general assembly meeting during which a resolution to distribute is adopted.

In accordance with the provisions of the relevant legislation, the General Assembly is authorized to distribute Advance Dividends"

As a result of the General Meeting held on 30/03/2023, it is decided that the Company is not to distribute dividends over its profit for the year 2022.

7. Information about the Industry in Which the Enterprise Conducts Business

There are 56 active integrated facilities and 18 grinding - packaging facilities belonging to 31 groups and manufacturers throughout Turkey. According to Turkish Cement data for 2022, Turkey's clinker production capacity is 96.643.030 tons and cement production capacity is 147.222.396 tons.

When Turkish Cement data of November 2023 is evaluated as a basis; Cement production is 74.223.057 tons. Total sales; 59.079.174 tons of domestic sales; Foreign sales amounted to 14.028.891 tons. Also in this period, clinker foreign sales were 3.429.004 tons.

According to Turkish Cement data at the end of November 2023, there was an increase of 10,57% in cement production compared to the same period of the previous year. Approximately 19,2% of the cement produced in this period went to export. Again, during this period, there was a 19,52% increase in domestic sales and a 17,69% decrease in exports.

According to Turkish Cement's November 2023 data, regional domestic cement sales increased in all regions, while exports decreased in all regions except the Aegean and Black Sea regions.

Notes:

1. Turkey-wide and regional production, domestic and foreign sales data covers factories that are members of Türk Çimento.

8. Position of the Enterprise in the Industry

According to Türk Çimento's cumulative data for November 2023;

Marmara

Domestic sales increased by 19,52% in Turkey and 15,52% in the Marmara Region compared to the same period last year. As for exports, there was a 17,69% decrease in Turkey and a 33,15% decrease in our region. In the same period, 16.950.888 tons of clinker and 18.239.927 tons of cement were produced.

Aegean

Domestic sales increased by 19,52% in Turkey and 6,72% in the Aegean Region compared to the same period last year. As for exports, while there was a 17,69% decrease in Turkey, there was a 51,13% increase in our region. In the same period, 6.776.891 tons of clinker and 7.261.380 tons of cement were produced.

Mediterranean

Domestic sales increased by 19,52% in Turkey and 30,50% in the Mediterranean Region compared to the same period last year. In exports, while there was a 17,69% decrease in Turkey, there was a 12,83% decrease in our region. In the same period, 15.716.435 tons of clinker and 18.176.746 tons of cement were produced.

Black Sea

Domestic sales increased by 19,52% in Turkey and 5,38% in the Black Sea Region compared to the same period last year. As for exports, while there was a 17,69% decrease in Turkey, there was a 68,40% increase in our region. In the same period, 6.298.172 tons of clinker and 7.261.189 tons of cement were produced.

Central Anatolia

Domestic sales increased by 19,52% in Turkey and 19,69% in the Central Anatolia Region compared to the same period last year. While there was a 17,69% decrease in exports in Turkey, there was a 59,06% decrease in our region. In the same period, 11.333.445 tons of clinker and 12.187.833 tons of cement were produced.

Eastern Anatolia

Domestic sales increased by 19,52% in Turkey and 29,42% in the Eastern Anatolia Region compared to the same period last year. As for exports, there was a 17,69% decrease in Turkey and a 3,46% decrease in our region. In the same period, 4.529.731 tons of clinker and 5.258.005 tons of cement were produced.

Southeastern Anatolia

Domestic sales increased by 19,52% in Turkey and 37,05% in the Southeastern Anatolia Region compared to the same period last year. As for exports, there was a 17,69% decrease in Turkey and a 38,53% decrease in our region. In the same period, 5.043.086 tons of clinker and 5.837.977 tons of cement were produced.

9. Incentives

Our company's incentive information is included in footnote 15 of our CMB report dated 31.12.2023.

10. Development of the Enterprise

The first cement export of OYAK Çimento Fabrikaları A.Ş. (Former Title: Mardin Çimento Sanayii ve Tic. A.Ş.), which was put into operation on September 8, 1975, was made to Middle Eastern countries in 1975. The company also includes Aslan Cement Branch, which started its operations in Darıca in 1910 as the first factory of the Turkish cement industry and Turkey's first cement brand, and has been serving its region and our country for 114 years. OYAK Çimento is preferred all over Turkey with its strong and reliable image in domestic and international markets.

OYAK Çimento Fabrikaları A.Ş. (Former Title: Mardin Çimento Sanayii ve Tic. A.Ş.) on 13.12.2019, considering the synergy to be created in line with strategic plans and targets in the cement sector, Adana Çimento Sanayii T.A.Ş., Aslan Çimento A.Ş., Bolu Çimento Sanayi A.Ş. and Ünye Çimento Sanayi ve Ticaret A.Ş. It was decided to start negotiations with the intention of merging with.

The "Announcement Text" regarding the merger was approved by the decision of the Capital Markets Board dated 20/02/2020; It was also submitted to the approval of the partners at the Extraordinary General Assembly held on 27.03.2020. The merger was approved at the extraordinary general assembly. The merger was registered at the Mardin Trade Registry Office on 14.05.2020.

By "taking over" all the assets and liabilities of Oyak Beton Sanayi ve Ticaret A.Ş., a 100% subsidiary of our company, registered with the Ankara Trade Registry Office with the registration number 195300, by applying the "Facilitated Merger" method, our Company Registration procedures regarding its merger were completed at the Ankara Trade Registry Office as of 31/12/2020.

On June 13, 2023, the title of OYAK Çimento A.Ş., the main partner of the Company, was changed to OYAK Denizli Çimento Anonim Şirketi. As of June 19, 2023, OYAK Denizli Çimento A.Ş. Denizli Çimento Sanayii Türk A.Ş., its subsidiary. and OYAK Denizli Çimento A.Ş. through "merger in a simplified procedure". The merger process has been registered.

OYAK Denizli Çimento A.Ş., the main partner of the Company. By evaluating the synergy that will be created by the merger with OYAK Denizli Çimento A.Ş., with its economic and operational advantages, the opportunities that will be created by the size of the Company that will emerge after the merger, and the benefits that it will provide to all shareholders, the Company will be taken over as a whole, together with all its assets and liabilities. An application was made to the Capital Markets Board pursuant to the Board of Directors' Decision dated September 11, 2023 for its merger under the umbrella of the Capital Markets Board, and the application was approved on November 22, 2023. At the Extraordinary General Assembly meeting dated 25 December 2023 regarding the merger, the Company "took over" OYAK Denizli Çimento Anonim Şirketi as a whole with all its assets and liabilities, and the merger within the Company was accepted by the shareholders, and the merger transaction was completed on 28 December 2023. has been registered.

As a result of the merger, Cimpor Global Holdings B.V., which was the 100% shareholder of the former OYAK Denizli Çimento A.Ş. ("CGH") became the main partner of OYAK Çimento Fabrikaları A.Ş. with a share of 75,81%.

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

OYAK Çimento, which continues its activities in a wide area as the capacity and market leader of the Turkish cement industry, is a leading group that develops cement usage areas with the principles of efficiency, creativity and profit orientation and plays an active role in the country's market.

OYAK Çimento Fabrikaları A.Ş. has adopted the vision of being a respected, leading and reliable company that develops cement usage areas and plays an active role in world markets. It works to increase sales volumes both domestically and abroad.

11. Units of the Enterprise

The capacities of the branches and facilities of our Company are summarized in the table below.

PLACES OF ACTIVITY	AREAS OF ACTIVITY OF THE FACILITY	Cement Production Capacity (Ton / Year)	Clinker Production Capacity (Ton / Year)	Grinding Capacity (Ton / Year)	Cement Stocking Capacity (Ton / Year)	Concrete Production Capacity (m3 / year)	Aggregate Production Capacity (Ton / Year)
Adana Cement Branch	Cement-clinker production and sales	3,5 million	3 million				
Iskenderun Facility-I	Cement-Ground Slag and Sale			1 million			
Iskenderun Facility-II	Cement-Ground Slag and Sale			1 million			
Turkish Republic of Northern Cyprus	Stocking and sales				8 thousand		
Bolu Cement Branch	Cement-clinker production and sales	2,5 million	1,4 million				
Ereğli Branch	Cement and Ground Slag and Sale			1 million			
Ankara Branch	Cement-clinker production and sales	1,75 million	1,3 million				
Aslan Cement Branch	Cement-clinker production and sales	3,3 million	1,8 million				
Ünye Cement Branch	Cement-clinker production and sales	2,75 million	1,6 million				
Rize/ Çayeli	Cement Filling and Packaging Facility				21 thousand		
Romania Facility	Cement Filling and Packaging Facility				8 thousand		
Mardin Cement Branch	Cement-clinker production and sales	2,7 million	1,85 million				
Denizli Cement Branch	Cement-clinker production and sales	3 million	1,65 million				
Ready Mixed Concrete Facilities (Mersin, Adana, Hatay, Osmaniye, Gaziantep, Kahramanmaraş, Zonguldak, Kocaeli, , İstanbul, Samsun, Ordu, Rize, İzmir, Aydın, Manisa, Denizli, Antalya, Ankara, Afyon,Kıbrıs,Romanya)	Ready Mixed Concrete Production and Sales					12 million	
Aggregate Production Facilities (Ayaş, Çerkeşli, Candere, Akarca)	Aggregate Production Facility						6,8 million

12. Products

OYAK Çimento Fabrikaları A.Ş. The product range includes the following cement types. Portland Cement is used in construction where high strength is required but where the heat of hydration and sulphate effect do not require special attention. Portland Composite Cement is used in general purpose and higher strength constructions where blended cements are used. Pozzolanitic Cement is used in concretes exposed to seawater and groundwater, in industrial floors affected by sulphate, and in mass concretes where low hydration heat is required. Blast Furnace Slag Cement is used in concretes exposed to seawater and groundwater, industrial floors affected by sulphate, general purpose constructions, and mass concretes where low hydration heat is required. Sulphate resistant cement types are used in constructions in sulphate areas and areas under the influence of sea water, in underwater, bridge, dam and port foundation constructions, and in the construction of retaining walls. API Well Cement is used in oil drilling wells and geothermal power plants with its high sulphate resistance (HSR), resistance under high temperature and pressure, and workability. White cements can be used wherever gray cements are used. Their main distinguishing features are their white color, aesthetic and decorative features, and high strength gains. Ground Blast Furnace Slag is used as a secondary binder in concrete production.

Our company's product information is listed below;

Product Name	Type and Class	Standard
Adana Çimento Şubesi		
Portland Cement	CEM I 42,5 R	TS EN 197-1
White Portland Cement	CEM I 52,5 R / BPC 52,5 R/85	TS EN 197-1 / TS 21
White Portland Cement	CEM I 42,5 R	TS EN 197-1
White Portland Calcareous Cement	CEM II/B-LL 42,5 R	TS EN 197-1
Portland Slag Cement	CEM II/A-S 42,5R	TS EN 197-1
White Portland Calcareous Cement	CEM II/B-LL 32,5 R	TS EN 197-1
Compound Cement	CEM VI (S-LL) 32,5 R	TS EN 197-5
Portland Cement (White)	Type I	ASTM C 150
Iskenderun Facilities Branch		
Portland Cement	CEM I 42,5 R	TS EN 197-1
White Portland Cement	CEM I 52,5 R	TS EN 197-1
Blast Furnace Slag Cement	CEM III/A 42,5 N	TS EN 197-1
Portland Composite Cement	CEM II/B-M (S-V) 42,5 R	TS EN 197-1
Compound Cement	CEM V/A (S-V) 32,5 R	TS EN 197-1
Portland Cement (White)	Type I	ASTM C 150
Ground Blast Furnace Slag	-	TS EN 15167-1

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

Bolu Cement Branch

Portland Cement	CEM I 42,5 R	TS EN 197-1
Sulphate Resistant Portland Cement	CEM I 42,5 R-SR5	TS EN 197-1
Portland Composite Cement	CEM II/A-M (P-L) 42,5 R	TS EN 197-1
Portland Composite Cement	CEM II/A-M (S-L) 42,5 R	TS EN 197-1
Pozzolan Cement	CEM IV/ B (P) 32,5 R	TS EN 197-1
Sulphate Resistant Blast Furnace Slag Cement	CEM III/B (S) 32,5 N-SR	TS EN 197-1
API Well Cement	G Sınıfı;HSR Tipi	API Spec Q1- API-10A
Ground Blast Furnace Slag	Ground Blast Furnace Slag	EN 15167-1

Ereğli Branch

Compound Cement	CEM VI/S-L 32,5 N	TS EN 197-5
Sulphate Resistant Blast Furnace Slag Cement	CEM III/B (S) 32,5 N-SR	TS EN 197-1
Ground Blast Furnace Slag	Öğütülmüş Yüksek Fırın Cürufu	EN 15167-1
Blast Furnace Slag Cement	CEM III/A (S) 32,5 N	TS EN 197-1
Blast Furnace Slag Cement	CEM III/A (S) 42,5 N	TS EN 197-1

Ankara Branch

Portland Cement	CEM I 42,5 R	TS-EN-197-1
Pozzolan Cement	CEM IV/B (P) 32,5 R	TS-EN 197-1
Portland Calcareous Cement	CEM II/A-LL 42,5 R	TS EN 197-1

Aslan Cement Branch

Portland Cement	CEM I 42,5 R	TS EN 197-1
Portland Composite Cement	CEM II/A-M (S-L) 42,5 R	TS EN 197-1
Compound Cement	CEM V/A (S-P) 32,5 N	TS EN 197-1
Portland Composite Cement	CEM II/B-M (S-L) 42,5 R	TS EN 197-1
Portland Cement (Low Alkaline Content)	TYPE I/II	ASTM C 150
Portland Calcareous Cement	CEM II/A-L 42,5 R	TS EN 197-1

Unye Cement Branch

Portland Cement	CEM I 42,5 R	TS EN 197-1
Sulphate Resistant Portland Cement	CEM I 42,5 R-SR5	TS EN 197-1
Portland Composite Cement	CEM II/A-M (S-LL) 42,5 R	TS EN 197-1
Portland Composite Cement	CEM II/A-M (P-LL) 42,5 R	TS EN 197-1
Blast Furnace Slag Cement	CEM III/A 42,5 N	TS EN 197-1
Pozzolan Cement	CEM IV/B (P) 32,5 R	TS EN 197-1

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

Mardin Cement Branch

Portland Cement	CEM I 42,5 R	TS EN 197-1
Portland Cement	CEM I 42,5 N	TS EN 197-1
Portland Composite Cement	CEM II/A-M (P-LL) 42,5 R	TS EN 197-1
Pozzolanic Cement	CEM IV/B (P) 32,5 N	TS EN 197-1
Sulphate Resistant Cement	CEM I 42,5 R-SR3	TS EN 197-1
API Well Cement	G Sınıfı;HSR Tipi	API Spec Q1- API-10A

Denizli Cement Branch

Portland Cement	CEM I 42,5 R	TS EN 197-1
Sulphate Resistant Portland Cement	CEM I 42,5 R-SR5	TS EN 197-1
Portland Calcareous Cement	CEM II/A-LL 42,5 R	TS EN 197-1
Portland Composite Cement	CEM II/C-M(P-LL) 32,5 N	TS EN 197-5

OYAK Çimento Fabrikaları A.Ş. In its ready-mixed concrete activities product range, in addition to producing standard concrete of all classes and types, it has a wide range of special products, each of which serves a different purpose and can meet every need, which it has developed as a result of long R&D studies and has received trademark registrations.

Brand	Product Name	Explanation
<i>DURABET®</i>	Concrete with High Durability	It is a special product with high durability that is resistant to severe environmental effects, with low water and chlorine permeability, minimized crack risk, and heat development control.
<i>SMARTBET®</i>	Self-Settling Concrete	It is a self-settling special product designed for building elements with narrow-sections and thick fittings, that may be easily placed and finished.
<i>AQUABET®</i>	Concrete with Reduced Water Permeability	It is a special product with reduced water permeability designed for any environment exposed to water and moisture.
<i>SKYBET®</i>	Concrete Pumped to High Floors	It is a special product with high consistency protection and high strength that can be easily transferred over very long distances in multi-story office and residential buildings, vertically and horizontally.
<i>İZOBET®</i>	Insulating Concrete	It is a special product designed for building elements where heat and sound insulation are needed.
<i>FIBRABET®</i>	Fiber Concrete	It is a special steel and polypropylene fiber reinforced product with high bending and impact resistance, and a reduced risk of premature cracks.
<i>FIBROSHOT®</i>	Fiber Shotcrete	It is a special shotcrete product that is fast, practical and fiber-reinforced, used in manufacturing of tunnel and slope etc.
<i>WHITEBET®</i>	White Concrete	It is a special product manufactured by the use of special white cement and light colored raw materials for construction elements with aesthetic and decorative features.

ANNUAL ACTIVITY REPORT

<i>REPABET®</i>	Micro-fiber Repair Concrete	It is a special fiber reinforced product that settles quickly and that can be used in the repair of factory floor concrete, road, apron and runway concrete subject to heavy traffic, with a low risk of cracks, high early and final strength.
<i>VIABET®</i>	Sliding Formwork Concrete	It is a special product designed in accordance with the working principle of sliding formwork systems in viaduct concretes.
<i>POROZBET®</i>	Permeable Concrete	It is a special product designed for areas such as parks, gardens, parking lots etc., with increased permeability.
<i>DUALBET®</i>	Road Concrete	It is a special road concrete that can be compressed with a cylinder and/or dumped with a paver.
<i>DOZBET®</i>	Dose Concrete	It is a special product designed based on a binding rate determined according to customer demand.
<i>FLEKS BET®</i>	Fixed and Flex Line Concrete	It is a special product designed according to customer demand, which can be conveniently pumped over long distances with fixed or flex hoses.

Product Name	Type and Class	Standard
Standard Concrete	C8 / 11-C80 / 95	TS EN 206
Light Concrete	LC 8/9-LC 35/38	TS EN 206
Heavy Concrete	HC8 / 10 – HC 50/60	TS EN 206
<i>DURABET®</i>	Special Product	TS EN 206
<i>AQUABET®</i>	Special Product	TS EN 206
<i>SKYBET®</i>	Special Product	TS EN 206
<i>SMARTBET®</i>	Special Product	TS EN 206
<i>FIBRABET®</i>	Special Product	TS EN 206
<i>WHITEBET®</i>	Special Product	TS EN 206
<i>FIBROSHOT®</i>	Special Product	TS EN 206
<i>REPABET®</i>	Special Product	TS EN 206
<i>İZOBET®</i>	Special Product	TS EN 206
<i>VIABET®</i>	Special Product	TS EN 206
<i>POROZBET®</i>	Special Product	TS EN 206
<i>DUALBET®</i>	Special Product	TS EN 206
<i>DOZBET®</i>	Special Product	TS EN 206

13. Developments Regarding Sales

While the company continues its activities by targeting sustainable profitability, new investments are pursued domestically. In exports, new sales markets are being investigated.

F- Risks and Assessment of the Board of Directors

1. Risk management policy

The Company manages the risks by identifying the risks that may endanger its existence, development and continuation and taking the necessary measures related to the identified risks. In this context, the Company established the Early Risk Detection Committee.

2. Early Risk Detection Committee

The Company established this committee on 25/07/2012 and the committee consists of 2 members. The committee has met routinely from the date of its establishment to the date of the report, for the purpose of early diagnosis of reasons that endanger the existence and development of the Company and the implementation of the necessary measures and remedies for this and risk management, and submitted the reports it has prepared to the Board of Directors. Guidelines of the committee are available at the Company's website www.oyakcimento.com.

3. Future Risks

In accordance with our awareness and priorities for social responsibility, our Company monitors future risks in order to maintain its activities in accordance with its goals regarding occupational health and safety, environmental sensitivity, regular optimization of its costs and to offer innovative products to our customers. All factors that may negatively affect our domestic and export sales quantity and prices are monitored.

G- Other Considerations

1. Headquarters and Organizations outside the Headquarters

The Headquarters and Organizations outside the Headquarters of our Company are listed below.

	Address	Phone Number	Fax Number
Headquarters	Çukurambar Mahallesi 1480. Sokak No: 2A/56 Çankaya-Ankara / TURKEY	0 (312) 220 02 90	0 (312) 220 02 91
Adana Cement Branch	İncirlik Cumhuriyet Mahallesi Çimento Blv. No: 39/ A Yüreğir / ADANA / TURKEY	0 (322) 332 99 50	0 (322) 332 97 32
İskenderun Facility I	Karayılan Beldesi Yanı PK: 27 İskenderun/HATAY / TURKEY	0 (326) 654 25 10	0 (326) 654 25 00
İskenderun Facility II	Karayılan Mah. 37. Sok. No: 9 İskenderun/HATAY / TURKEY	0 (326) 654 25 10	0 (326) 654 25 00
Turkish Republic of Northern Cyprus	Gazimağusa Serbest Liman Bölgesi Parsel no: 1 Gazimağusa / TRNC	0 (392) 365 31 25	0 (392) 365 07 64
Bolu Cement Branch	Yuva Köyü Yuva Köyü Merkez (Mucavir) Mevkii Çimento Fabrikası yanı Sokak No:1 A Merkez BOLU / TURKEY	0 (374) 226 47 70	0 (374) 226 50 68
Ereğli Branch	Hamzafakıhlı Mahallesi Organize Sanayi Bölgesi 5 Nolu Yol Sokak (Bina no: 116184763) Dış Kapı No:3 Ereğli ZONGULDAK / TURKEY	0 (372) 334 32 00	0 (372) 334 32 05
Ankara Branch	Saray Mahallesi Gıdacılar Caddesi No:23 /A-B Kahramankazan ANKARA / TURKEY	0 (312) 815 50 50	0 (312) 815 50 60
Aslan Cement Branch	Cami Mahallesi, Kaplan Caddesi Girişi Sit. No: 149/1 Darıca / KOCAELİ / TURKEY	0 (262) 745 47 47	0 (262) 745 43 42
Ünye Cement Branch	Günpınarı Mah. Boğazağzı Sok. No.2/1 Ünye / Ordu / TURKEY	0 (452) 321 11 00	0 (452) 321 11 30
Rize/ Çayeli	Limanköy Mevkii Çayeli / Rize/ TURKEY	0 (464) 532 86 01	0 (464) 532 86 03
Romania Facility	Incinta Port Mangalia Romania	00 40 241 743 777	00 40 241 743 733
Mardin Cement Branch	Kabala Mah. 630 Sokak No:1/1 Artuklu / MARDİN / TURKEY	0 (482) 226 64 30	0 (482) 226 64 36
Denizli Cement Branch	Belevi Mah. Fabrika Küme Evleri No:10/1 Çal / Denizli	0 (258) 816 34 00	0 (258) 816 34 26
OYAK Beton	Bahçekapı Mah. 2453 Cad. Oyak Beton Apt. No: 8 Etimesgut / ANKARA	0 (312) 278 78 00	0 (312) 278 60 20

Our company also has 52 active Ready-Mixed Concrete facilities.

2. Information about Changes in Legislation that can Significantly Affect the Company's Activities

There are no changes in legislation that can significantly affect the Company's activities.

3. Information about Conflicts of Interest Between the Organizations from which the Company Procures Services on Issues such as Investment Advice and Rating, as well as Measures Taken by the Company to Prevent these Conflicts of Interest

There are none.

4. Information about Employees' Social Rights, Vocational Training and Other Activities of the Company which Have Social and Environmental Consequences

Company employees have health and life insurance. In addition, vocational and social skill trainings are organized both within and outside the company in order to increase employee competence in the company.

The company evaluates the possible effects and environmental aspects of the investments being made at the project stage and takes all necessary precautions. Environmental impact assessment reports have been prepared for each factory and project regarding the company's activities, and in this context, EIA Positive Certificate and/or EIA Not Required decisions are available. Each factory has "Environmental Permit and License Certificates" valid within the scope of Wastewater discharge, Air emission, Noise and Waste Incineration and Co-Incineration. The company monitors all kinds of risks and environmental aspects to protect and improve the environment and human health and safety, and takes immediate measures to increase the quality level by increasing the effectiveness of the "Integrated Management System", to create a healthy and safe work environment with environmental awareness, to comply with its wishes and tastes. It aims to maintain customer satisfaction by offering products and services.

The company aims to develop quality and environmental awareness and occupational health and safety culture, reduce work accidents, create a healthy and safe working environment, reduce the use of natural resources and increase efficiency; It has established the "Integrated Management System" that meets the requirements of ISO 9001 "Quality Management System", ISO 14001 "Environmental Management System", ISO 50001 "Energy Management System" and ISO 45001 "Occupational Health and Safety Management System" and covers every factory.

The Company has updated its efforts to prioritize economic, social and environmental impacts within the scope of Sustainability and reflect them in its management strategy in 2023, and has prepared its Integrated reporting, which shows both financial information and sustainability performances in the most holistic, effective and comprehensive way and includes the latest 2022 data, data published on 07 July 2023. The company also continued its work with the "Sustainability Board" and "Sustainability Committee" it established and followed its goals in line with the 2022-2025 Sustainability Strategies Report it prepared.

5. Mandatory information to be provided to shareholders on related party transactions and balances

Information about our Company's transactions with Related parties is included in footnote 5 of our CMB report dated 31/12/2023.

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

OYAK Çimento Fabrikaları A.Ş. was approved by our Company's Board of Directors within the scope of the Corporate Governance Communiqué numbered II-17.1. A report was prepared on Widespread and Continuous Transactions between OYAK Elektrik Enerjisi Toptan Hizmetleri A.Ş. The reports were approved by our Board of Directors dated 01/03/2024; The conclusions of these reports are as follows.

"In 2023, the share of the widespread and continuous commercial activity on electricity purchase between our Group Company OYAK Elektrik Enerjisi Toptan Dağıtım A.Ş. and our Company in the total sales cost should exceed 10% within the framework of CMB's II-17.1 Corporate Governance Communiqué. and since it is anticipated that transactions of the same nature will continue in 2024 in accordance with the determined principles, a Board of Directors report was prepared on the subject. "It is considered that the transaction conditions in question are compatible with previous years and reasonable when compared to market conditions."

6. Information for Shareholders

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, TAS, starting from the annual financial reports of issuers and capital market institutions subject to financial reporting regulations that apply Turkish Accounting/Financial Reporting Standards, for the accounting periods ending as of 31 December 2023. It was decided to apply inflation accounting by applying the provisions of Article 29.

In this context; TAS 29 is used in the financial statements of OYAK Çimento Fabrikaları A.Ş., Adana Çimento Sanayi ve Ticaret Ltd., Adana Çimento Free Port Ltd., Marmara Madencilik San.ve Tic.Ltd.Şti., which are subject to consolidation and whose functional currency is Turkish Lira. Inflation adjustment has been made according to . Since the currency of our other company subject to consolidation, Cimpor Romania Terminal S.R.L, is Romanian Leu (RON), no inflation adjustment was made in accordance with TAS 29.

Shares of OYAK Çimento Fabrikaları A.Ş., Borsa İstanbul A.Ş. It is traded on (BIST) under the stock code OYAKC. Information regarding shares is available on our company's website, on the economy pages of daily newspapers and on the internet portals of investment companies.OYAK Çimento Fabrikaları A.Ş.'s annual reports and other information can also be obtained from the company's website www.oyakcimento.com and the communication tools listed below.All activities related to shareholders are carried out within the Company's Financial Country Director. Investor Relations Department contact information is provided below.

As of 31/12/2023, the Company's capital consists of 124.657.840.600 shares (31/12/2022: 115.979.344.100 shares). The nominal value of the shares is 0,01 TL per share (31/12/2022: 0,01 TL per share)

Investor Relations Department Contact Information

Manager of Investor Relations Department;

Name and Surname : Burak KÖROĞLU
Phone : 0 312 220 01 12
E-Mail Address : bkoroglu@oyakcimento.com
Licenses Owned : Level 3 Capital Market Activities License
Corporate Governance Rating License

Information on the employees working under the Investor Relations Department;

Name and Surname : Mehmet Kamil ÖZDEMİR
Phone : 0 312 220 01 12
E-Mail Address : kozdemir@oyakcimento.com
Licenses Owned : Corporate Governance Review License
Level 3 Capital Market Activities License
Credit Rating License
Derivative Instruments License

Name and Surname : Rahim BİÇİCİ
Phone : 0 312 220 01 12
E-Mail Address : rbicici@oyakcimento.com
Licenses Owned : Corporate Governance Review License
Level 3 Capital Market Activities License

Investor Relations Phone Line : 0 312 220 01 12

Investor Relations Mail Address: yatirimciiliskileri@oyakcimento.com

ANNEX 1 DECLARATIONS OF INDEPENDENCE

BAĞIMSIZLIK BEYANI

OYAK Çimento Fabrikaları A.Ş. (Şirket) Yönetim Kurulu'nda, mevzuat, esas sözleşme ve Sermaye Piyasası Kurulu'nun Kurumsal Yönetim Tebliği'nde belirtilen kriterler kapsamında "bağımsız üye" olarak görev yapmaya aday olduğumu, bu kapsamda;

a) Şirket, şirketin yönetim kontrolü ya da önemli derecede etki sahibi olduğu ortaklıklar ile şirketin yönetim kontrolünü elinde bulunduran veya şirkette önemli derecede etki sahibi olan ortaklar ve bu ortakların yönetim kontrolüne sahip olduğu tüzel kişiler ile kendim, eşim ve ikinci dereceye kadar kan ve sıhrı hısımlarım arasında; son beş yıl içinde önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda istihdam ilişkisinin bulunmadığını, sermaye veya oy haklarının veya imtiyazlı payların %5 inden fazlasına birlikte veya tek başına sahip olunmadığını ya da önemli nitelikte ticari ilişkinin kurulmamış olduğunu,

b) Son beş yıl içerisinde, başta şirketin denetimi (vergi denetimi, kanuni denetim, iç denetim de dahil), derecelendirilmesi ve danışmanlığı olmak üzere, yapılan anlaşmalar çerçevesinde şirketin önemli ölçüde hizmet veya ürün satın aldığı veya sattığı şirketlerde, hizmet veya ürün satın alındığı veya satıldığı dönemlerde, ortak (%5 ve üzeri), önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda çalışmadığımı veya yönetim kurulu üyesi olmadığımı,

c) Bağımsız yönetim kurulu üyesi olmam sebebiyle üstleneceğim görevleri gereği gibi yerine getirecek mesleki eğitim, bilgi ve tecrübeye sahip olduğumu,

ç) Bağlı oldukları mevzuata uygun olması şartıyla, üniversite öğretim üyeliği hariç, üye olarak seçildikten sonra kamu kurum ve kuruluşlarında tam zamanlı çalışmıyorum olduğumu,

d) 31/12/1960 tarihli ve 193 sayılı Gelir Vergisi Kanunu (G.V.K.)'na göre Türkiye'de yerleşmiş sayıldığımı,

e) Şirket faaliyetlerine olumlu katkılarda bulunabilecek, şirket ile pay sahipleri arasındaki çıkar çatışmalarında tarafsızlığımı koruyabilecek, menfaat sahiplerinin haklarını dikkate alarak özgürce karar verebilecek güçlü etik standartlara, mesleki itibara ve tecrübeye sahip olduğumu,

f) Şirket faaliyetlerinin işleyişini takip edebilecek ve üstlendiğim görevlerin gereklerini tam olarak yerine getirebilecek ölçüde şirket işlerine zaman ayırabileceğimi,

g) Şirketin yönetim kurulunda son on yıl içerisinde altı yıldan fazla yönetim kurulu üyeliği yapmadığımı,

ğ) Şirketin veya şirketin yönetim kontrolünü elinde bulunduran ortakların yönetim kontrolüne sahip olduğu şirketlerin üçten fazlasında ve toplamda borsada işlem gören şirketlerin beşten fazlasında bağımsız yönetim kurulu üyesi olarak görev almıyorum olduğumu,

h) Yönetim Kurulu üyesi olarak seçilen tüzel kişi adına tescil ve ilan edilmemiş olduğumu,

beyan ederim.

Abdurrahman ÇELİKER

29.12.2022

ANNUAL ACTIVITY REPORT

BAĞIMSIZLIK BEYANI

OYAK Çimento Fabrikaları A.Ş. (Şirket) Yönetim Kurulu'nda, mevzuat, esas sözleşme ve Sermaye Piyasası Kurulu'nun Kurumsal Yönetim Tebliği'nde belirtilen kriterler kapsamında "bağımsız üye" olarak görev yapmaya aday olduğumu, bu kapsamda;

a) Şirket, şirketin yönetim kontrolü ya da önemli derecede etki sahibi olduğu ortaklıklar ile şirketin yönetim kontrolünü elinde bulunduran veya şirkette önemli derecede etki sahibi olan ortaklar ve bu ortakların yönetim kontrolüne sahip olduğu tüzel kişiler ile kendim, eşim ve ikinci dereceye kadar kan ve sıhrî hisimlarım arasında; son beş yıl içinde önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda istihdam ilişkisinin bulunmadığını, sermaye veya oy haklarının veya imtiyazlı payların %5 inden fazlasına birlikte veya tek başına sahip olunmadığını ya da önemli nitelikte ticarî ilişkinin kurulmamış olduğunu,

b) Son beş yıl içerisinde, başta şirketin denetimi (vergi denetimi, kanuni denetim, iç denetim de dahil), derecelendirilmesi ve danışmanlığı olmak üzere, yapılan anlaşmalar çerçevesinde şirketin önemli ölçüde hizmet veya ürün satın aldığı veya sattığı şirketlerde, hizmet veya ürün satın alındığı veya satıldığı dönemlerde, ortak (%5 ve üzeri), önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda çalışmadığımı veya yönetim kurulu üyesi olmadığımı,

c) Bağımsız yönetim kurulu üyesi olmam sebebiyle üstleneceğim görevleri gereği gibi yerine getirecek mesleki eğitim, bilgi ve tecrübeye sahip olduğumu,

ç) Bağlı oldukları mevzuata uygun olması şartıyla, üniversite öğretim üyeliği hariç, üye olarak seçildikten sonra kamu kurum ve kuruluşlarında tam zamanlı çalışmıyor olduğumu,

d) 31/12/1960 tarihli ve 193 sayılı Gelir Vergisi Kanunu (G.V.K.)'na göre Türkiye'de yerleşmiş sayıldığımı,

e) Şirket faaliyetlerine olumlu katkılarda bulunabilecek, şirket ile pay sahipleri arasındaki çıkar çatışmalarında tarafsızlığımı koruyabilecek, menfaat sahiplerinin haklarını dikkate alarak özgürce karar verebilecek güçlü etik standartlara, mesleki itibara ve tecrübeye sahip olduğumu,

f) Şirket faaliyetlerinin işleyişini takip edebilecek ve üstlendiğim görevlerin gereklerini tam olarak yerine getirebilecek ölçüde şirket işlerine zaman ayırabileceğimi,

g) Şirketin yönetim kurulunda son on yıl içerisinde altı yıldan fazla yönetim kurulu üyeliği yapmadığımı,

ğ) Şirketin veya şirketin yönetim kontrolünü elinde bulunduran ortakların yönetim kontrolüne sahip olduğu şirketlerin üçten fazlasında ve toplamda borsada işlem gören şirketlerin beşten fazlasında bağımsız yönetim kurulu üyesi olarak görev almıyor olduğumu,

h) Yönetim Kurulu üyesi olarak seçilen tüzel kişi adına tescil ve ilan edilmemiş olduğumu,

beyan ederim.

Sezai Afif ENSARİ

29.12.2023

BAĞIMSIZLIK BEYANI

OYAK Çimento Fabrikaları A.Ş. (Şirket) Yönetim Kurulu'nda, mevzuat, esas sözleşme ve Sermaye Piyasası Kurulu'nun Kurumsal Yönetim Tebliği'nde belirtilen kriterler kapsamında "bağımsız üye" olarak görev yapmaya aday olduğumu, bu kapsamda;

a) Şirket, şirketin yönetim kontrolü ya da önemli derecede etki sahibi olduğu ortaklıklar ile şirketin yönetim kontrolünü elinde bulunduran veya şirkette önemli derecede etki sahibi olan ortaklar ve bu ortakların yönetim kontrolüne sahip olduğu tüzel kişiler ile kendim, eşim ve ikinci dereceye kadar kan ve sıhrî hısımlarım arasında; son beş yıl içinde önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda istihdam ilişkisinin bulunmadığını, sermaye veya oy haklarının veya imtiyazlı payların %5 inden fazlasına birlikte veya tek başına sahip olunmadığını ya da önemli nitelikte ticari ilişkinin kurulmamış olduğunu,

b) Son beş yıl içerisinde, başta şirketin denetimi (vergi denetimi, kanuni denetim, iç denetim de dahil), derecelendirilmesi ve danışmanlığı olmak üzere, yapılan anlaşmalar çerçevesinde şirketin önemli ölçüde hizmet veya ürün satın aldığı veya sattığı şirketlerde, hizmet veya ürün satın alındığı veya satıldığı dönemlerde, ortak (%5 ve üzeri), önemli görev ve sorumluluklar üstlenecek yönetici pozisyonunda çalışmadığımı veya yönetim kurulu üyesi olmadığımı,

c) Bağımsız yönetim kurulu üyesi olmam sebebiyle üstleneceğim görevleri gereği gibi yerine getirecek mesleki eğitim, bilgi ve tecrübeye sahip olduğumu,

ç) Bağlı oldukları mevzuata uygun olması şartıyla, üniversite öğretim üyeliği hariç, üye olarak seçildikten sonra kamu kurum ve kuruluşlarında tam zamanlı çalışmıyor olduğumu,

d) 31/12/1960 tarihli ve 193 sayılı Gelir Vergisi Kanunu (G.V.K.)'na göre Türkiye'de yerleşmiş sayıldığımı,

e) Şirket faaliyetlerine olumlu katkılarda bulunabilecek, şirket ile pay sahipleri arasındaki çıkar çatışmalarında tarafsızlığımı koruyabilecek, menfaat sahiplerinin haklarını dikkate alarak özgürce karar verebilecek güçlü etik standartlara, mesleki itibara ve tecrübeye sahip olduğumu,

f) Şirket faaliyetlerinin işleyişini takip edebilecek ve üstlendiğim görevlerin gereklerini tam olarak yerine getirebilecek ölçüde şirket işlerine zaman ayırabileceğimi,

g) Şirketin yönetim kurulunda son on yıl içerisinde altı yıldan fazla yönetim kurulu üyeliği yapmadığımı,

ğ) Şirketin veya şirketin yönetim kontrolünü elinde bulunduran ortakların yönetim kontrolüne sahip olduğu şirketlerin üçten fazlasında ve toplamda borsada işlem gören şirketlerin beşten fazlasında bağımsız yönetim kurulu üyesi olarak görev almıyor olduğumu,

h) Yönetim Kurulu üyesi olarak seçilen tüzel kişi adına tescil ve ilan edilmemiş olduğumu,

beyan ederim.

Kazım YETİŞ

29.12.2022

Annex 2.

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE

OYAK Çimento Fabrikaları A.Ş. ("Company"), as one of the well-established and publicly traded companies of the Turkish cement industry, is aware of its responsibilities towards its stakeholders. In this context; The company has adopted the concepts of "equality", "transparency", "accountability" and "responsibility", which form the basis of corporate governance in its activities, and complies with the Capital Markets Law ("CML") and the secondary regulations of the Capital Markets Board ("CMB"). It shows utmost care and effort to comply with its decisions.

In this context, in parallel with corporate governance studies, corporate governance mechanisms within the Company started to be operated in line with the principles as of 25.07.2012.

OYAK Çimento Fabrikaları A.Ş. It believes in the importance of full compliance with Corporate Governance Principles. During the activity period ending on December 31, 2023, our company has adopted and implemented the corporate governance principles included in the annex of the Corporate Governance Communiqué and required to be implemented by the relevant legislation.

Maximum care is taken to comply with the voluntary principles that are not required to be complied with by the relevant legislation, and the current situation has not caused any conflict of interest among stakeholders to date regarding those that have not yet been fully complied with.

Explanations regarding compliance with the corporate governance principles included in the annex of the Corporate Governance Communiqué and those that have not yet been complied with for the activity period ending on December 31, 2023 are included in the annual report; It is included in the Corporate Governance Compliance Report ("URF"), Corporate Governance Information Form ("KYBF"), Sustainability Principles Compliance Report and other relevant sections of the report.

In the future, efforts will continue to improve our corporate governance practices, including better operation of the mechanisms within the framework of the principles in question in the partnership's corporate governance practices and a limited number of voluntary principles that have not been implemented.

If there is a significant change in the Sustainability Principles Compliance Report during the period, the relevant change will be included in the interim activity reports. If there is any change in the URF or KYBF during the period, it will be included in the interim activity reports as well as a special situation statement.

Corporate Governance Compliance Report

	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1- Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7 - Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	There is no such transaction.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10- The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				There is an item related to donations and benefits on the agenda of the General Assembly. In this article, the amount of donations and benefits made is indicated, but information about the beneficiaries is not provided.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.					X	During the accounting period of 2023, there was no request for participation in the General Assembly from the media.

ANNUAL ACTIVITY REPORT

1.4. VOTING RIGHTS						
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2-The company does not have shares that carry privileged voting rights.					X	There is no privileged voting right.
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	There is no mutual subsidiary relationship in the capital of our company.
1.5. MINORITY RIGHTS						
1.5.1- The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2-The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			The provisions of Turkish Commercial Code and CMB are applied in the articles of association of our company.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 -There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1 - The company website includes all elements listed in Corporate Governance Principle	X					
2.1.2-The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share	X					

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

capital) is updated on the website at least every 6 months.						
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.		X				The English website of the company is provided in English and some sections are provided in English.
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities..	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the company's website.		X				Some of the policies and procedures related to the rights of stakeholders are published on the Company's website.
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.		X				There is no such regulation in our articles of association. Employee participation is supported by the company's internal practices.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	X					

ANNUAL ACTIVITY REPORT

3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.	X					
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1- The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information	X					

ANNUAL ACTIVITY REPORT

and business secrets of its customers and suppliers.						
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2- The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1- The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place	X					
4.1.2- The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1- The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2- Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3 - The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4- Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.	X					
4.2.7- The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9- The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.			X			There is no policy in the board of directors regarding the minimum target of 25% for the female member rate.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1 - Each board member attend the majority of the board meetings in person or via an electronic board meeting system	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.	X					
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.			X			There are no restrictions on the duties of the Members of the Board of Directors within the company. The duties performed by the members of the Board of Directors outside the Company are included in the Annual Report.
4.5. BOARD COMMITTEES						

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

4.5.5 - Board members serve in only one of the Board's committees.			X			Independent Members of the Board of Directors take part in more than one committee.
4.5.6- Committees have invited persons to the meetings as deemed necessary to obtain their views.					X	There are no experts invited to the committee meetings during the semester.
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	The Committee does not provide consultancy services.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1 - The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			Has to be achieved.
4.6.4 - The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report		X				The salaries of the directors are disclosed not on a per capita basis but collectively; the salaries of our Board members are also included in the minutes of the General Assembly Meetings.

OYAK ÇİMENTO FABRİKALARI A.Ş.

ANNUAL ACTIVITY REPORT

Corporate Governance Information Form

1. SHAREHOLDERS	
1.1. 1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	2
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	0
The number of special audit requests that were accepted at the General Shareholders' Meeting	0
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1121388
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	Yes
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	None.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communiqué on Corporate Governance (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1121381
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communiqué on Corporate Governance (II-17.1)	https://www.kap.org.tr/tr/Bildirim/1121381
The name of the section on the corporate website that demonstrates the donation policy of the company	https://assets.oyakcimento.com/contents/pdf/2021103/64811618404489111221.pdf
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/192036
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 21.
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	There are no restrictions on the participation of stakeholders in the General Assembly.
1.4. Voting Rights	
Whether the shares of the company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	None.
The percentage of ownership of the largest shareholder	75,81 %
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association.	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Investor Corner / Shareholder Information / Policies and Guidelines / Dividend Policy
The name of the section on the corporate website that describes the dividend distribution policy	https://www.kap.org.tr/tr/Bildirim/1121388
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	https://www.kap.org.tr/tr/Bildirim/1129928

ANNUAL ACTIVITY REPORT

General Assembly Meetings									
General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares directly present at the GSM	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting
30.03.2022	-	76,42%	0,02%	76,40%	Investor Corner / General Meetings / Minutes of the Ordinary General Assembly Meeting /Oyak Çimento Fabrikaları A.Ş.- Minutes of the Ordinary General Assembly Meeting 2022	Investor Corner / General Meetings / Questions Asked at the General Assembly Meeting / Oyak Çimento Fabrikaları A.Ş - Questions Asked at the 2021 Ordinary General Assembly Meeting	-	311	https://www.kap.org.tr/tr/Bildirim/1129928
25.12.2023		75,58%	0,00%	75,58%	Investor Corner/General Assemblies/Extraordinary General Assembly Meeting Minutes/Oyak Çimento Factories A.Ş.- Extraordinary General Assembly Meeting Minutes 2023	-	-	232	https://www.kap.org.tr/tr/Bildirim/1230305

ANNUAL ACTIVITY REPORT

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Investor Corner
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Investor Corner /Corporate Information/Oyak Çimento Fabrikaları A.Ş.-Partnership Structure
List of languages for which the website is available	Turkish, English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	The duties they perform outside the company are included in Article A-6 and Article-1 also contains declarations of independence.
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	A-6. Article
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	A-6. Article
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	G-2. Article
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	D-6a Article
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	G-3. Article
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	D-3. Article
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	G-4. Article

ANNUAL ACTIVITY REPORT

3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	None
The number of definitive convictions the company was subject to in relation to breach of employee rights	23
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Ethics Committee
The contact detail of the company alert mechanism	cimporethico.com
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	None.
Corporate bodies where employees are actually represented	Union
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Confirmation
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Employee Policy-Code of Ethics
Whether the company provides an employee stock ownership programme	These isn't an employee stock ownership programme
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Ethical Rules
The number of definitive convictions the company is subject to in relation to health and safety measures	1
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	Employee Policy/Code of Ethics
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	About us – Environmental Awareness - Social Responsibility
Any measures combating any kind of corruption including embezzlement and bribery	We have an Ethics Line that is accessible to Company employees and third parties so that concerns about ethics and compliance issues can be expressed. While unethical behavior such as bribery, corruption and abuse of power is carefully avoided, international efforts to eliminate such crimes are supported. Its employees avoid any action or behavior that could mean benefiting themselves or their relatives. Under no circumstances is a conflict between personal interests and the benefit of the company allowed, and employees are not allowed to obtain inappropriate personal

OYAK ÇİMENTO FABRİKALARI A.Ş.**ANNUAL ACTIVITY REPORT**

	benefits due to their positions, or to provide benefits to their relatives or third parties.
4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	-
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Chairman of The Board of Directors OYKA Kağıt Ambalaj Sanayii ve Ticaret A.Ş. (Person Acting Behalf of Suat ÇALBIYIK); Vice President Of The Board Of Directors OYAK Paz. Hiz. Ve Tur. A.Ş.'nin (Person Acting Behalf of İbrahim KOYUER)
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	The number of planned audits carried out by the Internal Audit Directorate in 2023 is 11 and the relevant audit results are presented to the Chairman of the Board of Directors.
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	D-2. Article
Name of the Chairman	Chairman of The Board of Directors OYKA Kağıt Ambalaj Sanayii ve Ticaret A.Ş. (Person Acting Behalf on Suat ÇALBIYIK)
Name of the CEO	General Manager Murat İdris SELA
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	It's not the same person.
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	Executive liability insurance is available for the defects of the members of the board of directors during their duties and the damage they will cause to the company; it does not exceed 25% of the capital.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	None
The number and ratio of female directors within the Board of Directors	None

ANNUAL ACTIVITY REPORT

Composition of Board of Directors							
Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Oyka Kağıt Ambalaj San. Ve Tic. A.Ş. (Represented by Suat ÇALBIYIK)	Non-executive)	Not independent director	20/09/2016	-	Not considered	No	Yes
OYAK Pazarlama Hizmet ve Tur. A.Ş. (Represented by İbrahim KOYUER)	Non-executive)	Not independent director	01/06/2023	-	Not considered	No	Yes
Ataer Holding A.Ş. (Represented by Naci BEKTAŞ)	Non-executive)	Not independent director	01/06/2023	-	Not considered	No	Yes
Oytaş İç ve Dış Ticarek A.Ş. (Represented by Muzaffer IŞIN)	Non-executive)	Not independent director	01/06/2023	-	Not considered	No	Yes
Omsan Lojistik A.Ş. (Represented by Vehbi BAYSAK)	Non-executive)	Not independent director	03/08/2023	-	Not considered	No	Yes
OYAK Denizcilik ve Liman İşl. A.Ş. (Represented by Arda Kaan ALPMAN)	Non-executive)	Not independent director	10/12/2021	-	Not considered	No	Yes
Kazım YETİŞ	Non-executive)	Independent director	19/03/2020	https://www.kap.org.tr/tr/Bildirim/1121379	Considered	No	Yes
Sezai Afif ENSARI	Non-executive)	Independent director	19/03/2020	https://www.kap.org.tr/tr/Bildirim/1121379	Considered	No	Yes
Abdurrahman ÇELİKER	Non-executive)	Independent director	19/03/2020	https://www.kap.org.tr/tr/Bildirim/1121379	Considered	No	Yes

ANNUAL ACTIVITY REPORT

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical board meetings in the reporting period (meetings in person)	35
Director average attendance rate at board meetings	100,00%
Whether the board uses an electronic portal to support its work or not	Yes
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	3 - 5 days ago
The name of the section on the corporate website that demonstrates information about the board charter	The manner in which the board of directors meetings will be held is specified in Article 12 of the Articles of Association. The Articles of Association are available in the "Investor's Corner" of the Company website.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees are presented	A-6. Article
Link(s) to the PDP announcement(s) with the board committee charters	Investor Corner/Shareholder Information/Policies and Guidelines

ANNUAL ACTIVITY REPORT

Composition of Board Committees-I				
Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Committee Chairman	Wheter the person is Board Member or Not
1-Denetim Komitesi (Audit Committee)	-	Kazım YETİŞ	Yes	Board member
1-Denetim Komitesi (Audit Committee)	-	Abdurrahman ÇELİKER	No	Board member
2-Kurumsal yönetim komitesi (Corporate Governance Committee)	-	Abdurrahman ÇELİKER	Yes	Board member
2-Kurumsal yönetim komitesi (Corporate Governance Committee)	-	Sezai Afif ENSARİ	No	Board member
2-Kurumsal yönetim komitesi (Corporate Governance Committee)	-	Burak KÖROĞLU	No	Not board member
3-Riskin Erken Saptanması Komitesi (Commtee of Early Detection of Risk)	-	Sezai Afif ENSARİ	Yes	Board member
3-Riskin Erken Saptanması Komitesi (Commtee of Early Detection of Risk)	-	Kazım YETİŞ	No	Board member

ANNUAL ACTIVITY REPORT

4. BOARD OF DIRECTORS-III	
4.5. Board Committees	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	A-6. Article
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	A-6. Article
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	A-6. Article
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	A-6. Article
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	A-6. Article
4.6.Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	E-1. Article
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	https://oyakcimento.com/tr/yatirimci-kosesi/hissedar-bilgileri
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	B-1. Article

Composition of Board Committees-II					
Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	Number of Reports Submitted to the Board of Directors on the Committee's Activities
Denetim Komitesi (Audit Committee)	-	100%	100%	5	5
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	67%	67%	5	5
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	100%	100%	6	6

OYAK ÇİMENTO FABRİKALARI A.Ş. SUSTAINABILITY REPORT

		COMPLIANCE STATUS				EXPLANATION
		YES	NO	PARTIAL	NOT APPLICABLE	
A. General Principles						
A1. Strategy, Policy and Goals						
A1.1	The preferred environmental, social and corporate governance (ESG) issues, risks and opportunities have been determined by the Board of Directors..			X		Environmental, social and institutional priority issues have been identified and the process of integration with risks and opportunities continues.
	The ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Labour Rights Policy) have been set out by the Board of Directors and disclosed to public.	X				In the Integrated Management System Policy, which was published in 2021 and announced to all stakeholders, sustainability principles were taken into account and the integration process of ESG issues into the IMS Policy continues.
A1.2	The short-term and long-term ESG goals have been disclosed to public.	X				Short and long-term goals have been determined in accordance with the partnership strategy and ESG policy and the public disclosure process continues.
A2. Execution/Supervision						
A2.1	The committees and/or boards responsible for the supervision of ESG policies and the seniors directors to execute the ESG issues have been disclosed to public including their duties.	X				Sustainability committees have been determined to be responsible for the execution of the ESG policy in order to identify sustainability risks. Regarding Corporate Governance; Early Detection of Risk, Audit and Corporate Governance Committees were formed and disclosed to the public.
	The activities carried out within the scope of the policies by the responsible committee and/or department have been reported to the Board of Directors at least once a year. en az bir kez yönetim kuruluna raporlanmıştır.	X				Corporate Governance, Early Detection of Risk and Audit Committee decisions regarding Corporate Governance were taken and stated in the annual report.
A2.2	The action plan in accordance with the ESG goals have been formed and disclosed to public.			X		The process of developing action plans in order to implement the short and long-term objectives determined in accordance with the partnership

ANNUAL ACTIVITY REPORT

						strategy and ESG policy continues.
A2.3	The key performance indicators regarding the ESG and the achievement rates per years have been disclosed to public.	X				Key Performance Indicators for 2023 have been determined and OYAK Çimento Fabrikaları A.Ş. It will be shared with the public through the 2023 Integrated Report.
A2.4	The improvement activities for sustainability performance regarding business processes or product and services have been disclosed to public.	X				Innovation and R&D activities aimed at business processes or products/services and improving sustainability performance are being carried out, and OYAK Çimento Fabrikaları A.Ş. These activities carried out through the Integrated Report are shared with the public.
	A3. Reporting					
A3.1	The annual report covers the sustainability performance, KPIs and actions understandable, right and qualified.	X				Sustainability performance and actions are followed and It is shared with the public through the Integrated Report of OYAK Çimento Fabrikaları A.Ş.
A3.2	The information on the activities implemented in line with the United Nations (UN) 2030 Sustainable Development Goals have been disclosed to public.	X				Information on which of our activities are related to the United Nations (UN) 2030 Sustainable Development Goals, It was shared with the public through the Integrated Report of OYAK Çimento Fabrikaları A.Ş.
A3.3	The lawsuits in progress against the Company regarding the ESG issues that effect the material business lines and the legal sanctions in regard of the sustainability policies have been disclosed to public.			X		Of the lawsuits filed and/or concluded against our company, those deemed necessary/important are disclosed on the Public Disclosure Platform.
	A4. Verification					
A4.1	The KPI measurements have been verified by an independent third and disclosed to public			X		Greenhouse gas data, one of the parameters related to sustainability, is verified by the verifier and shared with the Ministry.
	B. Environmental Principles					
B1	The company has disclosed its policies and practices on environmental management, action plans, environmental management systems (known as ISO 14001 standard) and programmes..	X				Within the scope of IMS, all OYAK Çimento Fabrikaları A.Ş. Certification is provided for branches and headquarters.
B2	The scope, period, date and the constraints of conditions of the	X				OYAK Çimento Fabrikaları A.Ş. Relevant constraints are also

ANNUAL ACTIVITY REPORT

	environmental reporting regarding environmental management have been disclosed to public.					included in the Integrated Report.
B3	Presented at A2.1.					
B4	The environmental KPIs counted for remuneration criteria for stakeholders (e.g. board members, executives and employees) within frame of the performance incentives have been disclosed to public			X		It has been explained in the Personnel Regulation and Award Procedure and has not been shared with the public.
B5	The integration of the environmental difficulties, which are preferably determined, with the business goals and strategy have been disclosed to public.			X		Environmental priorities and sensitivities are included in business strategies. Climate-based risks and opportunities were identified and integrated into business targets.
B6	Presented at A2.4.					
B7	The integration of environmental management issues covering the customers and suppliers throughout the value chain of the company including the operational process with the business model and strategy have been disclosed to public.			X		Supplier selection is made according to the supplier evaluation procedure and the suitability of suppliers is checked through audits. Work continues to improve the process.
B8	The cooperation with the non-governmental organizations and the environmental institutions and taking (or not) a part of the policy-making processes with those institutions have been disclosed to public.			X		There are many organizations with which we collaborate on environmental issues, such as TÜRKÇİMENTO, TOBB, TAYÇED, ERTA, ÇEİS, WCA, THBB.
B9	The environmental figures (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect), air quality, energy management, water and waste water management, waste management, biodiversity impacts) and the environmental impacts have been disclosed to public with periodic comparison.	X				Environmental indicators, including direct greenhouse gas emissions, are included in the Integrated Reports. Scope 2 and Scope 3 emissions have been calculated and will be included in the Integrated report to be published in 2023. It is also published on our company website.
B10	The standard, protocol, methodology and the base year details for collection and calculation of the data	X				Environmental indicators, including direct greenhouse gas emissions, are included in the Integrated Reports. Scope 2 and

ANNUAL ACTIVITY REPORT

	have been disclosed to public.					Scope 3 emissions have been calculated and will be included in the Integrated report to be published in 2023. It is also published on our company website.
B11	The comparable increase or decrease rates with the previous years have been disclosed to public in the current period's report.	X				Data showing the change in environmental indicators compared to previous years are included in the Integrated Report.
B12	The short-term and long-term targets are determined to decrease the environmental impacts; the called targets and the progress status in comparison to the previous years' targets have been disclosed to public.	X				The targets and progresses determined to reduce their environmental impacts are included in the Integrated reports.
B13	The strategy for fight against climate crises is set out and the action plan has been disclosed to public.			X		A strategy to combat the climate crisis has been created, but no statement has been made in this context.
B14	The programmes or procedures to prevent or to decrease to the minimum level of the negative environmental effects of the products and/or services have been disclosed to public			X		The program was created in order to prevent or minimize the potential negative impact of products and/or services on the environment, but no explanation was made in this context.
	The actions taken to make the third parties' (e.g. supplier, subcontractor, dealer, etc.) decrease their greenhouse gas emission figures have been disclosed to public.	X				Scope 3 emissions, which consist of services we receive from third parties, have been calculated. Necessary actions will be determined within the framework of developments in Scope 3 emissions and will be shared with the public.
B15	The environmental benefits/gainings and cost savings provided by the initiatives/projects to decrease the environmental impacts have been disclosed to public.	X				OYAK Çimento Fabrikaları A.Ş. Shared in the Integrated Report dated 2022 published in 2023.
B16	Energy consumption (natural gas, diesel, gas, LPG, coal, electricity, heating, cooling, etc.) figures as Scope-1 and Scope-2 have been disclosed to public.	X				Greenhouse gas emissions from energy consumption have been calculated in Scope 1 and Scope 2 details and will be shared in the 2023 Integrated Report.
B17	The information about the produced electricity, heat, steam and cooling for the reporting period have been disclosed to public.	X				OYAK Çimento Fabrikaları A.Ş. It was shared in the Integrated Report published in 2023.

ANNUAL ACTIVITY REPORT

B18	The actions taken to increase renewable energy consumption, transit to zero or low carbon electricity have been disclosed to public.	X				Studies on increasing the use of renewable energy and transition to zero or low carbon electricity are continuing, and the completed and planned works have been shared with the public.
B19	The renewable energy production and consumption figures have been disclosed to public.	X				Renewable energy usage and production data OYAK Çimento Fabrikaları A.Ş. Shared in the Integrated Report.
B20	Energy productivity projects have been carried out and the decrease rates on energy consumption and emission based on those projects have been disclosed to public.	X				Energy efficiency projects are ongoing and completed and planned studies have been shared with the public.
B21	Water consumption, underground or aboveground drawn water, recycled or discharged water figures, sources and procedures have been disclosed to public.	X				OYAK Çimento Fabrikaları A.Ş. Shared in the Integrated Report.
B22	It has been disclosed to public if the operations or activities included to any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax) or not.				X	Currently, there is no carbon pricing system in which our Group can be involved in our country.
B23	The information on accumulated or purchased carbon credit in the reporting period has been disclosed to public.				X	Since our group is not included in any carbon pricing mechanism, it is not considered within the scope of this article.
B24	The details have been disclosed to public if there is a carbon pricing mechanism at the company.				X	Since it is not included in any carbon pricing mechanism within the partnership, it is not considered within the scope of this article.
B25	The platforms, which the environmental figures of the company are announced, have been disclosed to public.	X				Environmental information is disclosed to the member organizations and to the relevant Ministries within the scope of the legislation.

	C. Social Principles					
--	-----------------------------	--	--	--	--	--

ANNUAL ACTIVITY REPORT

	C1. Human Rights and Labour Rights					
C1.1	The Human Rights and Labour Rights Policy has been set out covering the United Nations Universal Declaration of Human Rights and the International Labour Organization principles, the responsible directors for execution of the policy are assigned and disclosed to public.			X		Corporate Human Rights and Employee Rights Policy has been created to cover the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and other relevant legislation, and those responsible for the implementation of the policy have been determined.
C1.2	The labour rights policy covers the fair workforce, improving work conditions, women's employment and inclusion (no discrimination on gender, race, religion, language, marital status, ethnicity, sexual orientation, gender identity, family responsibilities, trade union activities, political view, disability, social and cultural differences, etc.) considering the supply and value chain impacts.	X				https://www.oyakcimento.com/tr/calisan-politikasi/ise-alim-ve-yetenek-yonetimi-yaklasimimiz
C1.3	Measures taken throughout the value chain to protect segments sensitive to certain economic, environmental and social factors (low-income segments, women, etc.) or minority rights/equality of opportunity have been disclosed to the public.			X		OYAK Cement Factories Inc. Shared in the Integrated Report.
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced labor and child labor have been disclosed to the public.			X		OYAK Cement Factories Inc. Shared in the Integrated Report.
C1.5	The labour rights policy covers investment in employees (training, improvement policies), remuneration, side rights, right to unionize, work/life balance and skill management issues.			X		https://www.oyakcimento.com/tr/calisan-politikasi/ise-alim-ve-yetenek-yonetimi-yaklasimimiz
	The mechanism regarding the employee complaints and the dispute resolution process is determined.	X				https://assets.oyakcimento.com/contents/pdf/2022153/80451654273713602514.pdf

ANNUAL ACTIVITY REPORT

	The reported employee satisfaction activities in the period have been disclosed to public.	X				https://assets.oyakcimento.com/contents/pdf/2022153/80451654273713602514.pdf
C1.6	Occupational Health and Safety Policy has been set out and disclosed to public.	X				Occupational health and safety policies have been created and disclosed to the public within the scope of the Integrated Management System.
	The measures taken to prevent the work accidents, health protection and accident statistics have been disclosed to public.	X				Measures taken to prevent occupational accidents and protect health and accident statistics OYAK Çimento Fabrikaları A.Ş. It is shared with the public through the Integrated Report.
C1.7	Protection of the personal data and information security policy has been disclosed to public.	X				https://assets.oyakcimento.com/contents/pdf/202237/78411644230958170746.pdf
C1.8	Code of Ethics has been set out and disclosed to public.	X				https://cimporethico.com/
C1.9	Studies within the scope of social investment, social responsibility, financial inclusion and access to finance are explained.			X		OYAK Cement Factories Inc. Shared in the Integrated Report..
C1.10	The informative meetings and training programmes on ESG practices organised for the employees	X				OYAK Çimento Fabrikaları A.Ş. In line with the annual plan, information meetings and training programs are organized for employees on ESG policies and practices.
	C2. Stakeholders, International Standards and Initiatives					
C2.1	Customer satisfaction policy covering the management and solution of the customer complaints has been set out and disclosed to public.			X		There is no separate policy regarding customer satisfaction, the subject is included in the "Integrated Management System Policy" and it is always open and accessible to the society and all relevant parties.
C2.2	The information on communication with the stakeholders (whom, topic ve frequency) has been disclosed to public.		X			Information about the communication with stakeholders (which stakeholder, subject and frequency) is not disclosed to the public.
C2.3	International reporting standards adopted in reporting are explained..	X				Reporting is disclosed in accordance with international reporting standards.
C2.4	The adopted principles, being a signatory or a member of an international institution, committee on sustainability have been disclosed to public.	X				The principles adopted regarding Sustainability in 2022 were disclosed to the public.

ANNUAL ACTIVITY REPORT

C2.5	Improvements have been made and studies have been carried out to be included in the sustainability indices of Borsa Istanbul and/or international index providers.			X		Developments are being made to be included in the sustainability index.
	D. Corporate Governance Principles					
D1	It has been consulted with the stakeholders regarding the determination of the sustainability measures and strategy.	X				Stakeholder Analysis was carried out in the 2021 Integrated Reporting and it was also evaluated in the Sustainability Strategy reporting.
D2	CSR projects, awareness activities and training programmes have been realized to increase the awareness of on sustainability.	X				Social responsibility projects and awareness activities were carried out within the company and included in the Integrated Reporting.

In contradiction between the Turkish and English versions of this Board of director' s report, the Turkish version shall prevail.

