

Samarkand - Uzbekistan



The city of Samarkand serves as the administrative hub of Samarkand Province, which is one of 12 administrative divisions in Uzbekistan. As the country's second-largest metropolis by population, Samarkand boasts immense historical and socio-cultural importance. With a past spanning over 2,500 years, it ranks among one of the world's oldest cities and has played a prominent role in politics, economics, and culture due to its strategic location at a crucial crossroads along the Silk Road.



## 05 SECTION

# CORPORATE GOVERNANCE

# CORPORATE GOVERNANCE COMPLIANCE REPORT

## SECTION I

### CORPORATE GOVERNANCE COMPLIANCE STATEMENT

ODAŞ applies utmost diligence in compliance with the Capital Markets Board's Corporate Governance Principles, and embraces the concepts of equality, transparency, accountability, and responsibility among those principles while proceeding towards its objectives.

In 2022, ODAŞ complied completely with the mandatory principles under Communiqué No. II- 17.1 on the Identification and Application of Corporate Governance Principles, and presented the best effort to comply with the optional principles. The resolution of CMB dated 10.01.2019 with no.2/49 requires companies to complete Corporate Governance Compliance Report and Corporate Governance Information Form templates through Public Disclosure Platform (KAP), in addition to Corporate Governance Compliance Reporting currently done by companies pursuant to Corporate Governance Communiqué no. II-17.1. In accordance with this CMB resolution, the templates published in KAP by our Company are also attached at the end of the Corporate Governance Compliance Report.

Based on these grounds, the company started internally its efforts for compliance with corporate governance principles in 2013 and continued them during 2022. These efforts are still maintained through numerous mechanisms built within the company. In the early phase of the efforts, some changes were put in place to

offer an equitable, accountable, responsible and transparent organization to the shareholders. This statement shows ODAŞ's embracement of a transparent and open management style, and its intent to develop a responsible and accountable management perspective with respect to all shareholders, particularly minor shareholders.

#### Justification for Delays in the Implementation of Certain Corporate Governance Principles

The Corporate Governance Committee of the company continues its efforts to develop corporate governance practices.

The difficulties experienced with certain principles, and ongoing debates in national, as well as international platforms, regarding compliance with certain principles have so far prevented complete compliance with some principles. That said, the principles which have yet to be implemented have not led to any conflicts of interests between stakeholders. Plans are in place to effect the required structural changes and internal arrangements for the implementation of the limited number of optional principles which have not been implemented so far.

#### Comments on comprehensive work carried out at our company with respect to Corporate Governance Principles, and principles which have yet to be complied with, are noted in the subsequent sections of the report.

- Even though the Articles of Incorporation do not specify so, no one at the company has unlimited decision-making authority.

- According to Article 4.6.5 of the "Corporate Governance Principles", the remuneration and other benefits provided to the members of the Board of Directors and other senior executives are disclosed to the public through the annual report. However, the disclosure does not provide such information with reference to specific individuals, but rather is based on a distinction between the Board of Directors and senior executives.

## SECTION II SHAREHOLDERS

### Investor Relations Department

At our company, the Investor Relations Department serves to facilitate the exercise of shareholder rights, enabling communications between the Board of Directors and existing and potential shareholders, as well as local and foreign analysts and portfolio managers, and executing required procedures in compliance with the CMB's Corporate Governance Principles. The department reports to the Corporate Governance Committee, as well as to Burak Altay, Deputy Chairperson of the Board of Directors and the Chief Executive Officer.

Investor Relations team and senior executives of the Company together held meetings with 41 local and foreign investors, analysts and portfolio managers in total during the year 2022.

#### Accordingly, the Investor Relations Department is responsible for;

- Providing information on the Company's current activities, investments and future expectations to existing and potential local and foreign institutional

investors and brokerage houses with a correct understanding of the management's perspective and vision,

- Responding to requests for information from local and foreign institutional investors and analysts except for non-disclosed confidential business information of the company,
- Updating shareholders, local and foreign institutional investors about the company proactively and on a regular basis through conferences and investor meetings,
- Responding to the queries of shareholders with the exception of non-disclosed confidential business information,
- Conducting comparative analyses on the performance of company's shares and of its peers in the same industry,
- Ensuring that General Assembly meetings are carried out in accordance with the Articles of Incorporation and other internal regulations, Preparing documents that shareholders can use as a reference in General Assembly meetings, and publishing such documents on the company website three weeks in advance of the General Assembly for investors' review and information,
- Reviewing on a regular basis the contents of "Investor Relations" section within the company website and updating it as required,
- Preparing presentations and briefings on the company's operations and financial standing for the current period on a quarterly basis,

- Preparing and updating the list of people with access to insider information, as per the Material Event Disclosure Communiqué,
- Management and monitoring all communications and processes with the Capital Markets Board, Borsa İstanbul A.Ş., Merkezi Kayıt Kuruluşu A.Ş., and any other capital markets agencies,
- Ensuring the flow of information both ways, between shareholders and the senior management and the company's Board of Directors.

### Exercise of the Shareholders' Right to Information

Every information request submitted to the Investor Relations Department is responded diligently in accordance with the principle of equality and without any discrimination between investors, provided that they do not concern confidential information or trade secrets currently withheld from the public. Accordingly, in 2022, any information

requests submitted by the shareholders on various issues were responded clearly and in detail via telephone and e-mail on a verbal and written basis. Every question was answered to the satisfaction of investors, provided that they did not concern trade secrets. Furthermore, the independent section of "Investor Relations" in the Company's website (www.odasenerji.com) makes available every data for updating the investors in a complete and accurate manner. Any developments that may have an impact on the exercise of shareholder rights were communicated to the investors through material disclosures via Public Disclosure Platform (KAP) and on the company website in 2022.

As the shareholders' right to demand appointment of a special auditor is subject to regulations, the Articles of Incorporation does not stipulate any arrangements regarding the appointment of a special auditor. During the year, no request regarding the appointment of a special auditor was received.

Name	Position
<b>Melih YÜCEYURT</b>	Director of Finance and Investor Relations
<b>Mehmet AYKIN</b>	Investor Relations Manager

**E-mail:** yatirimciiliskileri@odasenerji.com

## Shareholding Structure

The shareholding structure as of 31.12.2022 is as follows.

Full Name / Title	Group A Shares	Group B Shares	Total Shares	Shares in Fund
<b>Burak Altay</b>	4,277,820	217,119,667	221,397,487	15.81%
<b>Abdulkadir Bahattin Özal</b>	4,277,820	63,921,406	68,199,226	4.87%
<b>BB Enerji Yatırım Sanayi Tic. AŞ.</b>	-	39,619,143	39,619,143	2.83%
<b>Other</b>	-	1,070,784,143	1,070,784,143	76.49%
<b>Total</b>	8,555,640	1,400,000,000	1,400,000,000	100.00%

### General Assembly Meetings

General Assembly Meetings The General Assembly meetings are carried out in accordance with the Turkish Code of Commerce, the Capital Markets Law, and the Corporate Governance Principles, in a manner that provides adequate information to and the extensive participation by shareholders. The Ordinary General Assembly of the Company convenes at least once a year and discusses and decides on the matters on the agenda drawn up by the Board of Directors in accordance with Article 413 of the Turkish Code of Commerce.

The notices and announcements regarding the general assembly meeting are published through any means of communication including electronic communications, so as to achieve access to the highest number of shareholders, and with the minimum time frames stipulated in Turkish Code of Commerce, the Capital Markets Law, and other regulations in mind.

The Company's 2022 Ordinary General Assembly Meeting was held in the registered office of the company at the address Nidakule Kuzey Ataşehir Barbaros Mahallesi Begonya Sokak No:3 B3 Floor 34746 Ataşehir/ İstanbul under the supervision of the Ministry Representative appointed by T.R. Ministry of Customs and Trade.

The agenda, minutes, and attendance sheet for the meeting are available on the Company's

website. Invitations to General Assembly meetings are extended by the Board of Directors in accordance with the provisions of Turkish Code of Commerce, the Capital Markets Law, and the Articles of Incorporation. The Board of Directors' resolution for the General Assembly meeting is followed immediately by necessary disclosures to inform the public, via KAP and the Electronic General Assembly Meeting System (EGKS). In addition to the procedures set out by the regulations, the calls for general assembly meetings are made on the company website www.odasenerji.com 3 weeks in advance at minimum in order to reach highest number of shareholders possible and the meeting notices are also published in the Turkish Trade Registry Gazette and in the country-wide edition of at least one daily newspaper with high circulation.

Prior to the General Assembly meetings, the disclosure document regarding the items in the agenda is drawn up and announced to the public, in compliance with the legal procedures and regulations regarding all disclosures. Within the framework of the items on the agenda of the General Assembly meeting, financial statements and reports, dividend payment proposals, and independent audit reports including the audited annual report, as well as any proposed amendment texts and justification thereof in case of Articles of Incorporation amendments, the disclosure policy, remuneration policy, dividend policy, personal

backgrounds of all prospective Board members including independent ones, and other documents which are to serve as the basis of the items on the agenda, are made easily available for review by shareholders, at the corporate headquarters and on the website.

The General Assembly meetings are held simultaneously in physical and electronic form, at the company headquarters, and via the Electronic General Assembly Meeting System. The venue for General Assembly meetings is arranged to enable participation by all shareholders.

The agenda of the General Assembly is set clearly to enable the consideration of each proposal under a separate item, so as to prevent different interpretations. At the General Assembly meeting, the agenda items are conveyed to the shareholders in an objective, detailed, clear and understandable way, and the shareholders are given the opportunity to explain their opinions and ask questions under equal conditions.

The questions directed by the shareholders during the general assembly meeting are responded accordingly by the board members and the senior executives of the company. Templates of proxy letters for those who will be represented by a proxy are made available to the shareholders through KAP, newspaper ads and the company's website before general assembly meetings.

The voting procedure applicable at the meeting is presented to shareholders via the website and newspaper ads. The items on the agenda at the General Assembly meetings are voted on by raising hands in an open ballot. Following the General Assembly meeting, the minutes of the meeting are registered in the company's minute book. The meeting minutes are available at KAP, EGKS (Electronic General Assembly System) and the corporate website.

The General Assembly meetings, the attendance sheet, agenda, and announcements are made available for review by all local and foreign investors simultaneously.

The company carried out electronic general assembly meeting preparations for 2021 Ordinary General Assembly in compliance with the statutory regulations as per the article 1527 of Turkish Commercial Code.

The notice of the meeting was published on Public Disclosure Platform (KAP) and Electronic General Assembly System (EGKS) of Merkezi Kayıt Kuruluşu A.Ş. (Central Securities Depository) on 17.11.2021, in the issue no. 10709 of Turkish Trade Registry Gazette dated 22.11.2022 as well as on the company website, as stipulated by the Law and the Articles of Incorporation and including the agenda. The chairperson of the council started the general assembly meeting upon the verification based on the list of attendants that out of 1,400,000,000 shares with nominal value of TRY 1 corresponding to the company's total capital TRY 1,400,000,000, the shares corresponding to total capital of TRY204.226.517,507were represented, TRY 218.497.571,634 capital shares by proxy and TRY 244.325.216,914 capital shares in person, and therefore the quorum was present as stipulated in the Turkish Commercial Code, Capital Markets Law and Articles of Incorporation.

During the General Assembly Meeting for 2021, the board members were elected to serve until 31.12.2023. Furthermore, during the General Assembly meeting, the shareholders were given the opportunity to address questions and their questions were replied to inform them during the "Wishes and Requests" session, which was the last agenda item. There were no written requests submitted by the shareholders of the corporation for inclusion within specific items in the agenda with respect to the Ordinary General Assembly Meeting for 2021.

Donations and grants worth a total of TRY 803.580,98 during the year were presented to the shareholders' information under a separate agenda item. In addition, the maximum amount of donations and grants was set as TRY 2,500,000 for 2022 pursuant to the 5th paragraph of the article 19 of Capital Markets Law.

The agenda for the General Assembly meeting, as well as the attendance sheet and meeting minutes are made available for review by shareholders at the corporate headquarters. Furthermore, the documents and records of the general assembly meeting were made available in the Investor Relations section of the Company website for review by the shareholders and all stakeholders.

The controlling shareholders, members of the Board of Directors, executive directors and their spouses and family members (both blood and in-law relatives) up to second degree did not engage in any material transaction which may lead to conflicts of interest with.

### Voting Rights and Minority Rights

The voting procedure for General Assembly meetings is announced to the shareholders at the beginning of the meeting. Minority rights are exercised pursuant to Turkish Commercial Code.

The Company avoids practices which may complicate the exercise of voting rights. At the Ordinary and Extraordinary General Assembly meetings of the Company, group (A) shareholders are accorded 15 votes for each share, while group (B) shareholders are accorded 1 vote for each share. The shareholders can appoint proxies from both within and outside the shareholders, to represent them at the General Assembly meetings. Proxies who hold shares in their own right as well, are authorized to vote in consideration of the shares of the shareholders they represent, in addition to the shares they themselves hold.

The Board of Directors determines the form of proxy letter in accordance with the regulations of the Capital Markets Board. The proxy appointment letter should be in writing. The proxy is required to cast votes in line with the will of the shareholder who appointed the proxy, provided that such instructions are noted on the proxy appointment letter. The relevant regulations of the Capital Markets Board shall apply with respect to proxy voting.

The votes in General Assembly meetings are cast by raising hands, showing the documents attesting proxy voting, in line with the regulations of the Capital Markets Board.

However, a secret ballot can be employed, upon the request of shareholders who hold one twentieth of the company's capital, among those shareholders present at the meeting.

Group A shares are privileged in terms of the appointment of the members of the Board of Directors, and the exercise of voting rights at the General Assembly, within the framework of Articles 7, 8, and 10 of the Articles of Incorporation (Board of Directors, nomination for the Board of Directors, election of the Chairperson and the Deputy Chairperson, representation of the company, and right to vote in the General Assembly).

### Dividend Rights

**The Company's dividend payment decisions** are made with reference to the Turkish Code of Commerce, Capital Markets Regulations, the Regulations and Decisions by the Capital Markets Board (CMB), Tax Codes, and the provisions of other applicable regulations, as well as the Company's Articles of Incorporation. The dividend payment is based on a balanced and consistent policy between the interests of shareholders, and the interests of the Company, in line with the Principles of Corporate Governance. Each year, the Board of Directors' resolution regarding dividend payments is submitted for the

approval of shareholders at the General Assembly, as a separate item on the agenda. The Company's dividend payment policy is announced in the annual report, as well as on the company website. The Company's Ordinary General Assembly for 2020 discussed the Board of Directors' proposal regarding the dividend payment, and culminated in the decision to withhold dividend payment as no dividends payable arose in the financial statements drawn up for 2020, in accordance with the principles of the Tax Procedure Code.

The Company does not have any preference shares in terms of dividend payment. Every share of the Company is entitled to an equal share of the dividends. The Company can pay out advance dividends to its shareholders within the framework of Article 20 of the Capital Markets Law. The form and timing of dividend payment shall be established by the General Assembly, with reference to the relevant Board of Directors' proposal. The principles of dividend payments shall abide by the provisions of the Capital Markets Board Communiqué No. II-19.1 and other applicable provisions, with reference to the establishment of the responsibilities and the dividend to be paid.

### Share Transfers

The approval of the Energy Market Regulatory Board shall be sought for each instance of direct or indirect acquisition of shares representing 5% or more of the Company's capital, by a natural or legal person, and existing shareholders acquiring additional shares to increase their shareholdings above 5% of the legal person's capital, and/or any share transfers causing a fall of the shareholding of an existing shareholder below the above-mentioned limits. The transfer shall be followed by material disclosures required as per the Capital Markets Regulations.

This provision shall also apply in case of acquisition of voting rights. Even if no share transfers occur, the establishment and removal of concessions on existing shares, or the

issuance of dividend shares shall be submitted to the approval of the Energy Market Regulatory Board, regardless of the rates stipulated above.

In the case of transfers of Group (A) shares, the Board of Directors is entitled to withhold approval for the transfer and registration to the share registry, on the grounds of realizing the corporation's objective, and maintaining economic autonomy within the framework of the provision of Article 493 of the Turkish Code of Commerce. No restrictions shall be introduced on the transfer of group (B) shares to be traded at the stock exchange.

In cases where banks and/or financial institutions obtain the control of the company and/or engage in a subsidiary relationship with the company due to default in terms of the requirements of credit agreements within the framework of irrevocable project financing, bringing about a case where the market share limits stipulated in applicable regulations are exceeded, such excess shall be eliminated within the time frame granted to such banks and/or financial institutions by the Energy Market Regulatory Authority. Without prejudice to the provisions above, the transfer of registered shares shall be subject to the applicable provisions of the Turkish Commercial Code, Capital Markets Regulations, and Energy Market Regulatory Authority Regulations.

## SECTION III

### PUBLIC DISCLOSURE AND TRANSPARENCY

#### Disclosure Policy

The Corporate Disclosure Policy was established with the Board of Directors' resolution dated 30.12.2013 no. 2013/34, and is published on the website. The Corporate Disclosure Policy was established and is implemented under the authority of the Board of Directors. The Board of Directors reserves the right to

revise the policy at any time, in line with the applicable regulations. The disclosure policy and any revisions thereof shall be published on the Company's website, following the approval of the Board of Directors. The Investor Relations Department is responsible for overseeing and monitoring the Disclosure Policy.

### Corporate Website and its Contents

The Company's website address is [www.odasenerji.com](http://www.odasenerji.com) and the Investor Relations section of the website contains the considerations specified in the CMB's Corporate Governance Principles. The website is set up to provide open, clear, and simultaneous disclosure to shareholders, stakeholders, and the entire public. The information provided on the website is updated continuously. The information provided on the website is presented in English language as well, to enable it to be accessed by international investors.

### Annual Report

The Company's annual report is drawn up in line with the details required in the Turkish Commercial Code and the Capital Markets Regulations, so as to provide the shareholders, the public, and all other stakeholders with access to complete and accurate information on the company's operations.

## SECTION IV

### STAKEHOLDERS

#### Disclosure of Information to Stakeholders

The website was revised as required to provide disclosure to stakeholders on matters concerning them. Any and all information concerning the Company is presented to stakeholders in line with the Corporate Governance Principles. Stakeholders, investors, and analysts can

access the Company's financial reports, annual reports, and other information, using the Company's website. Furthermore, certain material announcements and messages are conveyed to all employees via e-mail. The Audit Committee is responsible for ensuring and overseeing compliance with the regulations, while the Corporate Governance Committee is responsible for reviewing and concluding the complaints received from the shareholders and stakeholders, on matters of concern from a corporate governance perspective.

### Stakeholders' Participation in Management

No model was developed regarding the stakeholders' participation in the company's management.

On the other hand, the requests and proposals voiced in meetings with employees and other stakeholders are taken into consideration by the management, leading to the development of relevant policies and practices.

### Human Resources Policy

ODAŞ's Human and Culture policy is valid for all companies within its structure and covers all employees working in the organization.

ODAŞ applies a corporate approach in recruiting each employee in line with the principles of sustainable growth mission. Our purpose is to build a team that adds value to our country and the industry and prioritizes synergy and diversification.

*ODAŞ applies a corporate approach in recruiting each employee in line with the principles of sustainable growth mission. Our purpose is to build a team that adds value to our country and the industry and prioritizes synergy and diversification.*

• We believe in the power of unity and teamwork across all our endeavors, and celebrate success together as we **grow together**.

- We evaluate new **dynamic** opportunities by drawing on our vast experience. Our flexible structure enables us to respond swiftly to changing circumstances.
- We wholeheartedly embrace **development** as our guiding principle. We champion innovative paths of growth through lifelong learning, and consider our experiences as valuable guides on this journey.
- We place a strong emphasis on **reliability** in all our interactions with stakeholders, investors, and team members, and foster trust through transparent communication.
- We're committed to looking after both **people** and the **environment**, for we consider it our responsibility leave a more sustainable world for future generations.

## CODE OF CONDUCT

### Code of Conduct and Social Responsibility

The Company's Code of Conduct is drawn up in writing and communicated to the employees. The Code of Conduct is defined, updated, and published by the Board of Directors. ODAŞ Code of Conduct is an integral part of ODAŞ Policies and Values. All employees including the Boards of Directors and the executives are expected to comply with these rules.

### ODAŞ Code of Conduct

#### Honesty

Integrity and honesty are the values that we cherish most in all our business processes and relations.

#### Equality

Channels of communication are available and open to struggle against any discrimination that may arise on the basis of age, language, religion, race, medical status, gender or marital status. The employees communicate their complaints and suggestions to the Human Resources Department in order to maintain this equality.

### Confidentiality

Employees are required to abide by the principles of professional confidentiality stipulated in the law. As ODAŞ Group employees, we take good care of maintaining the privacy and confidentiality of information on our customers, employees, and other persons and entities with whom we deal.

All employees are informed of the mandatory precautions to be taken under the Law on Protection of Personal Data and they are expected to act accordingly in every respect of their remits.

### Prevention of Conflicts of Interest

ODAŞ employees are prohibited from abusing any information and power that they gained as part of their positions within the company for gaining any benefits for themselves, their families or relatives.

When performing their duties, employees take care to protect the interests of the company and avoid any act or behavior that may be construed as deriving personal gains for themselves or their relatives.

Accordingly, the employees are expected to avoid competing against the company and to take all necessary measures in this respect.

The employees should exercise due care in their communication with suppliers, customers, organizations or institutions that they are in contact with as part of their jobs and they should avoid any action for the purpose of deriving personal gains. The employees who do not exercise due care in this regard are reported to fail to comply with our code of conduct.

### Social Responsibility

The company implemented social responsibility projects in 2019, based on the environmental and social requirements of the society in which we live and within the framework of the Social Responsibility Policy.

## SECTION V

### BOARD OF DIRECTORS

#### Composition and Formation of the Board of Directors

The Company shall be represented and administered by a board of directors that is composed of at least 5 (five) members to be elected by the general assembly in accordance with the Turkish Code of Commerce, and the Capital Markets Law and Regulations. The following people were elected as the board members of the Company to hold their office until the next ordinary general assembly meeting for review of 2019 company accounts.

#### Personal Backgrounds of the Board Members

##### Abdülkadir Bahattin Özal

*Chairperson of the Board*

He completed his primary and secondary education in TED Ankara College, and then he graduated from high school in Üsküdar Cumhuriyet High School. Following his graduation from ITU Control and Computer Engineering Department in 1985 and from Boğaziçi University Physics Engineering Department in 1988, he started his career and worked as a manager in various companies in the construction, import-export and energy industries. Mr. Özal is a founding partner of the Company and he

continues to serve as the Chairperson of the Board of the company. Apart from this position, he is also a shareholder and board member in several companies operating in the energy, construction, manufacturing and trade industries.

##### Burak Altay

*Deputy Chairperson of the Board*

After his graduation from Koç University Business Administration Department in 1999, he lectured as an assistant in the field of cost accounting in Koç University while he studied for master's degree at the department of financial law at Marmara University. Mr. Altay is a founding partner of the Company and he continues to serve as the Deputy Chairperson of the Board/CEO of the company. Apart from this position, he is also a shareholder and board member in several companies operating in the energy, construction, manufacturing and trade industries.

##### Hafize Ayşegül Özal

*Board Member*

Having completed her education in 1972, Ms. Özal began working at Aköz Foundation in 1994, and was appointed as Foundation Director there in 1996. Currently, she is a board member of Aköz Foundation, offering scholarships to 250 students and providing support to many students and people in need. Apart from his position as a board member of the company, Mr. Özal also serves as a member of the board of directors at several companies operating in the energy, construction, manufacturing and trade sectors.

#### BOARD OF DIRECTORS

#### Position/Title

<b>ABDULKADİR BAHATTİN ÖZAL</b>	Chairperson of the Board (Non-Executive)
<b>BURAK ALTAY</b>	Deputy Chairperson of the Board (Executive)
<b>HAFİZE AYŞEGÜL ÖZAL</b>	Board Member (Non-Executive)
<b>ZEHRA ZEYNEP DERELİ</b>	Independent Board Member (Non-Executive)
<b>UMUT APAYDIN</b>	Bağımsız Yönetim Kurulu Üyesi (Non-Executive)

### Umut Apaydın

**Independent Board Member**

Mr. Apaydın completed his double major in Mechanical Engineering and Business Administration at the Darmstadt Institute of Technology in Germany in 1998. Immediately following his graduation, he began his career as a Debt Markets Analyst in the New York office of JP Morgan Securities between 1998 and 2009 and continued to work there as a Partner and Vice President for Private Equity, Structured Credit Products and Alternative Investments.

Mr. Apaydın continued his career as General Manager of Investor Relations and Marketing at Sunrise Securities in 2009, where he was involved in the establishment of the MLP Fund, a private equity fund. From 2009 to 2012, he was Global Marketing and Investor Relations Director at the capital investment and advisory firm Indicus Advisors LP. Mr. Apaydın continued his career at Koç Holding between 2012 and 2016, where he was actively involved in strategic planning, mergers and acquisitions in the Tourism, Food and Retail arms of the group.

From 2014 to 2016, he was Business Development Director at Setur A.Ş., Koç Group's tourism venture. From 2016 to 2019, he served as Senior Director for Financial Services and Insurance Services in international product management, international business development, and global sales and portfolio management for the American and Canadian markets at Brightstar Corp. Mr. Apaydın continued his career as a Financial Advisor at Prudential Advisors Miami in 2019 and at Mass Mutual Miami in 2020. He is fluent in German, French, Italian, English and has advanced knowledge of Spanish.

### Zehra Zeynep Dereli

**Independent Board Member**

Zehra Zeynep Dereli holds an MA in Development Economics from SOAS University, as well as both BA in Economics alongside certificates in Mathematics and Middle Eastern Studies, all from Princeton University. She launched into career at the Istanbul-based Dundas ÜNLÜ & Co, in the Mergers & Acquisitions department. Next, she worked for Shell Trading and Shipping in London on the Risk Analysis, Research, and Compliance teams. Upon returning to Türkiye, she joined Shell Türkiye as a Financial and Supply Analyst. Since then, Dereli has furthered her career by taking on roles in various organizations that all have contributed in some way to developing the Turkish economy, and as the director of the Atlantic Council Black Sea Energy and Economic Forum. For a while, she additionally prepared and hosted "Leaders and Decisions," a weekly political program airing on two Turkish TV channels, SKY Türk and CNBC-E. She's also was the General Coordinator of the Turkish Policy Forum, a think tank, at one point as well.

Dereli is the founder and CEO of GLOW Communications and APCO Türkiye, and successfully executed DRUM (Dialogue, Respect, and Understanding through Music), a social responsibility project. In 2021, she was honored with the Female Entrepreneur of the Year award by The Economist magazine for having established Technology and Human Colleges (Tink) – Türkiye's first-ever project dedicated to fostering future technology literates and entrepreneurs, in light of the cultural needs of society. Now, she is an Executive Board member and CEO of several industrial firms at Calinos Holding, as well as participates in several social responsibility

initiatives, namely ITU BMTKAUM Advisory Board, TÜBİSAD, WTech, and Endeavor (which she co-founded). The company's General Manager, Burak Altay, is also its Deputy Chairman of the Board. A report about the prospective independent board members has been submitted for approval from the Board of Directors, upon the recommendation of the Corporate Governance Committee (which carries out the Nomination Committee's duties). Accordingly, Umut Apaydın and Zehra Zeynep Dereli were elected as independent members of the Board, because they both met the independence criteria stipulated in the Corporate Governance Principles of the Capital Markets Board.

#### ***The written statements regarding the independence of each Independent Board Member are shared below;***

**i.** That I neither personally, nor through my spouses or relatives by blood or marriage up to third degree, have been involved in the last five years in an executive employment relationship assuming substantial duties and responsibilities, or held, individually or jointly, more than 5% of the capital or voting rights or preferred shares, or engaged in any substantial commercial relationship with any affiliates of ODAŞ Elektrik Üretim ve Ticaret A.Ş. ("ODAŞ Energy") or any corporations in which the company has management control or substantial influence, or shareholders which maintain the company's management control or substantial influence in the company, and legal persons which hold management control of such shareholders,

**ii.** That I have not been a shareholder (5% or more) or executive with significant

duties and responsibilities, or board member in the companies which have provided or bought significant amounts of services or products within the framework of agreements, including but not limited to the auditing (including tax audits, statutory audits, internal audits), rating, and consulting of the company, during the last five years, in the time frame of such provision or purchase of services or products,

**iii.** That I have the professional training, expertise and experience to duly perform the duties to be assumed on the grounds of being an Independent Member of the Board of Directors,

**iv.** That I am not a full-time employee of a government agency or entity,

**v.** That I am considered a resident of Turkey as per the Income Tax Law,

**vi.** That I have robust ethical standards, the professional reputation and the experience to enable free decision-making, taking into account the rights of stakeholders, and contributing positively to the operations of ODAŞ Energy, while maintaining impartiality in conflicts of interest which may arise between the shareholders,

**vii.** I will be able to spare adequate time for the company's affairs, so as to fully perform the requirements of the roles assumed, and to monitor ODAŞ Energy's course of business,

**viii.** I have not served as a board member of the company for more than six years in the last ten years,

**ix.** I am not an independent board member for more than three companies where the

Company or its controlling shareholders hold the control of management and/or more than five corporations whose shares are listed in the stock exchange.

During the reporting period, no events to abolish the independent status of the independent board members took place. No restrictions regarding the assumption of duties or positions outside the company are imposed on the board members. The members of the Board of Directors do not currently engage in any business which would lead to any conflicts of interest with the company, and do not engage in operations to compete with the company in the same fields of operation.

### **The Basis of the Board's Activities**

The frequency of the board meetings of the Company, as well as the quorum for meeting and resolution are established in the Articles of Incorporation.

Accordingly, the Board of Directors shall convene with a simple majority of the members, as the company's affairs and operations require.

The Board resolutions are made with the majority of the members present at the meeting. The Board of Directors meetings are held at the company headquarters, or in an available facility in the city where the corporate headquarters is located. The Board of Directors can also convene in another city, on the basis of a board resolution for doing so. The secretariat services for the Board of Directors meetings are provided by the legal department.

The agenda of the Board of Directors is set through consultations the Chairperson has with other members of the board, and with the General Director and/or Chief Executive

Officer. The managers' requests will be taken into consideration when setting the agenda.

In 2022, the Board of Directors convened 22 times in total. No dissenting comment was registered in the resolution minutes against any resolutions made in such meetings. However, should such a dissent arise, all aspects to reflect the dissenting opinion shall be registered in the minutes.

Where the Capital Markets Regulations require so, important resolutions of the Board of Directors are announced to the public through Material Disclosures.

None of the members of the Board of Directors, including the Chairperson, weighted voting rights and/ or veto powers. In the meetings, each member has one vote.

No insurance has yet been procured to cover the losses that the company may incur due to the negligence of the Board members under the article 4.2.8. of Corporate Governance Principles.

### **Number, Structure and Independence of Committees Formed under the Board of Directors**

Two committees, the Audit Committee and the Corporate Governance Committee, were established through the Board of Directors' resolution dated 21.03.2013. Furthermore, Early Detection of Risk Committee was established through the Board resolution dated 25.12.2013. The Corporate Governance Committee have also assumed the authorities, duties, and responsibilities regarding the performance of the duties of the Nomination Committee and the Remuneration Committee. The duties and working principles of the committees

established within the framework of the Corporate Governance Principles, entered into force through the Board of Directors' resolution dated 25.12.2013, and were announced on the Public Disclosure Platform. Furthermore, the Duties and Working

Principles establishing the general procedures regarding the activities to be performed by all committees were updated as of 12.06.2015 and announced to stakeholders on the Public Disclosure Platform and the corporate website.

### **Audit Committee**

The Audit Committee was structured in accordance with the Corporate Governance Principles of the Capital Markets Board. The committee is composed of at least two members. The committee is composed of two non-executive independent board members. Mr. Salih Erez serves as the committee member, while Mr. Umut Apaydin serves as the committee chair. Special attention was paid to ensure that the Committee Chair had previously served in a similar capacity, and has the expertise to analyze financial statements, as well as a strong grasp of accounting standards, and substantial qualifications.

The purpose of the committee reporting to the Board of Directors is to assist the Board of Directors with respect to the company's accounting system, public disclosure of financial data, independent audits, and overseeing the operation and effectiveness of the internal control system in line with the Capital Markets Regulations and the principles stipulated therein, as well as to consider and report to the Board of Directors any issues it observes during its assessments. The arrangement that requires the convening of the committee at least on

a quarterly basis was implemented through the Duties and Working Principles of the Audit Committee.

### **Corporate Governance Committee**

The Corporate Governance Committee is set up to support and assist the Board of Directors by working on monitoring the company's compliance with the corporate governance principles in accordance with the Capital Markets Regulations, implementing the principles, identifying any failure of implementation, working to improve its efficiency, identifying the candidates to be elected to the Board of Directors, establishing the company's perspective, principles, and applications regarding remuneration, assessing the performance and career planning of the board members and executive staff, overseeing investor relations activities, and making applicable proposals to the Board of Directors.

The committee is set up in accordance with the Articles of Incorporation. It is composed of at least two members. If the committee is composed of two members, both shall be appointed among the non-executive board members. In cases where the committee is composed of more than two members, the majority will be non- executive board members. The chief executive officer / managing director of the company cannot be a member of the committee.

The Committee Chair shall be appointed from among the independent Board members. The director of the Investor Relations Department shall be appointed as a member of the Corporate Governance Committee. Furthermore, individuals who are subject matter experts but not Board members, can also be appointed

as members of the Corporate Governance Committee. The Board of Directors appoints the members of the Corporate Governance Committee in the first Board meeting to follow the General Assembly which elected the Board of Directors. The Corporate Governance Committee shall serve until the election of the next Board of Directors.

The Corporate Governance Committee shall convene at least three times per year. Where necessary, the committee shall convene at the corporate headquarters, upon an invitation issued by the Committee Chair through the secretariat of the Board of Directors. The committee shall convene with a simple majority and shall resolve with a majority. Once taken, decisions shall be registered in written form, to be signed by the committee members during the next meeting, and duly archived. The Corporate Governance Committee shall be composed of a total of three members, two independent non-executive board members, and one official of the company.

**Members of the Corporate Governance Committee**

The Corporate Governance Committee carried out activities for improvement of Investor Relations activities and identification of candidates who were proposed to be elected as board members in 2021.

In this context, the Corporate Governance Committee was informed about the investor meetings organized in the country and abroad for enhancement of the investor profile and about activities in relation to other investor relations practices. Furthermore, the Corporate Governance Committee submitted to the Board of Directors for consideration and for further submission to the approval of the shareholders during 2021 Ordinary

General Assembly the candidates who were deemed to be eligible for Independent Board Membership based on the assessment conducted by the Nomination Committee operating within its scope, in line with the criteria specified under the Corporate Governance Communiqué of Capital Markets Board.

**Early Detection of Risk Committee**

Early Detection of Risk Committee is composed of at least two non-executive members of the Board. The committee is composed of two independent Board members. Mr. Salih Erez serves as the Committee Chairman, while Mr. Umut Apaydın serves as a Committee Member.

The Early Detection of Risk Committee is set up in line with the Turkish Code of Commerce, the Articles of Incorporation, and the Corporate Governance Principles

Communiqué of the Capital Markets Board, with a view to submitting recommendations to the Board of Directors, with respect to the early detection of risks which could threaten the existence, development, and continuation of the company, as well as the application of the measures regarding identified risks, and the management of the risks. The committee reports to the Board of Directors.

The committee examined and provided its opinion on risk- related activities of Finance, Accounting, Reporting and Human Resources Departments in 2021. The decision was made concerning the improvement of such activities for the upcoming periods. The arrangements regarding the convening of the committee are established in the duties and working principles of the Early Detection of Risk Committee.

**Risk Management and Internal Control Mechanism**

In line with its nature, ODAŞ issues its financial statements on a consolidated basis in accordance with the regulations. For the operating group covering electricity generation, electricity wholesale, and mining operations, UFRS based financial statements are drawn up on a quarterly basis. At ODAŞ level, on the other hand, transactions between electricity generation and electricity wholesale are written off, with consolidated financial statements being produced.

The periodical financial results and performance of the companies included in the consolidation framework are analyzed, leading to consolidated financial reporting. ODAŞ’s internal control operations are executed within the framework of the regulations, under the responsibility of the Audit Committee. In quarterly periods when financial statements are disclosed to the public, the consolidated financial statements are submitted to the Board of Directors of the company, after being checked and approved by the committee for audit.

The new Turkish Code of Commerce which entered into force on July 1, 2012 rendered risk management activities a requirement for publicly traded corporations.

The Early Detection of Risk Committee reporting to the Board of Directors was set up through the Board of Directors’ resolution dated 25.12.2013, with a view to submitting comments and recommendations to the Board of Directors, with respect to the early detection of the risks that could threaten the existence, development, and continuation of the company, as well as the application of measures regarding identified risks, and the management of the risks.

**Remuneration**

In accordance with the Corporate Governance Principles, the “Remuneration Policy” applicable to the members of the Board of Directors and senior executives was developed in written form and approved in the Board of Directors meeting held on 25.12.2013, followed by announcement to shareholders through KAP and publication on the corporate website.

According to the Articles of Incorporation, the monthly salaries and per diem fees for members of the Board of Directors are set by the General Assembly. In the Ordinary General Assembly Meeting for the year 2021 which was held on 16.12.2022,, the decision was taken to pay 40.000 TL net salary to the Board members. The following financial benefits were provided to the board members and senior executives of the company in 2021.

Total Financial Benefits	(TRY)
Board of Directors	3,878,289
Senior Executives	22,098,578

Payments to the Board members cover monthly salaries. The remunerations payable to the Board members are the cash payments set with reference to the company’s profitability, performance, and internal positions, and effected regularly and continuously at certain periods of each month.

The payments to senior executives cover monthly salaries. The salaries payable to senior executives are set based on the position and the nature of the work, competence, experience, performance and remuneration policies applied in the same industry for similar positions, the company’s internal positions, inflation, and the company’s achievement of the financial targets set for the year. When setting the remuneration policies, care is

taken to exclude incentive systems which would harm the interests of the shareholders, employees and customers.

The salaries are reviewed and updated once a year. The Company does not extend any credits or loans to any board members or executives, nor does it extend personal loans through a third party. Furthermore, no guarantees or underwriting is extended for such persons. The salaries are reviewed and updated once a year.

The Company does not extend any credits or loans to any board members or executives, nor does it extend personal loans through a third party. Furthermore, no guarantees or underwriting is extended for such persons

## GOVERNMENT SUBSIDIES AND GRANTS

### Çan2 Termik A.Ş. Investment Incentive Certificate

The Investment Incentive Certificate was issued for the completely new investment carried out in Çanakkale province's Çan2 area, and covers the period 13.08.2014-12.02.2019. The certificate provides incentives including the Subsidy for Employer Insurance Contributions, Tax Rate Reduction Subsidy, VAT Exemption and Customs Duty Exemption. The total amount of the investment is TRY 801,789,866.

The procedures for the completion of the Incentive Certificate were finalized by the letter no. 401.06 dated 10.08.2020 from the Ministry of Industry and Technology. (Completion Visa granted.) In addition, the Ministry of Industry and Technology issued an investment incentive certificate dated 08.04.2020 with certificate no. 510216 and ID no. 1013731. The subsidy category is Regional-Priority Investment and the incentive elements

include VAT Exemption, Interest Subsidy, Tax Reduction, Employer Insurance Contributions and Allocation of Investment Area. The underlying investment is the modernization of the local coal-based power plant with an installed capacity of 340 MW (Çan2 Thermal Power Plant) and the incentive certificate has been issued as per the Generation License dated 28.01.2016 with no. ÜE/6083-2/03428, which has been granted by Energy Market Regulatory Authority.

### YS Madencilik San. Ve Tic. Ltd. Şti.

The company holds an Investment Incentive Certificate dated 24.07.2017 and numbered 131389, issued by the Ministry of Economy's General Directorate of Incentive Implementation and Foreign Investment. Pit coal mining constitutes the subject matter of this document.

The Investment Incentive Certificate was issued for the completely new investment carried out in Corum province's Dodurga district, and covers the period 16.06.2017 - 16.06.2020. The certificate extends the subsidy elements of employer support for insurance premium, interest subsidy, VAT exemption, and customs duty exemption, as well as tax discount. The application, which was made for the Incentive Certificate completion visa on 08.10.2019, is still pending.

### Suda Maden AŞ.

The company holds an Investment Incentive Certificate dated 06.10.2017 and numbered 132950, issued by the Ministry of Economy's General Directorate of Incentive Implementation and Foreign Investment.

Sand, clay and stone quarrying is the subject matter of the certificate. The Investment Incentive Certificate was issued for the modernization project carried out in Kutahya province's Gediz district, and covers the period 08.09.2017 - 08.09.2020.

The certificate extends the subsidy elements of employer support for insurance premium, interest subsidy, VAT exemption, and tax discount.

## DIVIDEND PAYMENT POLICY

The profits of the company are measured and distributed in accordance with the Turkish Code of Commerce, the Capital Markets Regulations, and widely recognized accounting principles. The net profits established once the amounts the Company is required to pay or set aside, such as overhead expenses and various elements of depreciation, as well as the taxes the company is required to pay as a legal entity, and any and all financial liabilities, are deducted from the revenues identified as of the end of the operating period, as shown in the annual balance sheet, shall be allocated as follows in the respective order, once losses for previous years, if any, are deducted.

### Primary Legal Reserves:

5% legal reserves shall be retained as per the applicable provision of the Turkish Commercial Code.

### Primary Dividend:

The primary dividends shall be allocated in line with the Turkish Commercial Code and the Capital Markets Regulations, from the remaining figure, with reference to the amount to be calculated with the addition of donations, if any, made during the year. Once the above-mentioned figures are deducted, the General Assembly shall be entitled to decide on the payment of the dividends to the Board members, officials, servants, laborers, foundations established for various purposes, and similar persons and entities.

### Secondary Dividend:

The General Assembly shall be entitled to pay the amount remaining after the deduction of the amounts specified in Sub-Paragraphs (a), (b),

and (c) out of the net profits, in full or in part, as secondary dividend, or as extraordinary reserves.

### Secondary Legal Reserves:

One tenth of the amount established after the deduction of a dividend figure amounting to 5% of the paid-in capital, from the portion decided to be paid out to shareholders and other persons entitled to profits, shall be set aside as the secondary statutory reserves as per the article 519, paragraph 2 of the Turkish Commercial Code.

Unless the legal reserves are retained and the primary dividends for shareholders are allocated in cash and/ or in the form of shares as specified in the articles of incorporation; no resolution can be taken with respect to any additional reserves, retained earnings and dividend payments to the board members, employees, foundations of various causes and similar persons and/or entities.

The dividends for the shares shall be paid out to all existing shares as of the term of operations, regardless of the issuance and acquisition dates of the shares, and without the application of the per diem principle. The Company can pay out advance dividends to its shareholders within the framework of Article 20 of the Capital Markets Law.

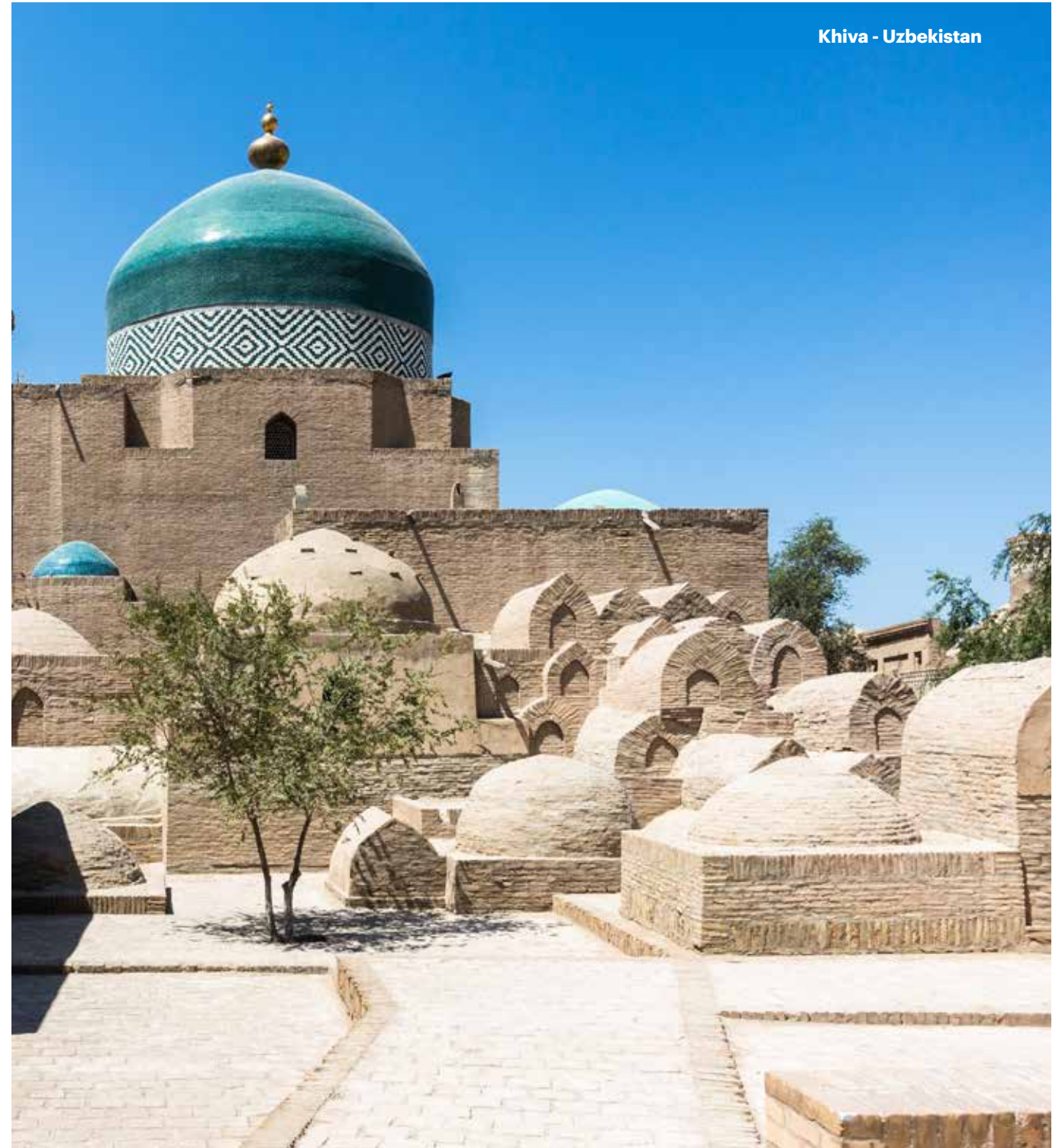
If there is any profit available for distribution in accordance with the applicable communiqués, the annual distributable profit of the company and the relevant board resolution to be taken for dividend payment shall be submitted to the general assembly for approval and dividend payments shall be completed within statutory timeframes upon the approval of the general assembly. The General Assembly shall take the decision, on the basis of the proposal of the Board of Directors, on the date on which the dividend shall be paid to shareholders. Dividend payments shall be made within the

statutory time frame. The CMB's applicable regulations, communiqués and provisions shall be observed for other dividend payment methods. In accordance with the General Assembly resolution, the dividend payment can be in the form of fully cash, or fully in bonus issues, or partly in cash and partly in bonus issues. An equilibrium between the interests of the shareholders and those of the company shall be sought with respect to the implementation of the dividend payment policy. The Board of Directors shall inform the shareholders at the General Assembly if dividends shall not be paid and if so, the reason for this and where the retained profits shall be used instead.

### Legal Actions

During the period of 01.01.2022 -31.12.2022, there are no significant lawsuits that may affect the activities of the Group, for and against.

Khiva - Uzbekistan



# CORPORATE GOVERNANCE COMPLIANCE STATEMENT

Corporate Governance Compliance Report		Compliance Status					
1.1.	FACILITATION OF THE USE OF SHARE OWNERSHIP RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment
	1.1.2 - Information and disclosures which may affect the use of Share Ownership rights are made available for investors in an up-to-date fashion on the company's corporate website.	X					
1.2.	RIGHT TO DEMAND AND REVIEW INFORMATION	Yes	Partially	No	Exempt	Not applicable	Comment
	1.2.1- Company management avoided execution of any transaction that may complicate a private audit.	X					
1.3.	GENERAL ASSEMBLY	Yes	Partially	No	Exempt	Not applicable	Comment
	1.3.2- The company ensured that the agenda of the General Assembly was expressed explicitly and every proposal was provided under a separate title.	X					
	1.3.7- Persons who have the opportunity to access the partnership information in a privileged way have informed the Board of Directors to be included in the agenda in order to provide information to the General Assembly on the transactions carried out on behalf of themselves within the scope of the partnership's area of activity.					X	
	1.3.8 - Board Members who are subject matter experts in the special items in the agenda, other related people and officials and auditors with responsibility for preparing financial statements were present at the general assembly meeting.	X					
	1.3.10- The amounts and beneficiaries of all donations and grants were provided in a separate item in the agenda of the General Assembly.		X				All donations and grants made during the year were shared as per the agenda of the General Assembly.
	1.3.11- The General Assembly meeting was held open to the public, including stakeholders and media, provided that those should not have a right to speak.	X					
1.4.	VOTING RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment
	1.4.1- There are no restrictions or practices that make it difficult for shareholders to exercise their voting rights.	X					
	1.4.2- The company does not have any shares with privileged voting rights.			X			The company does not have any privileged shares. However, Group A shares are privileged. The privileged shareholders are Abdulkadir Bahattin Özal and Burak Altay with voting rates of 12.93% and 21.26%, respectively.

Corporate Governance Compliance Report		Compliance Status					
	1.4.3- The company did not exercise its voting rights in the General Assembly of any partnership in which they have cross-ownership associated with any controlling relationship.					X	
1.5.	MINORITY RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment
	1.5.1- The company has paid maximum attention to the exercise of minority rights.	X					
	1.5.2- Minority rights were vested in shareholders who hold less than one twentieth of the capital, based on the articles of association. The scope of minority rights had extended in the articles of association.			X			Minority rights in our company are identified based on the ratio regulated by the Turkish Commercial Code.
1.6.	DIVIDEND RIGHTS	Yes	Partially	No	Exempt	Not applicable	Comment
	1.6.1- The dividend payment Policy approved by the General Assembly was disclosed to the public on the company's corporate website.	X					
	1.6.2- The Dividend Payment Policy incorporates minimum explicit information required to enable the shareholders to make predictions on the procedures and principles regarding the distribution of profit by the company in the future.	X					
	1.6.3- The reasons for not distributing dividends and the use of retained earnings were stated in the related agenda item.	X					
	1.6.4- The Board of Directors reviewed the dividend payment policy with respect to the protection of balance between shareholders' interests and the company's interests.	X					
1.7.	TRANSFER OF SHARES	Yes	Partially	No	Exempt	Not applicable	Comment
	1.7.1- There is no restriction which complicates the transfer of the shares.	X					
2.1.	CORPORATE WEBSITE	Yes	Partially	No	Exempt	Not applicable	Comment
	2.1.1- The corporate website of the company contains all items relevant to corporate governance principle no. 2.1.1.	X					
	2.1.2- Shareholding structure (names, privileges and number and ratio of shares of the real person shareholders who own more than 5% of issued capital) is updated on the corporate website at least every 6 months.	X					
	2.1.4- Information on the corporate website of the company has been provided in the foreign languages chosen according to need, provided that their content should be the same as the Turkish version.	X					
2.2.	ANNUAL REPORT	Yes	Partially	No	Exempt	Not applicable	Comment
	2.2.1- The Board of Directors ensures that the annual report includes complete and true information with respect to the activities of the company.	X					
	2.2.2- The annual report contains all elements under principle no. 2.2.2.	X					

	Corporate Governance Compliance Report	Compliance Status					
3.1.	COMPANY POLICY ON STAKEHOLDERS	Yes	Partially	No	Exempt	Not applicable	Comment
	3.1.1- The rights of stakeholders are protected within the framework of relevant regulations, contracts and bona fides principles.	X					
	3.1.3- Policies and procedures regarding the rights of stakeholders are published on the corporate website of the company.	X					
	3.1.4- Necessary mechanisms have been established for stakeholders to report transactions that are contrary to the legislation and which are unethical.	X					
	3.1.5- The company approaches conflicts of interest between stakeholders in a balanced manner.	X					
3.2.	PROMOTING THE PARTICIPATION OF STAKEHOLDERS IN THE COMPANY MANAGEMENT	Yes	Partially	No	Exempt	Not applicable	Comment
	3.2.1- The participation of employees in management has been regulated by the articles of incorporation or the internal regulations.		X				Ad hoc committees were formed for investment activities of the company in the related periods and the participation of employees in the management was ensured.
	3.2.2- In case of significant decisions that may bear consequences for stakeholders, methods such as surveys and consultation have been applied to obtain the opinions of stakeholders.		X				In case of important decisions that may lead to results for some of the stakeholders, requests, suggestions and complaints of the stakeholders are received and considered.
3.3.	HUMAN RESOURCES POLICY OF THE COMPANY	Yes	Partially	No	Exempt	Not applicable	Comment
	3.3.1- The company has adopted an employment Policy offering equal opportunities and a succession plan for all key management positions.	X					
	3.3.2- Recruitment criteria has been determined in writing.	X					
	3.3.3- The company has a Human Resources Development Policy and organizes training sessions for employees as part of this policy.	X					
	3.3.4- Meetings have been held to inform employees on issues such as the financial status of the company, remuneration, career planning, education and health.	X					
	3.3.5- Decisions which may affect employees have been notified to the employees and their representatives. The opinions of relevant unions about such issues have been taken as well.		X				The Human Resources Department is responsible for relations with all employees. However, there is no union in our company.
	3.3.6- Job definitions and performance criteria have been prepared in detail for all employees and have been provided to them. They have been utilized in the determination of remuneration.	X					Job descriptions are made for parent companies and revisions are ongoing in all other group companies.

	Corporate Governance Compliance Report	Compliance Status					
	3.3.7- Measures, such as procedures, training sessions, awareness raising, objectives, monitoring and complaint mechanisms, have been taken in order to prevent discrimination among employees and to protect the employees against any physical, mental and emotional mistreatment within the company.	X					
	3.3.8- The company supports the recognition of freedom to establish associations and the right to collective bargaining efficiently.		X				Although there are no associations or unions in the company, there is no restrictive practice.
	3.3.9- A safe working environment is ensured for employees.	X					
3.4.	RELATIONS WITH CUSTOMERS AND SUPPLIERS	Yes	Partially	No	Exempt	Not applicable	Comment
	3.4.1- The company measured customer satisfaction and operates on the understanding of unconditional customer satisfaction.	X					
	3.4.2- Any delay in handling customers’ requests regarding the goods and services purchased by them is notified to customers.	X					
	3.4.3- The company complies with quality standards related to goods and services.	X					
	3.4.4- The company has control processes for maintaining the confidentiality of the commercial secrets of customers and suppliers.	X					
3.5.	CODE OF CONDUCT AND SOCIAL RESPONSIBILITY	Yes	Partially	No	Exempt	Not applicable	Comment
	3.5.1- A Code of Conduct determined by the Board of Directors has been published on the corporate website of the company.	X					
	3.5.2- The company is aware of its social responsibilities. It has taken measures to prevent corruption and bribery.	X					
4.1.	FUNCTION OF THE BOARD OF DIRECTORS	Yes	Partially	No	Exempt	Not applicable	Comment
	4.1.1- The Board of Directors ensures that strategies and risks do not threaten the long-term interests of the company and effective risk management procedures are in place.	X					
	4.1.2- The meeting agenda and minutes demonstrate that the Board of Directors discusses and approves the strategic objectives of the company, determines the required Resources and oversees the performance of management.	X					
4.2.	THE BASIS OF THE BOARD OF DIRECTOR'S ACTIVITIES	Yes	Partially	No	Exempt	Not applicable	Comment
	4.2.1- The Board of Directors documented its activities and submitted them to the information of the shareholders.	X					
	4.2.2- The duties and powers of the Board members were provided in the annual report.	X					
	4.2.3- The Board of Directors has established an internal control system in accordance with the scale of the company and the complexity of its activities.		X				Internal control activities are performed by the Audit Committee. Company directors carry out assessments on a departmental basis.

	Corporate Governance Compliance Report	Compliance Status					
	<b>4.2.4-</b> Information regarding the functioning and efficiency of the internal control system is given in the annual report.	X					
	<b>4.2.5-</b> The authorities of the Chairperson of the Board and the Chief Executive Officer (General Manager) are separated and defined.	X					
	<b>4.2.7-</b> The Board of Directors has facilitated effective functioning of the Investor Relations department and the corporate governance committee and has been in close cooperation with the Investor Relations department and the corporate governance committee in resolving disputes between the company and shareholders, and in communications with the shareholders.	X					
	<b>4.2.8-</b> Regarding the losses that the members of the Board of Directors may cause in the company due to any faults in the course of their duties, the company has taken out executive liability insurance for a price exceeding 25% of the capital.			X			No executive liability insurance for a price exceeding 25% of the company capital has been taken out regarding the losses that the Board members may cause in the company due to any faults in the course of their duties.
<b>4.3.</b>	<b>STRUCTURE OF THE BOARD OF DIRECTORS</b>	<b>Yes</b>	<b>Partially</b>	<b>No</b>	<b>Exempt</b>	<b>Not applicable</b>	<b>Comment</b>
	<b>4.3.9-</b> The company determined an objective of a minimum percentage of 25% for female Board members and established a relevant policy to achieve this objective. The structure of the Board of Directors is reviewed annually and determination of candidates is carried out in accordance with this policy.		X				The Board of Directors has one female member. There is no policy relating to the minimum target of 25% for female members.
	<b>4.3.10-</b> At least one of the committee members responsible for auditing has 5-years experience in auditing/accounting and finance.	X					
<b>4.4.</b>	<b>PROCEDURE FOR THE BOARD OF DIRECTORS MEETINGS</b>	<b>Yes</b>	<b>Partially</b>	<b>No</b>	<b>Exempt</b>	<b>Not applicable</b>	<b>Comment</b>
	<b>4.4.1-</b> All Board members physically attended most of the Board of Directors' meetings.	X					
	<b>4.4.2-</b> The Board of Directors has determined a minimum period of time for the sending of information and documents relating to the agenda items to all members before the meeting.	X					
	<b>4.4.3-</b> The opinions of the members who could not attend the meeting, but who expressed their opinions in writing to the Board of Directors were submitted for the information of other members.					X	
	<b>4.4.4-</b> Each Board member has one vote.	X					
	<b>4.4.5-</b> The procedure for the Board meetings has been documented in written form in accordance with the internal regulations of the company.	X					

	Corporate Governance Compliance Report	Compliance Status					
	<b>4.4.6-</b> Minutes of the Board meetings reveal that all agenda items were discussed. Minutes for decisions are prepared in such a way that dissenting opinions are also included.	X					
	<b>4.4.7-</b> The external duties of the Board members have been restricted. The external duties conducted by the Board members were submitted for the information of shareholders at the General Assembly meeting.			X			No restrictions regarding the assumption of duties or positions outside the company are imposed on the Board Members.
<b>4.5.</b>	<b>COMMITTEES FORMED UNDER THE BOARD OF DIRECTORS</b>	<b>Yes</b>	<b>Partially</b>	<b>No</b>	<b>Exempt</b>	<b>Not applicable</b>	<b>Comment</b>
	<b>4.5.5-</b> Each Board member is assigned to only one committee.			X			Board members are not assigned to only one committee.
	<b>4.5.6-</b> The Committees invited people to the meetings as deemed necessary to consult with and obtained their opinion.	X					
	<b>4.5.7-</b> Information regarding the independence of the person/institution that provides consultancy services to the committee is given in the annual report.					X	
	<b>4.5.8-</b> A report has been issued and submitted to Board members regarding the results of the meetings held by the committees.	X					
<b>4.6.</b>	<b>FINANCIAL RIGHTS PROVIDED TO THE BOARD MEMBERS AND EXECUTIVES WITH ADMINISTRATIVE RESPONSIBILITIES</b>	<b>Yes</b>	<b>Partially</b>	<b>No</b>	<b>Exempt</b>	<b>Not applicable</b>	<b>Comment</b>
	<b>4.6.1-</b> The Board of Directors conducted a performance evaluation for the board to appraise whether they fulfilled their responsibilities effectively or not.			X			Performance evaluation of Board of Directors has not been made.
	<b>4.6.4-</b> The Company did not provide credit facilities, grant loans or extend the term of a loan granted, improve the underlying conditions, supply credit through third parties as a personal credit to any of its board members or its executives with administrative responsibilities or provide securities such as a guarantee in favor of them.	X					
	<b>4.6.5-</b> Remuneration provided to members of the Board of Directors and executives with administrative responsibilities has been disclosed for each person in the annual report.		X				Remunerations provided to the Board members and executives with administrative responsibilities have been disclosed based on a total figure in the annual report.

# CORPORATE GOVERNANCE INFORMATION FORM

CORPORATE GOVERNANCE INFORMATION FORM		
<b>1. SHAREHOLDERS</b>		
<b>1.1. Facilitation of the Use of Share Ownership Rights</b>		
Number of investor conferences and meetings held by the company during the year	41	
<b>1.2. Right to Demand and Review Information</b>		
Number of requests for private auditors	-	
Number of requests for private auditors approved at the General Assembly meeting	-	
<b>1.3. General Assembly</b>		
Link to the KAP (Public Disclosure Platform) announcement for the information requested as part of principle 1.3.1 (a-d)	<a href="https://www.kap.org.tr/tr/Bildirim/1080969">https://www.kap.org.tr/tr/Bildirim/1080969</a>	
Whether or not documents in English related to the General Assembly meeting were presented simultaneously with Turkish versions	The related documents are presented in Turkish and English on the website of the company.	
Links to the KAP announcements for the processes which were not approved by the majority of independent members or do not have unanimous consent, as part of the principle 1.3.9	N/A	
Links to the KAP announcements for the processes of related parties performed as part of Article 9 of the Corporate Governance Communiqué (II-17.1)	Such a process is not available as part of the Article 9.	
Links to the KAP announcements for the common and continuous processes performed as part of Article 10 of the Corporate Governance Communiqué (II-17.1)	N/A	
Name of the section on the corporate website of the company that describes the policy on donations and grants	Investor Relations / Corporate Governance / Our Policies / Donation Policy	
Link to the KAP announcement for the minutes of the general assembly in which the policy on donations and grants was approved	<a href="https://www.kap.org.tr/tr/Bildirim/526892">https://www.kap.org.tr/tr/Bildirim/526892</a>	
Number of the article which regulates participation of stakeholders in the general assembly in the articles of association	N/A	
Information about stakeholders who attended the General Assembly	Company employees	
<b>1.4. Voting Rights</b>		
Whether or not voting rights have privilege	Yes	
Privileged shareholders and their vote rates if votes are privileged	Group A shares are privileged. The privileged shareholders are Abdulkadir Bahattin Özal and Burak Altay with voting rate of 12.93% and 21.26%, respectively.	
Share percentage of the largest shareholder	15,81%	
<b>1.5. Minority Rights</b>		
Whether or not minority rights have been extended (with regard to content or ratio) in the articles of association of the company	No	
Specify the number of the relevant articles of association item if minority rights have been extended with regard to content and ratio.	-	

<b>1.6. Dividend Rights</b>		
Name of the section on the corporate website that describes the dividend payment policy		Investor Relations / Corporate Governance / Our Policies / Dividend Payment Policy
In the event that the Board of Directors proposed the General Assembly that dividends not be distributed, minutes of the relevant general assembly agenda item regarding the reasons for not distributing dividends and the use of retained earnings		As a result of the discussion on the resolution of the company's Board of Directors dated 23.11.2020 no. 2020/18, the question that dividends shall not be paid was unanimously accepted, as there is no distributable profit in the consolidated financial statements for the accounting period between 01.01.2019 and 31.12.2019 prepared and subject to an independent audit as per the provisions of the Communiqué on the Rules of Financial Reporting in Capital Market no. (II-14.1) issued by the Capital Markets Board, and in the financial statements prepared in accordance with the rules of the Tax Procedure Law as part of the statements about the activities of our Company in 2019 which were formed again in accordance with the rules of the Tax Procedure Law.
Link to the KAP announcement for the relevant general assembly minutes, in the event that the Board of Directors proposed the General Assembly not to distribute the profit		<a href="https://www.kap.org.tr/tr/Bildirim/1088160">https://www.kap.org.tr/tr/Bildirim/1088160</a>

## General Assembly Meetings

Date of the General Assembly	Number of requests for annotations sent to the company with regard to the agenda of General Assembly	Participation rate of shareholders in General Assembly	Ratio of the shares represented directly	Ratio of the shares represented by proxy	Name of the section on the corporate website of the company that contains the minutes of the general assembly meeting, including the positive and negative votes for every agenda item	Name of the section on the corporate website that includes all questions asked at the general assembly meeting and their answers	Number of the article or paragraph in the minutes of the general assembly meeting that describes the related parties	Number of persons who report to the Board of Directors and have the opportunity to access the company information in a privileged way (The list of insiders)	Link to the general assembly statement published in KAP
16.12.2022	0	32,03%	17,45%	14,58%	Investor Relations / Corporate Governance / General Assembly Meetings / 2021 General Assembly Meeting / Minutes	Investor Relations / Corporate Governance / General Assembly Meetings/ 2021 General Assembly Meeting / Minutes	16	22	<a href="https://www.kap.org.tr/tr/Bildirim/1089221">https://www.kap.org.tr/tr/Bildirim/1089221</a>

<b>2. PUBLIC DISCLOSURE AND TRANSPARENCY</b>		
<b>2.1. Corporate Website</b>		
Names of the sections on the corporate website that provide the information requested by corporate governance principle 2.1.1.		Investor Relations / Corporate Governance, Annual Reports, Material Disclosures, Financial Reports, Capital and Shareholding Structure, Articles of Incorporation, Policies
The section on the corporate website that gives the list of real person shareholders who directly or indirectly own more than 5% of the shares		Investor Relations / Corporate Governance / Capital and Shareholding Structure
Languages in which the corporate website has been prepared		Turkish and English
<b>2.2. Annual Report</b>		
<b>Page numbers or name of the sections in the annual report that contain the information requested by corporate governance principle no.2.2.2</b>		
<b>a)</b> The page number or section name that describes the external duties of the members of the Board of Directors and executives and declarations of independence of the members		Corporate Governance Compliance Report / Board of Directors / Composition and Formation of the Board

2.	PUBLIC DISCLOSURE AND TRANSPARENCY	
2.2.	Annual Report	
	<b>b)</b> The page number or section name that indicates the information on the committees formed under the Board of Directors	Corporate Governance Compliance Report / Board of Directors / Number, Structure and Independence of Committees Formed under the Board of Directors
	<b>c)</b> The page number or section name that contains the information on the number of board meetings in a year and the attendance of the members at these meetings	Corporate Governance Compliance Report / Board of Directors / Operating Principles of the Board
	<b>d)</b> The page number or section name that includes the information on amendments to legislation which may significantly affect the activities of the company	-
	<b>e)</b> The page number or section name that demonstrates the information on significant lawsuits filed against the company and the likely outcomes thereof	Corporate Governance Compliance Report / Legal Actions
	<b>f)</b> The page number or section name that contains the information on conflicts of interest between the company and the institutions from which it purchases services such as investment consulting and rating and the measures taken to avoid such conflicts of interest	-
	<b>g)</b> The page number or section name that includes the information on the cross-ownerships in which direct contributions to the capital exceed 5%	-
	<b>h)</b> The page number or section name that demonstrates the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the company activities that give rise to social and environmental outcomes	Corporate Governance Compliance Report / Stakeholders / Code of Conduct and Social Responsibility
3.	STAKEHOLDERS	
3.1.	Company's Policy on Stakeholders	
	Name of the section on the corporate website that describes the compensation policy	Investor Relations / Corporate Governance / Our Policies / Compensation Policy
	The number of final judicial decisions against the company on the grounds of breaching employee rights	-
	Title of the person responsible for the notification mechanism	Human Resources Director
	Contact details of the company's notification mechanism	info@odasenerji.com - ik@odasenerji.com
3.2.	Promoting the Participation of Stakeholders in Company Management	
	Name of the section on the corporate website that provides the internal regulations about the participation of employees in management bodies	-
	Management bodies where employees are represented	-
3.3.	Human Resources Policy of the Company	
	Role of the Board of Directors in the development of a succession plan for the key management positions	-
	Name of the section on the corporate website that demonstrates the human resources policy covering equal opportunities and recruitment criteria, or a summary of the relevant articles of the policy	Human Resources / Human Resources Policy
	Whether or not there is a stock ownership plan	There Is No Stock Ownership Plan
	Name of the section on the corporate website that describes the human resources policy which covers the measures against discrimination and mistreatment, or a summary of the relevant articles of the policy	Human Resources / Human Resources Policy
	Number of final judicial decisions against the company due to responsibility for work related accidents	-

3.	STAKEHOLDERS	
3.5.	Code of Conduct and Social Responsibility	
	Name of the section on the corporate website that describes the code of conduct policy	<a href="https://www.odasenerji.com.tr/tr/insan-kaynaklari/">https://www.odasenerji.com.tr/tr/insan-kaynaklari/</a>
	Name of the section on the corporate website that demonstrates the corporate social responsibility report. The measures taken on environmental, social and corporate governance issues, if no corporate social responsibility report exists	Our company has carried out social responsibility projects in 2022 within the framework of the Social Responsibility Policy, considering the environmental and social needs of the community in which we operate.
	The measures taken to fight any kind of corruption including extortion and bribery	The sanctions to be applied against any kind of corruption including extortion and bribery are included in the disciplinary procedure of the company
4.	BOARD OF DIRECTORS-I	
4.2.	The Basis of the Board's Activities	
	Date on which the last performance evaluation of the Board of Directors was conducted	-
	Any referral to the independent subject matter experts during the performance evaluation of the board	No
	Whether or not all Board members have been released	Yes
	Names of the members of the Board of Directors with delegated powers through distribution of duties, and descriptions of such powers	A. Bahattin Özal - Chairperson of the Board, Burak Altay - Deputy Chairperson of the Board, Hafize Ayşegül Özal - Board Member, Umut Apaydın - Independent Board Member, Salih Erez - Independent Board Member
	Number of reports presented by the internal control unit to the audit committee or any relevant committee	-
	Name or page number of the section in the annual report that provides a review of the effectiveness of the internal control system	Corporate Governance Compliance Report / Board of Directors / Risk Management and Internal Control Mechanism
	Name of the Chairperson of the Board	Abdulkadir Bahattin Özal
	Name of the Chief Executive Officer/General Manager	Burak Altay
	Link to the KAP announcement on the rationale behind the fact that the Chairperson of the Board of Directors and Chief Executive Officer/General Manager are the same person	Not the same person.
	Link to the KAP announcement for the fact that an insurance for a price exceeding 25% of the company capital has been taken out regarding the losses that the Board members may cause in the company due to any faults in the course of their duties	-
	Name of the section on the corporate website that gives information about the diversity policy for increasing the rate of female Board members	-
	Number and percentage of female members	1 - 20%

Structure of the Board

Full Name of the Board Member	An Executive Member or Not	An Independent Member or Not	The Date of Election as a Board Member for the First Time	Link to the KAP Announcement for Declaration of Independence	Independent Whether or Not the Member was Evaluated by the Nomination Committee	Whether Any of the Members Lost Their Independence or not	Whether or Not He/ She Has at Least 5-Years Experience in Auditing, Accounting and/or Finance
Abdulkadir Bahattin Özal	Non-Executive	Not Independent Member	23.05.2011				
Burak Altay	Executive	Not Independent Member	23.05.2011				
Hafize Ayşegül Özal	Non-Executive	Independent Member	06.03.2013				
Zehra Zeynep Dereli	Non-Executive	Independent Member	24.12.2020	<a href="https://www.kap.org.tr/tr/Bildirim/893257">https://www.kap.org.tr/tr/Bildirim/893257</a>	Evaluated	No	Yes
Umut Apaydın	Non-Executive	Independent Member	28.04.2016	<a href="https://www.kap.org.tr/tr/Bildirim/893257">https://www.kap.org.tr/tr/Bildirim/893257</a>	Evaluated	No	Yes

4.	BOARD OF DIRECTORS-II	
4.4.	Meeting Procedures of the Board of Directors	
	Number of the physical board meetings in the reporting period	26
	Average attendance rate at board meetings	100%
	Whether or not an electronic portal is used to facilitate the works of the Board of Directors	No
	Number of minimum days ahead of the board meeting to provide information and documents to members as per working principles of the Board of Directors	Changes Based on the Agenda.
	Name of the section on the corporate website that demonstrates information about the internal regulations which cover board meeting procedures	Investor Relations / Corporate Governance / Articles of Association / Article 7
	The upper limit determined in the policy that restricts the members from assuming external duties	There is no restriction for the members to assume external duties.
4.5.	The Committees Formed under the Board of Directors	
	The page number or section name in the annual report that provides information about the board committees	Corporate Governance Compliance Report / Board of Directors / Number, Structure and Independence of Committees Formed under the Board of Directors
	Link to the KAP announcement about the working principles of the committee	<a href="https://www.kap.org.tr/tr/Bildirim/445299">https://www.kap.org.tr/tr/Bildirim/445299</a>

Committees under the Board

Names of the Committees under the Board	Name of the Committee Indicated As “Other” in the First Column	Full Name of Committee Members	Committee Chair or Not	Board Member or Not
Audit Committee		Umut Apaydın	Yes	Board Member
Audit Committee		Zehra Zeynep Dereli	No	Board Member
Corporate Governance Committee		Umut Apaydın	Yes	Board Member
Corporate Governance Committee		Zehra Zeynep Dereli	No	Board Member
Corporate Governance Committee		Melih Yüceyurt	No	Not a Board Member
Early Detection of Risk Committee		Zehra Zeynep Dereli	Yes	Board Member
Early Detection of Risk Committee		Umut Apaydın	No	Board Member

4.	BOARD OF DIRECTORS-III	
4.5.	The Committees Formed under the Board of Directors-II	
	Specify the section in the annual report or on the corporate website where the activities of the audit committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Audit Committee / Duties and Working Principles of the Audit Committee
	Specify the section in the annual report or on the corporate website where the activities of the corporate governance committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Corporate Governance Committee / Duties and Working Principles of the Corporate Governance Committee
	Specify the section in the annual report or on the corporate website where the activities of the nomination committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Corporate Governance Committee / Duties and Working Principles of the Corporate Governance Committee
	Specify the section in the annual report or on the corporate website where the activities of the early detection of risk committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Early Detection of Risk Committee / Duties and Working Principles of the Early Detection of Risk Committee
	Specify the section in the annual report or on the corporate website where the activities of the remuneration committee are presented (page number or section name)	Investor Relations / Corporate Governance / Committees / Corporate Governance Committee / Duties and Working Principles of the Corporate Governance Committee
4.6.	Financial Rights Provided to Members of the Board of Directors and Executives with Administrative Responsibilities	
	The page number or section name in the annual report that gives information about the operational and financial performance targets and their achievement status	Annual Report / Operational Status During the Period
	Name of the section on the corporate website that covers the remuneration policy for executive and non-executive directors.	Investor Relations / Corporate Governance / Policies / Remuneration Policy
	The page number or section name in the annual report that describes the individual remuneration and all other benefits for the members of the Board of Directors and executives with administrative responsibilities	Corporate Governance Compliance Report / Financial Rights

Committees under the Board II

Names of the Committees under the Board	Name of the Committee Indicated As “Other” in the First Column	The Percentage of Non-Executive Directors	The Percentage of Independent Members in the Committee	Number of Physical Meetings Held by the Committee	Number of Reports Submitted to the Board of Directors by the Committee about Its Activities
Audit Committee		100%	100%	6	6
Corporate Governance Committee		100%	66%	3	3
Early Detection of Risk Committee		100%	100%	6	6