

## Corporate Governance Rating Report



**ÇİMENTO**

**19 November 2025**

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## Rating and Executive Summary

### OYAK ÇİMENTO FABRİKALARI A.Ş.



Corporate Governance Rating:

**9.44**



#### MAIN SECTIONS: Avg. 94.39

Shareholders: 94.94



Public Disclosure & Transparency: 98.08



Stakeholders: 93.66



Board of Directors: 91.67



0 10 20 30 40 50 60 70 80 90 100

## EXECUTIVE SUMMARY

This report on rating of OYAK Çimento Fabrikaları A.Ş (OYAK Cement) compliance with Corporate Governance Principles is prepared upon conclusions following detailed analysis of the Company. Our rating methodology (page 5) is based on the Capital Markets Board's (CMB) "Corporate Governance Principles".

OYAK Cement is rated with **9.44** as result of the Corporate Governance study conducted by SAHA. The Company's corporate governance rating has shaped up as above in consideration with the importance given by OYAK Cement to corporate governance principles, its willingness to carry out the compliance process continuously and dynamically and improvements which had been initiated in this direction.

SAHA publishes (annually) the World Corporate Governance Index (WCGI) which ranks countries in terms of their level of compliance with corporate governance principles as well as their germane institutions, rules, codes, and regulations together with international standards and indices which evaluate countries in a vast array of areas such as transparency, corruption, ease of doing business, etc.. OYAK Cement is analyzed as a Turkish company and Turkey takes place at the top classification of the WCGI which is Group 1. Details of the World Corporate

Governance Index (WCGI) published by SAHA on August 27, 2025 can be accessed at <http://www.saharating.com>.

OYAK Cement is rated with **9.49** under the **Shareholders** section. Exercise of shareholders' rights complies with the legislation, Articles of Association and other internal rules and regulations. Measures are in place to ensure the exercise of such rights. Company carries out the shareholder relations obligations via the Investor Relations Department. All procedures prior to the general assembly and the conduct of the meeting comply with the legislation and regulations. The Company has policies on dividend distribution, donations, and disclosure that have been submitted to and approved by the General Assembly, and disclosed to the public. There are no practices that restrict the transfer of shares. On the other hand, there are areas for improvement, such as the fact that the rate stipulated for public joint stock companies (%5) has been adopted as is with respect to minority rights.

OYAK Cement attained **9.80** under the **Public Disclosure and Transparency** chapter. The Company has a comprehensive web site. Public announcements are carried out via all communications channels and are in accordance with the CMB and Borsa Istanbul (BIST) regulations. The Corporate Governance Compliance Report (CRF) and the Corporate Governance Information Form (CGIF) have been disclosed to the public through the Public Disclosure Platform (PDP) in accordance with the legislation. The agreement and work carried out with the independent audit firm comply with the regulations. The Annual Report does not disclose all benefits provided to members of the Board of Directors and senior executives on an individual basis. The Company has a dividend distribution policy.

On the topic of **Stakeholders**, OYAK Cement scored **9.36**. In case of violation of stakeholders' rights drawn up in line with the legislation and mutual agreements, OYAK Cement enables an effective and prompt compensation. The Company has a written human resources policy. There are models supporting the participation of stakeholders in management, but they are not mentioned in the Articles of Association nor in internal regulations of the Company. The Company has publicly disclosed ethical rules via its web site, but it does not have an employee compensation policy. OYAK Cement was not held liable by any public authority for any sanctions within the reporting period. The Company complies with environmental laws. Corporate Social Responsibility and Sustainability activities are satisfactory. The "Integrated Report" is available on the corporate web site.

From the perspective of the principles regarding the **Board of Directors**, OYAK Cement's tally is **9.16**. The Company's vision and strategic objectives have been defined, and the Board fulfills all duties regarding Company needs. There are 4 independent, 1 executive, and 1 female member in the 10-member Board of Directors. Corporate Governance, Audit, and Early Risk Detection Committees are established within the Board of Directors. The working principles of the Committees are disclosed to the public. There is an insurance policy to cover damage they may be caused to the Company due to the negligence of the members of the Board of Directors during the performance of their duties. No policy has been established regarding the percentage of female members on the Board of Directors being no less than 25%.

## Rating Methodology

SAHA's methodology for rating the degree of compliance with the Principles of Corporate Governance is based upon the CMB's "Corporate Governance Principles" released on January 2014.

The CMB based these principles on the leading work of The World Bank, The Organization of Economic Cooperation and Development (OECD), and the Global Corporate Governance Forum (GCGF) which has been established in cooperation with the representatives of the preceding two organizations and private sector. Experts and representatives from the CMB, Borsa Istanbul and the Turkish Corporate Governance Forum have participated in the committee that was established by the CMB for this purpose. Additionally, many qualified academicians, private sector representatives as well as various professional organizations and NGOs have stated their views and opinions, which were added to the Principles after taking into account country specific issues. Accordingly, these Principles have been established as a product of contributions from all high-level bodies.

Certain applications of the Principles are based on "comply or explain" approach and others are mandatory. However, the explanation concerning the implementation status of the Principles, if not detailed reasoning thereof, conflicts arising from inadequate implementation of these Principles, and explanation on whether there is a plan for change in the Holding's governance practices in future should be mentioned in the annual report and disclosed to public.

The Principles consist of four main sections: shareholders, public disclosure and transparency, stakeholders, and the board of directors.

Based on these Principles, the SAHA Corporate Governance Rating methodology features around 330 sub-criteria. During the rating process, each criterion is evaluated on the basis of information provided by the company officials and disclosed publicly. Some of these criteria can be evaluated by a simple YES/NO answer; others require more detailed analysis and examination.

SAHA assigns ratings between 1 (weakest) and 10 (strongest). In order to obtain a rating of 10, a company should be in full and perfect compliance with the Principles (see Rating Definitions, p.21).

To determine the total rating score for each main section parallel to the CMB's Corporate Governance Principles, SAHA allocates the following weights:

Shareholders: **25%**

Public Disclosure and Transparency: **25%**

Stakeholders: **15%**

Board of Directors: **35%**

To determine the final overall rating, SAHA utilizes its proprietary methodology which consists of sub-section weightings and weightings for the criteria there under. A separate rating is assigned to each one of the main sections as well.

## Company Overview

| OYAK Çimento Fabrikaları A.Ş.                                                                                          |                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                       | <b>CHAIRMAN OF THE BOARD</b><br>Suat ÇALBIYIK                                                                                                                                                                                              |
| Çukurambar Mah. 1480. Sok. No:2<br>A/56 Çankaya/ANKARA<br><a href="http://www.oyakcimento.com">www.oyakcimento.com</a> | <b>INVESTOR RELATIONS MANAGER</b><br>Sena Atay<br>Tel: 0 312 220 01 12<br><a href="mailto:satay@oyakcimento.com">satay@oyakcimento.com</a><br><a href="mailto:yatirimciiliskileri@oyakcimento.com">yatirimciiliskileri@oyakcimento.com</a> |

OYAK Çimento Fabrikaları A.Ş. ("OYAK Cement" or "the Company") was established in 1965. As the capacity and market leader in the Turkish cement industry, OYAK Cement operates 7 integrated factories and conducts sales in 7 geographical regions. It is a leading group that develops cement usage areas with the principles of efficiency, creativity, and profit orientation, playing an active role in the domestic market.

OYAK Cement, which began its journey in the industry with the addition of the Adana Cement factory, which started production in 1957, to the OYAK family, is a leading industrial group that includes Aslan Cement, Turkey's first cement factory, as well as Ankara Cement, Bolu Cement, Ünye Cement, Mardin Cement, İskenderun Facilities, and OYAK Concrete. OYAK Cement is also a strong market player in cement production and sales. Its production network, consisting of 7 integrated factories and 3 grinding plants, has a cement production capacity of 24 million tons, equivalent to approximately 20% of Turkey's total capacity. In addition to such a scale, the Company has a broad product portfolio that complements its standard gray cement portfolio with various high-value-added specialty products such as white cement, slag, concrete, ash, lime, and marble.

The partnership established by the Company in 2018 with TCC Group Holdings (TCC), one of the largest cement producers in the Far East, has been taken a step further with TCC increasing its stake and becoming the majority shareholder of OYAK Cement at the beginning of 2024.

With a clinker production capacity of 12.6 million tons per year, OYAK Cement ranks among the world's largest producers alongside TCC Group Holdings and the group's European brand CIMPOR. Founded in 1946, TCC Group Holdings was the first company to be listed on the Taiwan Stock Exchange in 1962. The group is actively involved in various sectors, including cement and concrete, renewable energy, energy storage systems, high-efficiency batteries, carbon black, international shipping, and paper industry, in more than 19 countries. The other major shareholder of OYAK Cement, OYAK, established in 1961 and, is Turkey's largest supplementary pension fund. A leading participant in the Turkish economy, OYAK employs over 38,000 staff and operates in many industries, from mining and metallurgy to cement, automotive logistics to energy, food, agriculture, and livestock to chemicals and finance, through its 141 subsidiaries in 25 countries across 6 continents.

The Company incorporates brands such as Aslan Cement, the first cement factory in the Turkish cement industry established in 1910 and operating for 115 years, and Adana Cement, established in 1954. OYAK Çimento Fabrikaları A.Ş. (Formerly: Mardin Çimento Sanayii ve Tic. A.Ş.), which began operations on September 8, 1975, made its first cement export to Middle Eastern countries in 1975.

Subsidiaries, Joint Ventures, and Affiliates of the Company:

- Northern Cyprus Cimpör Sanayi Ltd.
- Northern Cyprus Cimpör Free Port Trading Ltd.
- Cimpör Romania Terminal S.R.L.
- Marmara Madencilik San. ve Tic. Ltd. Şti.
- T1C3 Teknoloji ve Yazılım Geliştirme A.Ş.

The Company shares are traded under "OYAKC" ticker symbol at Borsa İstanbul (BIST) and are constituent of BIST 500 / BIST 50 / BIST ANKARA / BIST ALL SHARES / BIST INDUSTRIALS / BIST 100-30 / BIST NONMETAL MIN. PRODUCT / BIST 100 and BIST STARS indices.

The Company's registered capital ceiling is TL 20,000,000,000.00. On November 28, 2024, the capital of TL 1,246,578,406 was increased by TL 3,615,077,377 to be covered by internal resources, and the latest capital structure is as follows:

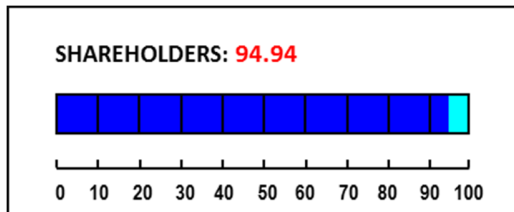
| OYAK Çimento Fabrikaları A.Ş. Capital Structure |                         |                      |
|-------------------------------------------------|-------------------------|----------------------|
| Shareholders                                    | Nominal Value (TL)      | Share in Capital (%) |
| TCC OYAK Amsterdam Holdings B.V.                | 3,891,795,733.59        | 80.05                |
| Other                                           | 969,860,049.41          | 19.95                |
| <b>Total</b>                                    | <b>4,861,655,783.00</b> | <b>100.00</b>        |

Structure of the Board of Directors:

| <b>OYAK Çimento Fabrikaları A.Ş. Board of Directors</b>                     |                       |                                                                          |
|-----------------------------------------------------------------------------|-----------------------|--------------------------------------------------------------------------|
| <b>Name</b>                                                                 | <b>Title</b>          | <b>Committee Duties</b>                                                  |
| Suat ÇALBIYIK                                                               | Chairman              |                                                                          |
| Eralp TUNÇSOY                                                               | Vice-chairman         |                                                                          |
| Murat İdris SELA                                                            | Member                |                                                                          |
| İsmail DOĞAN                                                                | Member                |                                                                          |
| ATAER Holding Anonim Şirketi<br>(Acting as Proxy:<br>Volkan ÜNLÜEL)         | Member                |                                                                          |
| OYAK Birleşik Enerji Anonim<br>Şirketi<br>(Acting as Proxy:<br>Gözde ERKOÇ) | Member                |                                                                          |
| Sezai Afif ENSARİ                                                           | Independent<br>Member | Early Risk Detection<br>Committee Chairman                               |
| Abdurrahman ÇELİKER                                                         | Independent<br>Member | Corporate Governance<br>Committee Chairman,<br>Audit Committee Member    |
| Cem ÇAKMAK                                                                  | Independent<br>Member | Audit Committee<br>Chairman, Early Risk<br>Detection Committee<br>Member |
| Kadri ÖZGÜNEŞ                                                               | Independent<br>Member | Corporate Governance<br>Committee Member                                 |

There is 1 executive and 1 female member on the Board of Directors.

## SECTION 1: SHAREHOLDERS



### SYNOPSIS

|   |                                                                                                                                      |
|---|--------------------------------------------------------------------------------------------------------------------------------------|
| + | Investor Relations Department plays an active role in protecting and exercising the rights of shareholders.                          |
| + | General assembly is conducted in compliance with the legislation. Preparation and disclosure prior to the meeting are satisfactory.  |
| + | No restrictions on voting rights.                                                                                                    |
| + | Dividend distribution, donation, and disclosure policies submitted to the general assembly for approval/info and publicly disclosed. |
| + | No restrictions on transfer of shares.                                                                                               |
| = | Minority rights have not been granted to those holding less than one-twentieth of the share capital.                                 |

#### 1.1. Facilitating the Exercise of Shareholders' Statutory Rights:

The Company manages its relations with shareholders within the Country Directorate of Finance.

Along with other units of the Company the "Investor Relations Department" plays an active role in protecting and facilitating shareholders' rights and in particular the right to obtain and review information. The unit fulfills the following duties:

- Ensure that the records relating to the written correspondence with the investors and other information are kept accurately, securely, and up to date.
- Respond to the queries of shareholders requesting written information on the Company.
- Ensure that the general assembly is held in compliance with the applicable legislation, Articles of Association and other Company by-laws.
- Prepare the documents that might be used by shareholders at the general assembly.
- Supervise the fulfillment of the obligations arising from capital markets legislation including all corporate governance and public disclosure matters.

The Investor Relations Department submits quarterly reports to the Board of Directors on the activities conducted.

Information and explanations that may affect use of shareholders' rights is available up to date on the corporate web site.

Ms. Sena Atay, the manager of the Investor Relations Department, also serves on the Corporate Governance Committee.

#### 1.2. Shareholders' Right to Obtain and Evaluate Information:

There is no evidence that the Company's management took any action that made it difficult to conduct

a special auditor by the request of shareholders.

All kinds of information about the Company are provided in a complete, timely, honest, and diligent manner and there is no fine/warning received in this regard.

The Disclosure policy accepted by the Board of Directors has been announced to the public on the corporate web site and submitted to the general assembly.

### **1.3. General Assembly:**

The announcement of the general assembly meeting was made three weeks in advance in accordance with the procedures stipulated by legislation and in a manner that ensures it reaches the maximum possible number of shareholders, including via electronic communication, in accordance with the Corporate Governance Principles.

All announcements prior to the general assembly meeting included information such as the date and time of the meeting; without any ambiguity exact location of the meeting; agenda items of the meeting; the body inviting to the general assembly meeting; and the exact location where Annual Report, financial statements and other meeting documents can be examined.

In addition, a descriptive disclosure document on agenda items has been prepared.

Starting from the date of announcement of invitation for the general assembly meeting, the following documents are made available to all shareholders for examination purposes in convenient locations including the headquarters or branches of the Company, and the electronic media

- the Annual Report
- financial statements and reports
- dividend distribution proposal
- all other related documents pertaining to the agenda items

The total number of shares and voting rights reflecting the shareholding structure as of the date of the announcement on the Company's corporate web site, along with information regarding privileged shares in the share capital, has been disclosed to shareholders.

Agenda items were written under a separate heading and expressed clearly in a manner not to result in any misinterpretations. Expressions like "other" and "various" were not used. Information submitted to the shareholders prior to the conduct of the general assembly meeting was related to the agenda items.

At the general assembly meeting held on March 28, 2025 at Ankara, which we did not attend as observers, Company officials declared that items on the agenda were conveyed in detail and in a clear and understandable way by the chairman of the meeting, shareholders were given equal opportunity to voice their opinions and ask questions and the chairman made sure that each question is answered directly at the meeting provided that they do not constitute a trade secret.

Agenda of the general assembly meeting included the proposal for the permission to be granted to shareholders who have control of the management, members of the Board of Directors, managers with administrative responsibility, their spouses and up to second degree blood relatives to execute transactions and compete with the Company and/or its affiliates, to make a commercial business transaction for himself or on

behalf of others or to join to another company dealing with the same type of commercial business as a partner with unlimited responsibility.

Members of the Board of Directors related with those issues of a special nature on the agenda, other related persons, authorized persons who are responsible for preparing the financial statements and auditors were present to give necessary information and to answer questions at the general assembly meeting.

General shareholders' meeting was also attended by the representative of the external auditor.

The Company has established a policy on donations and grants and submitted it to the shareholders for approval at the general assembly meeting.

Shareholders were informed, with a separate agenda item, on donations took place during the reporting period.

Although there is no obstacle for the general assembly meetings to be held open to the public, including the stakeholders and the media, without the right to vote, there is no such provision in the Company's Articles of Association, nor in the internal directive of the general shareholders' meeting.

#### **1.4. Voting Rights:**

At OYAK Cement all shareholders, including those who reside abroad, are given the opportunity to exercise their voting rights conveniently and appropriately and the Company avoids applications that make it difficult to exercise voting rights. There are no voting privileges.

#### **1.5 Minority Rights:**

Maximum care is taken in the the exercise of minority rights. However, minority rights are not recognized for shareholders who hold an amount less than one-twentieth of the share capital and the Company has adopted exactly the rate foreseen in the legislation for listed companies.

#### **1.6. Dividend Rights:**

The dividend policy of the Company is clearly defined. Company's dividend distribution policy contains minimum information clear enough for investors to predict any future dividend distribution procedures and principles.

The dividend distribution policy has been drafted and submitted to shareholders for approval at the General Shareholders' Meeting.

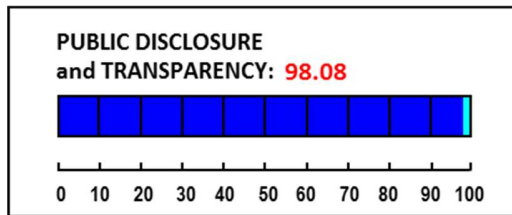
As indicated in the dividend policy document, it has been concluded that a balanced policy will be followed between the interests of the shareholders and those of the Company.

The Articles of Association contain a provision on advance dividend payments.

#### **1.7. Transfer of Shares:**

Regarding the transfer of shares, there are no restrictive provisions or practices neither in the Articles of Association nor in the general shareholders' meeting resolutions.

## SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY



### SYNOPSIS

|   |                                                                                                                                                                                               |
|---|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| + | Comprehensive web site and is also available in English, actively used for public disclosure.                                                                                                 |
| + | Corporate Governance Compliance Report (CRF) and the Corporate Governance Information Form (CGIF) have been prepared and disclosed to the public in accordance with the relevant legislation. |
| + | Annual Report complies with the legislation, meeting most of the principles in terms of content.                                                                                              |
| + | Agreement and studies conducted with external auditors comply with the legislation.                                                                                                           |
| + | No individual shareholder with a stake higher than 5%.                                                                                                                                        |

### 2.1. Corporate Web Site:

The Company's web site ([www.oyakcimento.com](http://www.oyakcimento.com)) is actively used for disclosure purposes and the information contained therein is timely updated.

Along with the information required to be disclosed pursuant to the legislation, the corporate web site includes; trade register information, information about latest shareholder structure, information on privileged shares, the date and the number of the trade registry gazette on which the changes are published along with the final version of the Company's Articles of Association, publicly disclosed material information, periodical financial statements, annual reports, other public disclosure documents,

agendas of the general shareholders' meetings and list of participants and

minutes of the general shareholders' meeting, form for proxy voting at the general shareholders' meeting, disclosure policy, dividend distribution policy, and ethical rules of the Company.

There are no individual shareholders over 5% as identified after being released from indirect or cross-shareholding relationships between co-owners.

Excluding material disclosures and footnotes, in accordance with the Capital Markets legislation, the Company also discloses financial statements on PDP, and simultaneously in Turkish and in English.

The information contained on the web site exists also in English for the benefit of international investors and is close to the Turkish content.

The Company's web site also includes investor presentations, working principles of the Committees, the donation policy, important Board decisions under the heading of material disclosures, dividend payments, information on capital increases, news, general shareholders' meeting internal directives, corporate social responsibility/sustainability reports, information on senior management, financial data, main ratio analyses, and the human resources policy.

The Corporate Governance Compliance Report (CRF) and the Corporate Governance Information Form (CGIF) were prepared and disclosed at least three weeks prior to the date of the

general assembly meeting via the Public Disclosure Platform.

## **2.2. Annual Report:**

Annual Report is prepared in detail by the Board of Directors to provide public access to complete and accurate information on the Company, covering information such as;

- a. Period covered by the Report, the title of the Company, trade register number, contact information,
- b. Names and surnames of the chairman and members involved in the management and supervisory boards during the covered period, their limits of authority, and tenure of office,
- c. The sector in which the Company operates and information on its position in the sector,
- d. The qualifications of the departments, general explanations regarding their activities during the year, and developments observed,
- e. Progress on investments,
- f. Changes made to the Articles of Association during the period with justifications,
- g. Corporate Governance Compliance Report or CGIF and CRF template content or access links,
- h. Information on related party transactions,
- i. Other issues not included in the financial statements, but are beneficial for users,
- j. Company's organization, capital and ownership structure, and any changes in the related accounting period,
- k. Collective bargaining agreements, key benefits provided to staff and workers, information on number of personnel,
- l. Explanations on that there are no privileged shares,
- m. Information on Board members' transactions with the Company on their behalf or someone else within the framework of permission

granted by general shareholders' meeting along with their activities within the scope of restraint of trade,

- n. Information on research and development activities,
- o. The dividend distribution policy,
- p. Basic ratios on the financial position, profitability, and solvency,
- q. Company's financing resources and risk management policies,
- r. Information on major events occurred within the scope of Article 23 of the CMB between the closing of the accounting period and the date of the general assembly meeting where financial statements are evaluated.

In addition to the content specified in the legislation, the following also took place in the Annual Report:

- a. External duties of Board members and executives and independence declaration of the Board members,
- b. Members of the Committees established by the Board of Directors and working principles of the Committees, including the activities carried out,
- c. The number of Board meetings held during the year and participation status of the members,
- d. Information on major court cases against the Company and possible consequences,
- e. Information on cross-shareholdings where the direct capital participation ratio exceeds 5%,
- f. Benefits and vocational training of employees, and other Company activities that give rise to social and environmental results.

However, all benefits provided to the members of the Board of Directors and senior executives are disclosed collectively in the Annual Report. The dividend distribution policy is also included in the Annual Report.

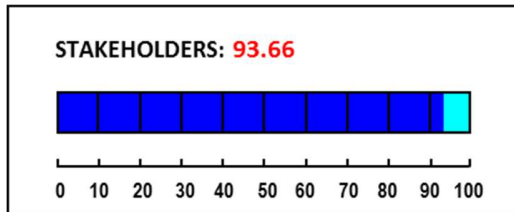
### **2.3. External Audit:**

The external auditor hired for the audit of the fiscal year 2025 is Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

There has not been a situation during the last reporting period where the external auditor avoided expressing his opinion and did not sign the audit report, nor reported a qualified opinion. Also there has been no legal conflict between the Company and the external audit firm.

Independent audit firm and their audit staff did not provide consulting services for a price or free of charge during the audit period. No consulting company in which the external audit firm is in a dominant position either directly or indirectly in management or capital provided any consulting services during the same period.

## SECTION 3: STAKEHOLDERS



### SYNOPSIS

|   |                                                                                                                                         |
|---|-----------------------------------------------------------------------------------------------------------------------------------------|
| + | Compensation is provided in case of violation of the stakeholder rights safeguarded by relevant legislation and mutual agreements.      |
| + | Efficient Human Resources policy.                                                                                                       |
| + | A set of code of ethics has been prepared and disclosed to the public.                                                                  |
| + | Company complies with environmental laws, Corporate Social Responsibility and Sustainability activities are satisfactory.               |
| + | Models encouraging stakeholders and employees to participate in management without impeding the operations of the Company are in place. |
| - | No employee compensation policy.                                                                                                        |

#### 3.1. Company Policy Regarding Stakeholders:

We have not come across a significant or repetitive situation in which the rights of stakeholders established by any law or agreement are not recognized.

The Company recognizes the rights of stakeholders established by law or through any other mutual agreement.

The corporate web site is also actively used to provide adequate information on policies and procedures towards the protection of stakeholders' rights.

Mechanisms have been established for stakeholders to convey any transaction that contradicts the legislation and is ethically inappropriate.

When a conflict of interest occurs between the stakeholders or in the case that a stakeholder is a member of more than one interest group, a policy as much balanced as possible for the protection of the owned rights is pursued and it is aimed to protect each right independently of each other.

#### 3.2. Stakeholders' Participation in the Company Management:

There are implementations for stakeholders, particularly employees to participate in management without impeding the operations of the Company.

In important decisions that have consequences for stakeholders, the views and interpretations of stakeholders are evaluated equally, regardless of their shareholding status.

Where necessary, the Company also takes into account any comments and recommendations transmitted by other stakeholders.

#### 3.3. Company Policy on Human Resources:

The Human Resources policy has been established to ensure that the Company maintains an adequate number of personnel in line with its vision and mission and in accordance

with its needs, and to enable personnel to work in areas best suited to their knowledge and experience.

In the establishment of the recruitment policies and drawing up of career plans, the principle of providing equal opportunity to individuals under equal conditions has been adopted.

In cases when it is foreseen that change of duty of managers would cause disruption in the management of the Company, a succession plan is drawn up regarding determination of managers to be newly assigned.

All employees are treated with fairness and equality in terms of the benefits provided to them, training programs are provided to enhance employee knowledge, skills and conduct, and training policies are formulated.

We have come to conclusion that measures are taken to prevent discrimination among employees on basis of race, religion, language, or sex, to protect employees against physical, mental, or emotional abuse, and no findings to the contrary have been encountered.

The Company supports full recognition of the freedom to form associations and the right to collective bargaining.

The new collective bargaining agreement between the Cement Industry Employers' Association (ÇEİS), of which OYAK Çimento Fabrikaları A.Ş. is a member, and the Turkish Cement Ceramic Soil and Glass Industry Workers' Union (Çimse-İş) has been signed as of January 31, 2024, with a term of validity from January 1, 2024, to December 31, 2025.

### **3.4. Relations with Customers and Suppliers:**

OYAK Cement has taken all necessary precautions to attain customer satisfaction in the sales and marketing of its products and services.

Within the framework of protection of trade secrets, care is taken on the confidentiality of information about customers and suppliers.

No evidence has been witnessed on non-market pricing of goods and services provided.

### **3.5. Ethical Rules & Social Responsibility:**

The ethical rules of OYAK Cement are established and publicly disclosed through the corporate web site.

There have been no cases in which the Company was held liable for by the public authority within the last year.

The Company has provided donations and grants primarily to the Kahramanmaraş earthquake region and to those affected by the disaster.

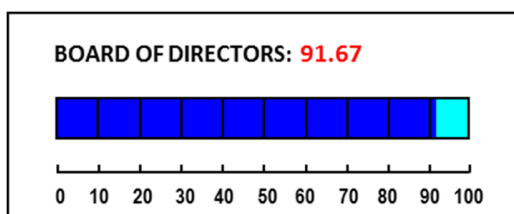
The Company pays utmost attention to the adoption and implementation of environmentally compatible technologies within the scope of its environmental and quality policies.

### **3.6. Sustainability:**

The Company has policies, internal regulations, goals, initiatives and campaigns on environment, nature, energy conservation, recycling, and education issues.

The "Integrated Report," prepared in accordance with the Communiqué of the Capital Markets Board is available on the Company's web site.

## SECTION 4: BOARD OF DIRECTORS



### SYNOPSIS

|   |                                                                                                                                                             |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| + | The Board works efficiently and is staffed with qualified members.                                                                                          |
| + | Board of Directors meeting and decision quorum are defined in the Articles of Association.                                                                  |
| + | 4 independent, 1 executive, and 1 female member on the 10-member Board.                                                                                     |
| + | Remuneration principles of the members of the Board and senior executives have been determined and disclosed to the public.                                 |
| + | Audit, Corporate Governance, and Early Risk Detection Committees are established, and their working principles are identified.                              |
| = | There is insurance in place to cover any damage caused to the Company by the negligence of members of the Board of Directors in the course of their duties. |
| = | Rate of female members in the Board of Directors is below 25% with 1 female member.                                                                         |

#### 4.1. Functions of the Board of Directors:

Strategic decisions of the Board of Directors aim to manage OYAK Cement's risk, growth, and return balance at an appropriate level and conduct a rational and cautious risk management approach with a view to the long-term interests of the Company. It is thought that the Board

administers and represents the Company within these parameters.

The Board of Directors has defined the Company's strategic goals and identified the needs in human and financial resources, and controls management's performance.

#### 4.2. Principles of Activity of the Board of Directors:

It is believed that the Board of Directors performs its activities in a transparent, accountable, fair, and responsible manner.

Distribution of tasks between the members of the Board of Directors is explained in the Annual Report.

The Board of Directors established internal control systems which are inclusive of risk management, information systems, and processes by also taking into consideration the views of the Committees.

The Board of Directors reviews the effectiveness of risk management and internal control systems at least once a year.

The presence, functioning, and effectiveness of internal controls and internal audit are explained in the Annual Report.

The Board of Directors has taken a decision regarding the approval of the financial statements and the Annual Report, and the Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF) are included in the content of this declaration.

Chairman of the Board of Directors and general manager's executive powers are separated. The powers of

these individuals are set forth in writing in the Articles of Association.

Losses that may be incurred by the Company as result of not performing the Board members' duties duly are insured for a coverage not exceeding 25% of the share capital. No PDP disclosure has been filed.

Analyzing the Company organization, it is seen that there is no person in the Company who has unlimited authority to take decisions alone and this is considered as positive by us.

#### **4.3. Structure of the Board of Directors:**

OYAK Cement's Board of Directors is composed of 10 members of which 1 hold executive duties. There are also 4 independent Board members to fulfill its functions more effectively.

The Corporate Governance Committee have prepared a report on the candidates proposed by the Board of Directors and shareholders, by taking into consideration whether the candidate meets the independence criteria, and submitted this assessment as a report to the Board for its approval. CMB criteria are complied with in determining independent candidates. Independent candidates for the Board of Directors have each signed a declaration of independence within the framework of the legislation, Articles of Association, and the CMB criteria.

There is 1 female member on the Board of Directors. In this context, the criterion of 25% of the Board of Directors consisting of female members, which is the recommendation of the corporate governance principles, is not met. Furthermore, no policy is prepared, nor a timetable is set to reach the Corporate Governance Principles' advisory target of 25% female

member presence on the Board of Directors.

#### **4.4. Conduct of the Meetings of the Board of Directors:**

According to the Company's Articles of Association, the Board of Directors shall meet as often as necessary to effectively perform its duties, upon the summons of the Chairman and Vice Chairman.

Chairman of the Board of Directors sets the agenda for Board meetings in consultation with other members and the general manager.

In this context, the Annual Report states that between January 1, 2025, and September 30, 2025, the Board of Directors held 19 meetings with a 100% participation rate and adopted 50 resolutions.

Information on the agenda items of the Board of Directors meeting is made available to the members in sufficient time prior to the meeting date with a coordinated flow of information. Each member is entitled to a single vote.

Shareholders are informed of external duties of the Board members through the agenda of the general shareholders' meeting in which their election is discussed.

The conduct of the Board of Directors meetings and the decision quorum are documented in the Articles of Association.

#### **4.5. Committees Established Within the Board of Directors:**

Corporate Governance, Audit and Early Risk Detection Committees are established from within the Board of Directors to fulfil their duties and responsibilities duly.

Functions of the Committees, their working principles, and members are designated by the Board of Directors and disclosed to public on the corporate web site.

All Committee chairs and members are independent members. General manager and the chairman of the Board of Directors are not members on any Committee.

Investor Relations Department Manager, Ms. Sena Atay , has been appointed to the Corporate Governance Committee as a member. Absence of any other executive members on the Committees is considered positive by us.

All necessary resources and support needed to fulfill the tasks of the Committees are provided by the Board of Directors.

Meeting frequency of the Committees has been found sufficient by us.

The Corporate Governance Committee is established to determine whether the corporate governance principles are being fully implemented by the Company, if implementation of some of the principles are not possible, the reasons thereof, and assess any conflict of interests arising as result of lack of implementation of these principles, and present remedial advice to the Board of Directors. In addition, it oversees the work of the Investor Relations Department.

Audit Committee supervises the operation and efficiency of the Company's accounting system, public disclosure, external audit and internal audit systems, reviews complaints that are received by the Company regarding Company accounting, internal and external independent audit systems, within the framework of the principle of confidentiality and finalizes them, immediately notifies

the Board of Directors in writing on findings related to their duties and responsibilities and the related assessment and recommendations, following taking the opinion of responsible managers of the Company and the external auditor, notifies the Board of Directors in writing on whether the annual and interim statements disclosed to the public is in accordance with the Company's accounting principles, true and accurate.

We are convinced that members of the Audit Committee have the qualifications mentioned in the Communiqué.

The nomination and election process of the external audit firm, taking into account its competence and independence, starts with a proposal from the Audit Committee to the Board of Directors and ends with the Board's choice being presented and approved at the general shareholders' meeting.

The Early Risk Detection Committee carries out its tasks towards early detection of risks which may jeopardize the Company's assets, its development and progression, and measures taken to mitigate and manage those risks. It reviews risk management systems at least once a year.

The tasks of Nomination and Remuneration Committees are performed by the Corporate Governance Committee. In this context, it has been included in the general shareholders' meeting resolutions for the previous year submitted to us that the Corporate Governance Committee works to determine independent candidates and that the Remuneration Committee offers its suggestions regarding the remuneration of the members of the Board of Directors and executives with administrative responsibility.

#### **4.6. Remuneration of the Board of Directors and Managers with Administrative Responsibility:**

The principles of remuneration of Board members and senior executives have been documented in writing and submitted to the shareholders as a separate item at the general shareholders' meeting.

A remuneration policy prepared accordingly can be accessed on the Company's web site. Stock options or performance-based payments are not included in the remuneration package of the independent members of the Board of Directors.

It has been declared that the Company does not lend any funds or extend any credits to a member of the Board of Directors or to senior executives, or grant any personal loans through a third party, or extend any guarantees.

We are convinced that the executives have the required professional qualifications in order to perform the assigned duties and they comply with the legislation, Articles of Association, and in-house regulations and policies in fulfilling their duties.

There have been no cases where the executives used confidential and non-public Company information in favor of themselves or others. There are no executives who accepted a gift or favor directly or indirectly related to the Company's affairs and provided unfair advantage.

In addition, an insurance policy has been taken out on compensation for losses incurred by the Company, and third parties, as result of not performing the executives' duties duly.

## Rating Definitions

| Rating        | Definition                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9 - 10</b> | The company performs <b>very good</b> in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified and actively managed all significant corporate governance risks through comprehensive internal controls and management systems. The company's performance is considered to represent best practice, and it had almost no deficiencies in any of the areas rated.                                                                                                                                         |
| <b>7 - 8</b>  | The company performs <b>good</b> in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified all its material corporate governance risks and is actively managing the majority of them through internal controls and management systems. During the rating process, minor deficiencies were found in one or two of the areas rated.                                                                                                                                                                        |
| <b>6</b>      | The company performs <b>fair</b> in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified the majority of its material corporate governance risks and is beginning to actively manage them. Deserved to be included in the BIST Corporate Governance Index and management accountability is considered in accordance with national standards but may be lagging behind international best practice. During the ratings process, minor deficiencies were identified in more than two of the areas rated. |
| <b>4 - 5</b>  | The company performs <b>weakly</b> as a result of poor corporate governance policies and practices. The company has, to varying degrees, identified its minimum obligations but does not demonstrate an effective, integrated system of controls for managing related risks. Assurance mechanisms are weak. The rating has identified significant deficiencies in a number (but not the majority) of areas rated.                                                                                                                                          |
| <b>&lt;4</b>  | The company performs <b>very weakly</b> and its corporate governance policies and practices are overall very poor. The company shows limited awareness of corporate governance risks, and internal controls are almost non-existent. Significant deficiencies are apparent in the majority of areas rated and have led to significant material loss and investor concern.                                                                                                                                                                                  |

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