

**ANNUAL REPORT OF THE BOARD OF DIRECTORS OF SARKUYSAN ELEKTROLİTİK  
BAKIR SANAYİ VE TİCARET A.Ş. FOR THE PERIOD OF 01.01.2024 – 31.12.2024  
PREPARED WITH RESPECT TO THE COMMUNIQUE SERIAL: II-14.1 OF THE  
CAPITAL MARKETS BOARD**

## **The Sarkuysan Identity**

<b>Company Name</b>	: Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş.
<b>Founded on</b>	: 03.05.1972
<b>Upper Limit of the Registered Capital:</b>	2,000,000,000.-TL
<b>Issued Capital</b>	: 600,000,000.-TL
<b>Trade Registry Number</b>	: 13898
<b>Mersis No</b>	: 0751001576100014
<b>Commercial Registry Registered to</b>	: Gebze Commercial Registry Office
<b>Address</b>	: Emek Mahallesi Aşıroğlu Caddesi No: 147 41700 Darıca / KOCAELİ
<b>Phone Number</b>	: (0 262) 676 66 00 (20 lines)
<b>Fax Number</b>	: (0 262) 676 66 80 (0 262) 676 66 81 (0 262) 676 66 83
<b>E-mail</b>	: info@sarkuysan.com
<b>Website</b>	: www.sarkuysan.com

## History

The Company has a significant place in the country's industrialization history as it is the first successful publicly traded and aggregate company. The Company, which produces electrolytic copper products, copper tubes and copper busbars over an area exceeding 200,000 m<sup>2</sup> in the Gebze, Tuzla and Darica regions, with an indoor area of approximately 90,000 m<sup>2</sup>, increased its initial capacity of 10,000 tons/year to over 200,000 tons/year and became a global company. The products are used as standard inputs in electro-technical, electronics, motor, communication, electricity generation and distribution, solar power, household appliances, measuring devices, defense, automotive, chemicals, construction, heating ventilation and sanitary installation sectors. Sarkuysan is certified with TS EN ISO 9001, IATF 16949 Quality, ISO 14001 Environment, ISO 45001 Health and Safety, and ISO 50001 Energy Management systems for all the operations carried out. Using the "sks" brand on its products, Sarkuysan meets a substantial part of the domestic demand while exporting approximately half of its production range to more than 70 countries in 5 continents. Today, a significant number of the cars and commercial vehicles produced in Europe use Sarkuysan wires. The Company has been providing oxygen-free and nickel-plated copper wires to the suppliers of NASA in the USA for years as well as the aircraft manufacturers lately.

Sarkuysan manufactures a significant portion of its own machinery and plants used during the manufacturing process. Moreover, generating a considerable portion of the power and steam requirement of the Company vital for the production consistency at the co-generation plant within its premises, the Company also offers its 50 years of experience and know-how to other countries.

Sarkuysan is a group of companies.

SARMAKINA A.Ş., operating in machinery and spare parts manufacturing and environmental protection technologies field; DEMISAŞ A.Ş., producing pig and nodular cast iron for automotive and machinery manufacturing sectors; SARDA A.Ş., a marketing and trade company; and BEKTAŞ A.Ş. are the sister companies in the group. Sarkuysan has an agency in Italy where is an important country for direct marketing purposes of the products as part of the Company's busy export operations. In addition, Sarkuysan has become a pioneering Turkish industrial organization in the USA with SARK-WIRE, a subsidiary which began production in Albany, New York as from the end of 2009, and the completion of the two manufacturing plants constructed in Toccoa, Georgia; and in BULGARIA with Sark Bulgaria factory, which was established in Shumen on 10.06.2016 and put into operation for production in 2019. Furthermore, Sarkuysan facilities located at the Aegean Free Trade Zone manufacture and export products with high added value.

Having approximately 1,306 employees in total, approximately 90% of the personnel of the group of companies working in the production units have either vocational school or high school degrees, and they are provided in-house and outsourced training programs every year.

Being aware of its social responsibilities, Sarkuysan continuously develops social projects in all fields. Accordingly;

Frej Han, which was renovated and used as the Company Headquarters for several years, is an important contribution to our cultural legacy. The Company contributes to education by building the Sarkuysan High School in Gebze and the Sarkuysan Elementary School in Darıca and by granting non-refundable scholarships to higher education students. Sarkuysan also supports State Religious Affairs with the Sarkuysan Mosque inspired by and constructed as an Ottoman Architectural complex. Contributing to the health sector by allocating the funds reserved at the beginning of the year for the urgent medical device requirements of a healthcare institution, the Company also supports sports with its Table Tennis Team that frequently represents Turkey successfully in the European Cup Championship. Contributing to arts with its Turkish Music Choir, Folk and Modern Dance Groups composed of its employees, the Company pays utmost attention to the environment by developing forestation areas. And the last but not the least is that Sarkuysan promotes our country by hosting international events.

At a corporation, with approximately 37,000 shareholders, Sarkuysan supplies materials to numerous sectors in the domestic and international markets under the “sks” trademark for the production of many modern industrial products; facilitates and colors life and creates substantial added value with significant employment opportunities; brings foreign currencies to the country, pays taxes and distributes profits. Sarkuysan is a dynamic, global, publicly held corporation with modern means of production and corporate organization governed by professionals.

## Board of Directors

Name-Surname	Position	Date of Election
Hayrettin ÇAYCI	Chair	07.04.2023
Hamit MÜCELLİT	Acting Chair	07.04.2023
A. Hamdi BEKTAŞ	Member of the Board	07.04.2023
Cenap TASKIN	Member of the Board	07.04.2023
Turgay SOHOGLU	Member of the Board	07.04.2023
Bekir MENETLİOĞLU	Member of the Board	07.04.2023
Fatma Burcu CESUR	Member of the Board	07.04.2023
Diana Manuş URUN	Member of the Board	07.04.2023
İpek ÖZCAN	Member of the Board	07.04.2023
Ayhan ZEYTİNOĞLU	Independent Member of the Board	31.05.2024
Virma SÖKMEN	Independent Member of the Board	31.05.2024
İlfeta AKSOY	Independent Member of the Board	31.05.2024
Mehmet Ali YILDIRIMTÜRK	Independent Member of the Board	31.05.2024
Mehmet Nazmi ERTEN	Independent Member of the Board	31.05.2024

### Authorizations

Members of the Board: Members of the Board were determined pursuant to the Turkish Commercial Code, the Capital Market Board Regulations and the Company's Articles of Association.

Independent Members of the Board: Independent Members of the Board were determined pursuant to the Capital Market Board Regulations and the Company's Articles of Association.

Terms of Duties: In accordance with the decision taken in the Ordinary General Assembly meeting dated 07.04.2023, the term of duty for the members of the Board is 3 (three) years and in accordance with the decision taken in the Ordinary General Assembly meeting dated 31.05.2024, the term of duty for the Independent Members of the Board is 1 (one) year.

## Senior Management

<b>Sevgür ARSLANPAY</b>	Managing Director & CEO – Chemical Engineer
<b>Ümit ULUÇAM</b>	Vice President (Financial) – Business Administrator
<b>Metin YARAŞ</b>	Vice President (Commercial) – Public Administrator
<b>Tolga EDİZ</b>	Vice President – Metallurgical Engineer, MSc.
<b>Sabri ATİLLA</b>	Administrative Affairs Manager – Administrator (Trainer)
<b>Canan ÇAKIROĞLU</b>	Quality Assurance Manager – Physics Engineer, MSc.
<b>Çağatay ÇAPAL</b>	Enameled Wire Production Manager – Electronics Engineer
<b>Şefiye DURMAZ YAYLA</b>	Commercial Accounting Manager – Business Administrator (CAFA)
<b>Murat DEMİR</b>	End Products Unit 1 – Mechanical Engineer
<b>Ramazan Barış DOĞAN</b>	End Products Unit 2 – Metallurgical Engineer
<b>Buket ERGÜL</b>	Human Resources Manager – Business Administrator
<b>Cengiz GÜLER</b>	Import Operations Manager – Business Administrator
<b>Faruk Şekip KARŞANBAŞ</b>	Industrial Automation and Maintenance Manager – Electronic Engineer, MSc.
<b>Meryem KAYA</b>	Export Operations Manager – Business Administrator
<b>Levent Ş. KULAÇ</b>	Procurement Manager – Metallurgical Engineer, MSc
<b>Elif ÖZER ÇİÇEK</b>	Import Manager – Industrial Engineer
<b>Serkan ÖZGEN</b>	Domestic Sales Manager – Business Administrator
<b>S. Sinan SELVİ</b>	Director of the Continuous Casting – Metallurgical Engineer, M.Sc.
<b>Yaşar SÖNMEZ</b>	Constructions Manager – Civil Engineer
<b>Filiz TEKİN SALMANLI</b>	IT Systems Manager – Industrial Engineer
<b>Mete TARHAN</b>	Tube Plant Manager – Mechanical Engineer
<b>Ferhan TURNAGİL</b>	Cost Accounting Manager – Business Administrator (CAFA)
<b>Ercan USER</b>	Domestic Marketing Manager – Marketing Expert
<b>İ. Deniz UZGAN</b>	Financing and Risk Management Manager – Economist
<b>M. Mahir YILDIZ</b>	International Marketing Manager – Foreign Trade Expert (Mathematician)

## Capital Structure

Whilst the closing price of our stocks on Borsa Istanbul was listed 23.26 TL on 31.12.2023; as of 31.12.2024, the price was 18.89 TL by a decrease of 18.79%.

In Article 9 of our company's ordinary general assembly meeting held on 31.05.2024; Regarding increasing the registered capital ceiling of the company under the Articles of Association of the Company -Article 6 titled "Capital"- to 2,000,000,000.- TL and the new authorization period (2024-2028); the amendment for the Article 6 of the Articles of Association titled "Capital" was accepted by our General Assembly in accordance with the decision of our Board of Directors dated 24.04.2024 with reference number 1714/24.11, the approval of the Capital Markets Board dated 22.05.2024 with reference number E-29833736-110.04.04-54319 and the permission of the Ministry of Trade dated 29.05.2024 with reference number E-50035491-431.02-00097312833. Our Articles of Association was registered on 06.06.2024 and announced in the Turkish Trade Registry Gazette dated 06.06.2024 and numbered 11098.

The issued capital of 500,000,000.-TL of the Company within the registered capital ceiling of 2,000,000,000.-TL, was increased by 20%, which corresponds to 100,000,000.-TL, to 600,000,000.-TL as part of article 6 of our Company's Articles of Association in line with the Dividend Distribution resolution made at the Ordinary General Assembly Meeting of our Company held on 31.05.2024. The related process was completed on 19.08.2024 and announced in the Turkish Trade Registry Gazette dated 21.08.2024 and numbered 11148.

100% of our capital is open to the public and the latest status of our capital structure is presented in the following table.

### Shares representing capital

Type of Share Certificate	Paid-in Capital TRY	Number of Shares	The Portion of Shares in the Capital %
Group A Registered Shares	30.00	3,000	0.000005
Group B Bearer Shares	599,999,970.00	59,999,997,500	99.999995
<b>Total</b>	<b>600,000,000.00</b>	<b>60,000,000,000</b>	<b>100.000000</b>

As of 31.12.2024, the shares of our members of the Board in the Company's capital are as follows; Mr. Hayrettin ÇAYCI has 9.62%, Mr. A. Hamdi BEKTAŞ has 3.00%, Mr. Turgay ŞOHOĞLU has 1.30%, Mr. Bekir MENETLİOĞLU has 0.54%, Mr. Cenap TAŞKIN has 2% and Ms. Diana Manuş URUN has 3.96%. The shares of other members of the board are less than the aforementioned shares. Mr. Şükrü KILIMCI and Mr. Ibrahim KILIMCI are the shareholders who hold the highest number of shares of the company with 7.76% and 5.72% of our capital, respectively.

The percentage of shares of the company in actual circulation was 81.73% on 31.12.2024 while it was 81.61% on 31.12.2023.

## Results of 5-Year-Long Activities

(thousand TL)	2020	2021	2022	2023	2024
Registered Capital	300,000	600,000	600,000	600,000	2,000,000
Issued Capital	300,000	300,000	400,000	500,000	600,000
Total Par Value of Shares	4,268	4,268	4,268	4,268	4,268
Total Par Value of Bonus Shares	295,732	295,732	395,732	495,732	595,732
Capital Increase (%)	50	-	33.3333334	25	20
Stock Price (TL) (As of the end of the year)	8.70	19.80	31.62	28.28	18.89
Addition of Fixed Assets Over the Year	8,956	30,500	47,376	130,574	176,342
Total Amount of Dividends Distributed (gross)	18,900	75,000	100,000	100,000	222,200
Total Amount of Dividends Distributed (net)	16,065	63,750	85,000	90,000	200,000
Dividend Rate (gross) (%)	9.45	25	30	25	44
Dividend Rate (net) (%)	8.0325	21.25	27	22.50	40

## General Information

This report herein covers the period of 01.01.2024- 31.12.2024. During this period, important developments related to the Company were disclosed on the Public Disclosure Platform (PDP) as well as to investors through our website.

The Ordinary General Assembly Meeting regarding 2023 activities of the Company was held on 31.05.2024 at the Company Headquarters. In this meeting, shares composing 75.97% of our capital were represented, whereby members of the Board were released from their duties and all of the agenda items were discussed and resolved.

The election process of the candidates to be appointed as independent members of the Board, who are assigned by the Board of Directors in accordance with the regulations of the Capital Markets Board and compliance approvals of whom were obtained by the letter of the Capital Markets Board, dated 22.04.2024 and numbered E-29833736-110.07.07-52867, was completed.

As a result of the election held in our General Assembly dated 31.05.2024, Mr. Ayhan ZEYTINGLU, Mr. Mehmet BAHTİYAR, Ms. Virma SÖKMEN, Ms. Ilfeta AKSOY, Mr. Mehmet Ali YILDIRIMTÜRK and Mr. Mehmet Nazmi ERTEN were elected as independent members of the board to serve for 1 year.

Electronic General Assembly Meeting provisions stated in Article 1527 of Turkish Commercial Code began implementing in 2013 and, besides attendees in the meeting room; the shareholders who fulfilled the required procedures in advance attended the General Assembly Meeting held online on 31.05.2024.

In the fiscal period of 2024, we distributed 44.00% gross, 40% net cash dividend and 20% dividend in the form of shares to our shareholders from the 2023 profit. In this case, the net 0.40 TL cash dividend was paid to share certificates with a nominal value of 1 TL. The dividend was distributed on 11.06.2024. In addition, the dividend distribution process in the form of shares of TL 100,000,000 at a rate of 20% from the profit of 2023 was completed on 22.08.2024.

## Financial Status

Key Financial Indicators	2024	2023	+/- Change %
(thousand TL)			
Total Assets	20,010,997	23,719,215	15.63
Shareholders' Equity	9,033,699	9,463,622	4.54
Total Sales (Net)	59,231,562	65,406,580	9.44

### Financial Ratios

	31.12.2024	31.12.2023
<b>Liquidity Ratios</b>		
Current Ratio (Current Assets/Short Term Liabilities)	1.47	1.45
Acid Test Ratio (Current Assets-Inventory/Short Term Liabilities)	0.91	0.87
<b>Operating Ratios</b>		
Asset Turnover (Net Sales/Total Assets)	2.96	2.76
Account Receivable Turnover (Net Sales/Short-Term Trade Receivables)	9.92	9.20
Inventory Turnover (Cost of Goods Sold/Inventories)	10.45	8.88
Accounts Receivable Collection Period (360/Account Receivables Turnover Rate)(Days)	36	39
Term of Inventory Sales (360/Inventory Turnover)(Days)	34	41
Inventory Collection Period (Days)	71	80
<b>Financial Ratios</b>		
Total Liabilities/Shareholders' Equity	1.21	1.51
Total Liabilities/Total Assets	0.55	0.60
Short-term Liabilities/Total Assets	0.48	0.51
Shareholders' Equity/Total Assets	0.45	0.40
<b>Profitability Ratios</b>	<b>01.01.2024-31.12.2024</b>	<b>01.01.2023-31.12.2023</b>
	%	%
Return on Assets (Income Before Tax/Total Assets)	3.38 %	10.79 %
Return on Equity (Income Before Tax/Equity)	7.49 %	27.03 %
Operating Profit Margin (Operating Profit/Net Sales)	4.35 %	6.16 %
Profit Margin (Income Before Tax/Net Sales)	1.14 %	3.91 %



## **Subsidiaries and Affiliates**

### **Demisaş Döküm Emaye Mamulleri San. A.Ş.**

The factory of Demisaş A.Ş., which is founded in 1974, is in Bilecik. The casting plants, cupola furnaces and induction furnaces are used for melting and the production takes place in 3 automatic casting lines. There is also a “Machining Workshop” for processing and selling pig and nodular cast iron parts which are produced in the plant. It manufactures compressor parts with hermetic pistons , components for spiral lobe compressors for the white goods sector; brake discs (nodular cast and grey cast iron), airbrake discs, brake drums, flywheels, exhaust manifolds, pulleys, brake cylinders, various brackets and parts, brake safety parts for automotive sector; pump housings for the water system sector;, compressor housings and brake safety parts for the heavy vehicle sector, rail junction parts for the railway sector and scaffolding connectors for the construction sector. Annual production capacity is 80,000 tons. As of 31.12.2024, approximately 28% of the production output is exported particularly to the Western European countries. Stocks of our affiliate are listed on Borsa Istanbul. The registered equity ceiling is 400,000,000.- TL and its paid-up capital is 200,000,000.- TL. Our shareholding in Demisaş is 44.44%.

### **Sar Makina San. ve Tic. A.Ş.**

Founded in 1991, Sarmakina successfully provides service to domestic and international markets, particularly in; Wire drawing, Bunching, Coil winder and Tin plating lines, Pay-offs, Rewinding Machines, Spooler, Various Emulsion Systems, Band Filters, Steel Reels, Reel Equipment for Wire Cable sectors, as well as Copper, Al Flexible and Solid Busbar and Insulated Conductors used in Electro-mechanic industry (Kraft, Satin, Dennison, Mylar, Mica, Nomex, etc. are used as insulation materials) for the energy sector. Busbar solutions include flexible connection busbar, welded solid busbar, macaron insulated tin/silver coated profiles, pipes and rods as well as tailor-made busbar processed and produced in line with the requirements of the customers. The capital of Sarmakina A.Ş. is 200,000,000.-TL, in which our share is 99%.

### **Sarda Dağıtım ve Tic. A.Ş.**

Established in 1979 in Istanbul, Sarda A.Ş. carries out some promotion and marketing operations for our products. It also imports, exports and distributes the products that are within its field of activity. The capital of Sarda A.Ş. is 100,000,000.- TL, in which our share is 99.97%.

### **Bektaş Bakır Emaye Kablo San. ve Tic. A.Ş.**

Our company and Sarda A.Ş. have shareholdings of 70.71% and 29.13%, respectively, in the company, which ceased its operations in 2003 with a capital of 5,500,000.- TL.

### **Bemka Kupferlackdraht GMBH**

The Company was founded to conduct a portion of the promotion and marketing activities for the

products of Turkey’s leading enameled winding wire producers, Bemka A.Ş., which was founded in 2002. Our Company merged with Bemka A.Ş. as of 22.12.2016. Bemka Kupferlackdraht GMBH with an equity of 500,000 EURO has an affiliated partnership of 99.60% with our company.

### **Sark Wire Corporation**

Sark Wire Corp., which was established in 2008 and has been operating in Albany, New York, the USA, since 15.12.2009, produces electrolytic copper wire and other electrolytic copper wire products with high added value at its factory equipped with the latest technology machinery and equipment. An additional factory was established in Georgia to reduce transport costs and deliver products to customers more quickly.

The merger of Sark-Wire that operates in the USA and which we own 60% of its capital, and Sark-USA, which we own 100% of its capital under Sark-Wire was decided by the boards of directors of the companies. The legal procedures in the USA were completed regarding the merger and the merger was certified on 15.05.2019. Following the merger, Sarkuysan A.Ş. has 73.34% of Sark Wire Corp; while Sarmakina A.Ş. and Bektaş A.Ş. have 14.54% and 12.12% of the company shares, respectively.

### **Sark Bulgaria AD.**

Sark Bulgaria AD. was established on 10.06.2016 in Shumen, Bulgaria, to be able to benefit from the advantages offered by the European Union in exportation and expand the activities of the company. Our company has 90% share and Sarmakina A.Ş. has 10% share in Sark Bulgaria AD., which has a registered capital of 12,000,000 Leva. The investment process of the Company was completed, and the production period has been initiated.

### **CRW Metal Sanayi ve Ticaret A.Ş.**

We hold 42.50% of the shares in the CRW Metal Sanayi ve Ticaret A.Ş., which was established to operate in any and all kinds of metal production, marketing and retail activities, with a capital of 300,000,000 TL, in order to evaluate the opportunities that may arise in the near future and to establish collaborations and carry out investments in relevant sectors.

### Subsidiaries and Affiliates According to Years

(thousand TL)	2020	2021	2022	2023	2024
<b>Demisaş Döküm Emaye Mamulleri Sanayi A.Ş.</b>					
Paid-in Capital	52,500	52,500	52,500	100,000	200,000
Participation Share	23,331	23,331	44,440	44,440	44,440
Participation Rate (%)	44.44	44.44	44.44	44.44	44.44
<b>Bektaş Bakır Emaye Kablo Sanayi ve Tic. A.Ş.</b>					
Paid-in Capital	5,500	5,50	5,500	5,500	5,500
Participation Share	3,889	3,88	3,889	3,889	3,889
Participation Rate (%)	70.71	70.71	70.71	70.71	70.71
<b>Sarda Dağıtım ve Tic. A.Ş.</b>					
Paid-in Capital	15,000	15,00	30,000	30,000	100,000
Participation Share	14,996	14,99	29,991	29,991	99,970
Participation Rate (%)	99.97	99.97	99.97	99.97	99.97
<b>Sar Makina San. ve Tic. A.Ş.</b>					
Paid-in Capital	20,000	20,000	50,000	50,000	200,000
Participation Share	19,800	19,800	49,500	49,500	198,000
Participation Rate (%)	99.00	99.0	99.00	99.00	99.00
<b>CRW Metal Sanayi ve Ticaret A.Ş.</b>					
Paid-in Capital				75,000	300,000
Participation Share				31,875	127,500
Participation Rate (%)				42.50	42.50
(thousand US\$)	2020	2021	2022	2023	2024
<b>Sark Wire Corp.</b>					
Capital	15,575	15,57	15,575	15,575	15,575
Paid-in Capital	15,575	15,57	15,575	15,575	15,575
Participation Share	11,422	11,42	11,422	11,422	11,422
Participation Rate (%)	73.34	73.34	73.34	73.34	73.34
(thousand Leva)	2020	2021	2022	2023	2024
<b>Sark Bulgaria AD.</b>					
Capital	8,000	8,000	8,000	12,000	12,000
Paid-in Capital	8,000	8,000	8,000	12,000	12,000
Participation Share	7,200	7,200	7,200	10,800	10,800
Participation Rate (%)	90	90	90	90	90
(thousand Eur)	2020	2021	2022	2023	2024
<b>Bemka Kupferlackdraht GmbH</b>					
Paid-in Capital	500	500	500	500	500
Participation Share	498	498	498	498	498
Participation Rate (%)	99.60	99.60	99.60	99.60	99.60

## Activities in 2024

### INVESTMENTS

Our Company continued its investment activities in 2024. Our investment activities were especially focused on high value-added products taking into account the intense competition in the global sector and the new technological trends. The utmost care was given so that the machinery and plants commissioned during the year possess the latest technologies. Thanks to these investments, the product range was broadened contributing positively to meeting customer requirements.

### PRODUCTION ACTIVITIES ABROAD

The “Sark Wire Corporation”, established in New York and Georgia states of the USA, of which 73.34% is owned by our Company, produces in accordance with the requirements of the ISO 9001 Quality Management System Certificate it possesses with high quality products with growing product variety, competitive prices, short delivery terms and a focus on customer satisfaction in the North American market.

Sark Bulgaria AD was founded in Shumen, Bulgaria in 2016 in order to expand our Company’s operations in the European Union. Serial production of Sark Bulgaria began around mid-2019. Production increases and continues.

### INFORMATION ON PRODUCTION

Sarkuysan was founded in Istanbul in 1972 to produce electrolytic copper and products. The premises of the Company are located on an area of over 200,000 sq. meters in Gebze/Osmangazi, Tuzla and Darica, which are around 45 km away from Istanbul. Sarkuysan, which has an annual production capacity over 220,000 tons, ensures environmentally friendly production processes at its plants which are equipped with modern environmental protection technologies. Sarkuysan has been adding value to our country’s economic and social life since 1972 with its multi partner and professional management structure, subsidiaries and affiliates, approximately 37,000 shareholders and social responsibility projects. In 2024, the Sarkuysan Group reached a retail amount of 179,970 tons of products.

#### Production Facilities

#### Refinery Facilities

#### Anode Casting Workshop

Blister copper is melted in refining furnaces and then automatically cast in molds at the casting wheel to obtain copper anodes.

## **Tank House**

Anodes placed in electrolysis baths are subjected to electrolytic refining by means of the conventional direct current electrolysis method. After the electrolysis process, copper cathodes of electrolytic purity are obtained.

## **Continuous Casting Plants**

Sarkuysan is a unique organization in the world which is capable of manufacturing copper wire rod by means of three competitive continuous casting technologies that are operated under the same roof.

## **Upcast (Outokumpu)**

High purity electrolytic copper cathodes are melted down in the protective atmosphere at induction furnaces, transferred to casting furnaces via launders and cast into wire rods with diameters of 8 to -25 mm range by means of the "UPCAST" continuous casting technology. Silver alloyed copper wire rod is also produced in this facility.

## **Southwire**

Electrolytic copper cathodes are melted in the atmosphere-controlled shaft furnace and consecutively transferred into holding furnace and caster via launders. The continuously cast bar through the caster is then hot rolled into ETP copper wire rods with diameters of 8, 11 and 16 mm, followed by pickling process for surface deoxidation and brightening.

## **Contirod Contirod/Hazelett**

Electrolytic copper cathodes are melted in the atmosphere-controlled shaft furnace and cast into bar form in Continuous Casting Plant. The cast bar is hot rolled into 8 mm wire rod, and ETP copper wire rod is produced.

## **Billet Casting**

Electrolytic copper cathodes are melted in the channel type induction furnace and transferred to the holding/casting furnace. The casting takes place automatically and cuts into requested lengths at the vertical strand caster. The billets produced in this facility are dispatched to tube, busbar and profile plants for extrusion processes.

## **Generation**

## **Conductor Production**

Providing raw materials for harness cables as a major input for the automotive industry today, our Company manufactures conductors in compliance with national and international standards, which can be used in technical equipment to be used for fast communication and data transmission in various fields including computers and the Internet. Furthermore, general and special purpose conductors used in the electronics industry are included in our product

range. Moreover, our Company also undertakes the manufacture of special conductors consumed in every segment of aviation and defense industries. Sarkuysan manufactures high conductivity copper with superior heat and thermal shock resistance, which are used by cable companies that supply aeronautics and astronautics industries.

### **Mono Wire Production**

8 mm wire rods produced at the continuous casting plants are cold drawn down to 0.05-4.50 mm at different drawing machines with annealing units as per the standards and/or customer requirements.

### **Bundled Conductor Production**

#### **Multi-Wire Bundled Conductors**

Multi-wires consisting of up to 24 wires are drawn down to 0.05-1.04 mm on state-of-the-art wire drawing machines.

#### **Bunched Conductors**

0.05-300 mm<sup>2</sup> conductors are manufactured in conformance with international standards on bunching machines

#### **Special Stranded Conductors**

0.05-300 mm<sup>2</sup> conductors are stranded with customized geometry.

#### **Tin / Nickel Plated Wire Production**

Copper wires within the diameter range of 0.8-3.00 mm are firstly electroplated with tin or nickel and then drawn down to required diameters at wire drawing machines.

#### **Flat Wire and Profile Production**

Predrawn and shaved rods are fed into specially designed cold drawing/rolling machines. The product is then annealed in compliance with the required standards depending on the customer demand. Flat wires and profiles are also produced in an annealed form thanks to the state-of-the-art continuous extrusion method.

#### **Flat Wires**

Flat wires up to 150 mm<sup>2</sup> cross-section in 3-30 mm width and 1-12 mm thickness are produced.

#### **PV Ribbon Wires**

PV ribbon wires are produced in bare, tin, nickel or solder plated forms by means of particular rolling and plating units and then transferred to spools via the rewinding unit according to customer specifications.

Thickness: 0.08-0.50 mm, Width: 0.80-6.00 mm, Plating: Tin-plated, nickel plated, or solder plated in desired specifications, Physical characteristics: Annealed or hard

### **Contact Wires and Catenary Conductors**

Sarkuysan manufactures contact wires with electrolytic copper of 99.99% purity in manufacturing. The Company manufactures contact wires in different dimensions from electrolytic copper, silver, tin and magnesium alloyed copper wire rods by means of drawing, rolling or drawing rolling methods. Products are manufactured according to international standards such as ASTM B 47, UIC 870 - 0 and TS EN 50149 or customer specifications in 107 mm<sup>2</sup>, 120 mm<sup>2</sup> or 150 mm<sup>2</sup> cross sections. Silver alloyed copper contact wires provide advantages to high speed and high frequency rail systems thanks to their high conductivity and high softening temperatures. Tin or magnesium alloyed contact wires have high breaking stress and wear strength and thus are highly preferred in very fast speed rail systems. Magnesium alloy conductors, which have high tensile strength, are ideal to be used in manufacturing catenary wires that require flexibility and high strength. Catenary wires and feed wires can be produced from CuMg and CuAg alloy or pure copper according to demand.

### **Profile Bars**

Maximum diameter in round bars is 80 mm. In flat profiles, the maximum width is 200 mm.

### **Tube, Busbar and Profile Manufacturing Plant**

Preheated up to the appropriate process temperatures, DHP-Cu and ETP-Cu billets are transformed into mother tubes and busbars by extrusion presses. Final products are produced on different finishing lines in compliance with the required dimensions. As well as busbars and profiles, inner grooved or non-grooved tubes drawn in straight lengths, pancake or LWC forms are calibrated according to customers' demands, and are annealed in the annealing furnace, operating under protective gas. Insulated copper tubes are produced for the air conditioning sector with a production line that is specially developed and produced by Sarkuysan.

Depending on the customers' order, busbars are offered for sale in bare or tin-plated forms. In addition, copper busbars with high conductivity and surface quality properties are manufactured from Cu-OF wire rods at the state-of-the-art continuous extrusion plant. Moreover, tin-plated busbars can be produced at electro tin-plating lines, jointly developed by Sarkuysan and Sarmakina who is the patent holder.

### **Enameled Wire Production Facilities**

Round and flat copper and aluminum enamel winding wire as well as CTC (Continuously Transposed Conductors) are produced at our facilities in Gebze and Tuzla.

### **Round and Flat Enameled Winding Wire Production**

Round copper wires in the 0.03-5.00 mm range, round aluminum in the 0.80-2.50 mm range and up to 100 mm<sup>2</sup> cross section in flat copper and aluminum enamel winding wires are produced on enameling machines at world standards.

### **CTC (Continuously Transposed Conductor) Production**

- The CTC product that is manufactured by gathering flat enameled winding wires together which is used in power transformers and generators that reduce losses in the unit used, winding time and costs and increases the physical endurance of the winding, is produced with project development according to customer demand.

### **Electro Erosion EDM Wire Production**

- These brass wires, which are exclusively produced to enable optimum conductivity and wear resistance particularly in precision cutting processes, offer high efficiency in CNC electro wire erosion machines and support production processes in molding, automotive, aviation and electronics industries. Our EDM wires offer solutions to customers in applications requiring critical performance such as high surface quality, wear resistance, tensile strength, linearity and conductivity.

### **Interconnector PV Ribbon Wire for Photovoltaic Solar Panels**

- Our high-performance Interconnector PV Ribbon wires to increase the efficiency of Photovoltaic (PV) solar panels in the renewable energy sector offer the highest quality energy transmission by enabling the electrical transmission connection between solar panel cells. Thanks to the advanced annealing technology used in our production processes and precision solder plating techniques on copper wire, our PV Ribbon wires offer low yield strength, resistance, high conductivity, excellent surface quality and solderability. Thus, these wires contribute to the long-lasting and high-efficiency operation of solar panels. In compliance with our innovative production approach, we continue to support the sustainable goals of the renewable energy sector.

### **Products**

- Copper Cathode
- Produced from electrolytic copper;
  - Wire rod
  - Rods
  - Wires in various diameters
  - Flat wires (bare and insulated)
  - Overhead Catenary Wires (contact wires, dropper wires, porter wires, feeder wires, Y rope insulated/non-insulated earth wires)
  - Tin-Plated Wires
  - Nickel-Plated Wires
  - Bunched and Stranded Wires
  - Rope Stranded Wires
  - Profiles
  - Copper Tubes (LWC, pancake, plain, grooved, insulated)



- Copper Busbars (bare or tin-plated)
- Copper Nuggets (Cu-OF and Cu-DXP)
- PV Ribbon Wires
- Round Enameled Winding Wire (copper or aluminum)
- Flat Enameled Winding Wire (copper or aluminum)
- CTC (Continuously Transposed Conductor)
- PV Ribbon Wire
- EDM Wire

## **SALES**

The total sales figures in 2024 reached 59,231,562,048 TL. Effective teamwork, Corporate Risk Management, high quality and our customers regarding Sarkuysan as a long-term solution partner played an important role in achieving the subject sales figures.

## **EXPORT**

2024 was a successful year in terms of achieving the export goals despite all the challenges experienced. As our Company has an extensive export network of over 600 active customers in more than 70 countries over 5 continents, the export figures achieved in 2024 was USD 281,008,789, EUR 468,150,184 and GBP 26,615,293.

## **Fairs Participated in 2024**

### **Fairs Abroad**

March 19-21, 2024 – CABEX – Moscow/Russia

April 15-19, 2024 – WIRE – Dusseldorf/Germany

May 14-16, 2024 – CWIEME – Berlin/Germany

September 18-19, 2024 – COILTECH – Pordenone/Italy

September 24-27, 2024 – INNOTRANS – Berlin/Germany

## EXPECTATIONS IN TRADE AND THE COPPER MARKET IN 2025

2024 was a year during when the economic damage experienced in the pandemic was largely compensated for. However, a series of geopolitical disputes, particularly the war in Ukraine and Gaza adversely affected global economies. In 2024, the leading global economies and central banks initiated a fierce battle in tackling the high inflation, which was a side effect of monetary expansion policies adopted during the pandemic. On the other hand, besides the hot wars, the China-US competition in the Far East turning into a much more of an open struggle and countries abandoning globalization policies in return for more protective policies, negatively affected global growth rates, and the growth figures of several regions remained below expectations.

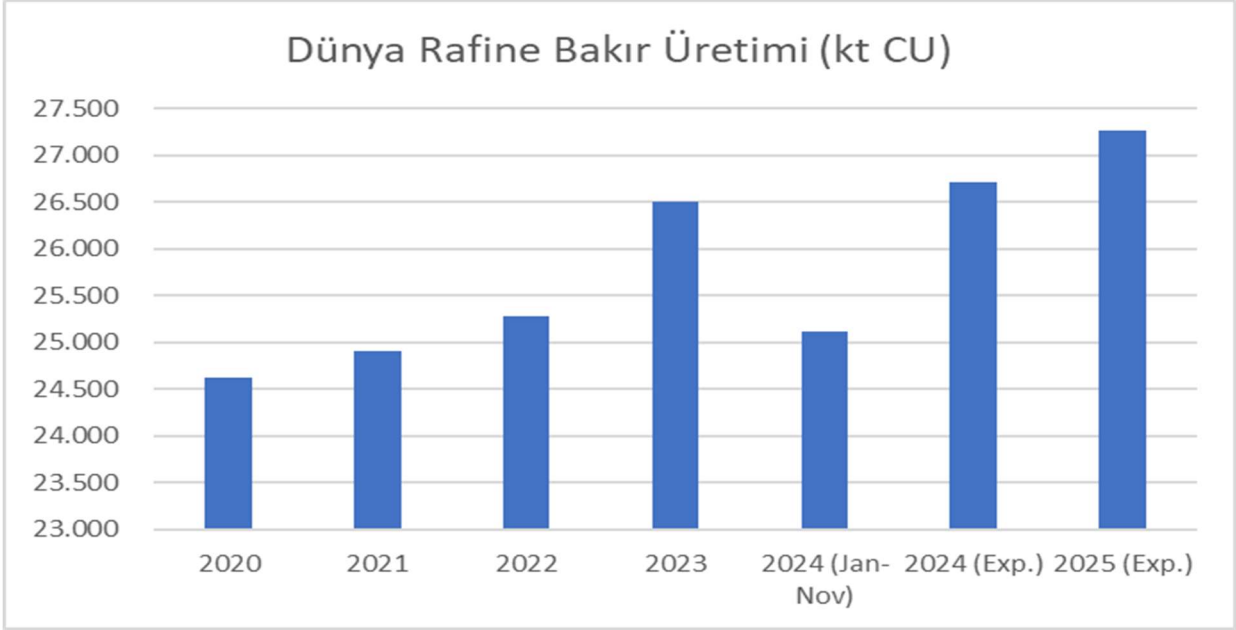
According to the estimated data published by the OECD in December, in 2024, the global economic growth was 3.2%. In this period, the US economy grew by 2.8%, while the growth in the Eurozone remained at 0.8%. The Chinese economy, on the other hand, showed signs of slowing down with a growth rate of 4.9%. In 2025 and 2026, the global growth is projected to be 3.3% and 3.3%, respectively, depending on the positive developments in the USA and some emerging economies (Source: IMF, World Bank, TurkSTAT)

The growth in the Eurozone, the growth rates in Europe are expected to rise, thus recovering, to 1.0% and 2.1% in 2025 and 2026, respectively. In 2025, developing countries, including our country, are expected to grow by 5.1%. (Source: IMF, World Bank)

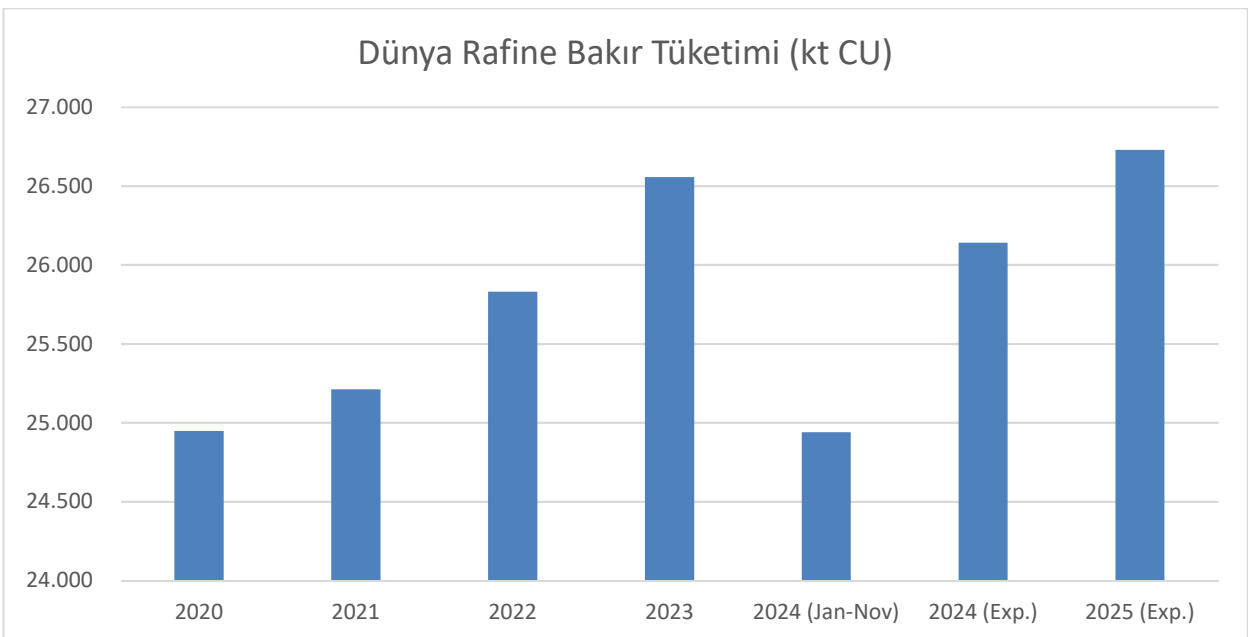
In 2024, Turkish economy achieved a growth rate of 3.2. Due to the contractionary measures taken by the Turkish Central Bank as part of the battle against inflation, the final quarter is expected reveal a growth rate of 1.9% to 2.1%. Taking these rates into consideration, the overall growth in Turkish economy in 2025 is expected to be around 3.1%.

The global refined copper usage is expected to increase by 2% and 2.7% in 2023 and 2024, respectively. The increase rate of 2% in global usage in 2023 is fundamentally due to the increase in usage in China by 4.3% which seems strong.

According to the latest data released by ICSG (International Copper Study Group), in 2024, mine production is expected to reach 22.58 million tons which corresponds to an increase of 1.6% compared to 2023. In the same period, total refined copper production is expected to reach 26.71 million tons which corresponds to an increase of 3.4% compared to 2023. In 2025, this figure is expected to increase by 2.2% to reach 27.27 million tons.



In 2024, the year-on-year global refined copper consumption is expected to increase by 0.7%, reaching 26.14 million tons. On the other hand, the refined copper demand in 2025 is expected to reach 26.73 million tons. (ICSG)



In 2024, the refined copper consumption in our country was around 560,000 tons. Despite the uncertainties due to the pandemic and wars, a year-on-year increase of 3% was achieved in the Turkish copper market in 2024. And in 2025, Türkiye refined market size is expected to increase by 3%, thus reaching 576,000 tons. The market size in question may vary depending on the contractionary steps to be taken by the current economy management as part of the fight against inflation.

## **R&D ACTIVITIES**

R&D at SARKUYSAN continues its activities as the center of innovation and pioneering technologies by consolidating our leadership in the industry thanks to the development of innovative solutions, solutions with sustainable technological development, and world-class original projects.

At Sarkuysan R&D center certified by the Ministry of Industry and Technology; We continuously improve our products with tests and analyses conducted by a wide range of skilled professionals who are experts in their fields at our laboratories equipped with cutting edge technologies.

The priorities include maximizing customer satisfaction by offering sustainable and high-quality technological solutions which are sensitive to the needs of the industry, the green transformation, and the environment. We closely follow the current sectoral trends for the sake of close collaborations and stakeholder relations with universities, techno parks and industry leaders.

Our R&D Center will continue to shape not only our products and services, but also all our industrial processes through innovation.

## **MANAGEMENT SYSTEMS AND QUALITY CONTROL ACTIVITIES**

High quality of our products and our business understanding focused on continuous improvement have an important role in the success of our Company in sustaining its leading position in the production of electrolytic copper and copper products.

Thanks to the “Quality Management System” with ISO 9001 and IATF 16949 certificates, Sarkuysan continues its activities in line with the Company’s main goals of increasing quality and customer satisfaction and ensuring sustainability.

The “Environmental Management System” with ISO 14001 certificate leads Sarkuysan to decrease the use of natural resources, minimizes the impacts on soil, water and air, increase and sustains the environmental performance.

The “Occupational Health and Safety Management System” with ISO 45001 certificate enables us to continue our systematic applications for the protection of our employees by creating a safe and healthy work environment, prevents the occurrence of workplace accidents and occupational diseases, and ensures the safety of workplace environment.

Thanks to our “Energy Management System” with ISO 50001 certificate, the required processes and systems to increase energy efficiency were established and efficient energy management is enabled by the projects applied.

The quality control activities that start with input products are continued with process control and product controls. Quality controls at all levels are carried out according to test methods stipulated in line with the national and international standards and by appropriate devices and competent personnel. The laboratories where Physical Tests and Chemical Analyses are conducted are experts on copper tests and analyses and our activities are approved by the Turkish Standards Institute (TSE). Conformity of our products to the national standards is certified by TSE.

## **ENERGY POLICY**

SARKUYSAN A.Ş. adopts the principle of constantly improving the efficient use of energy and providing environmental and economic sustainability in all operations with the awareness on undertaking the Energy Management System responsibility.

Thus, we are committed to;

- Complying with appropriate national and international energy regulations, standards and other requirements in force,
- Utilizing energy and natural resources efficiently in all manufacturing operations and processes, and constantly improving our energy performance through surveys and improvement projects for energy efficiency,
- Keeping up with technological trends to evaluate alternative energy resources that would minimize negative impacts,
- Efficiently using energy and natural resources through sustainable development approach, and launching efficient and transparent efforts for reducing greenhouse gas emissions,
- Implementing efforts dedicated to improving the energy awareness of employees, suppliers, customers and stakeholders,
- Minimizing energy losses and optimally utilizing gas emissions and waste heat,
- Preferring energy-efficient technologies and applications to improve our production plants and in equipment and services to be purchased for new investments,
- Integrating the documented Energy Management System into corporate management applications and periodically reviewing and improving the objectives

## ENVIRONMENT, HEALTH AND SAFETY POLICY

The principles of Sarkuysan which are based on protecting our employees' health and safety are as follows;

- Use clean materials and production technologies which do not pollute the environment and minimize waste and environmental impacts through recycling in our manufacturing processes in accordance with the requirements and expectations of our customers,
- Ensure efficient use of energy and natural resources for sustainable development and develop systems to prevent pollution as part of our Environmental Management System based on sustainable development,
- Eliminate hazards, carry out risk reduction studies, provide a safe and healthy work environment for our employees in order to protect our employees from work accidents and occupational diseases,
- Comply with the requirements of Environment, Health and Safety legislation and regulations,
- Set attainable goals and revise these goals in line with the continuous development principle; enhance environmental performance,
- Ensure effective implementation of Environment, Health and Safety Management Systems and train our employees to raise awareness.
- Our policy is accessible to all stakeholders and the public.
- We are committed to putting our efforts into achieving these principles with the participation of all our employees.

### Human Resources

In 2024, our company celebrated the 52<sup>nd</sup> anniversary of its establishment and the 49<sup>th</sup> anniversary of its launching production. Throughout our well-established history of half a century, our Human Resources policy has always been based on the mentality of our employees being satisfied and feeling the warmth, sincerity and trust of a family.

Since we were founded, our company has pioneered industrial democracy and has set an example in union, employee and employer relations. The strong bond we have with our employees remains to be one of the cornerstones of our corporate culture.

Moreover, we keep creating significant social values in education, healthcare, art, sports, religious affairs and culture via the projects we carry out with an awareness on social responsibility. Our company does not only focus on economic achievements but also considers contributing to the development of the society a corporate responsibility.

#### Human Resources Policy and Employment Figures

In 2024, we adopted a Human Resources policy that complies with our company's fundamental strategies and goals. Our employment volume increased compared to the previous year and reached 1,306 employees.

Accordingly, we employ:

- 508 white collar personnel,
- 798 blue collar personnel.

We believe that our company will continue taking firm steps towards the future with its strong values, as well as qualified and experienced human resources. Supporting the personal development of our employees, we have the goal to continuously carry our sustainable growth and success forward.

### Number of Employees

2016	984
2017	1,047
2018	1,090
2019	1,095
2020	1,110
2021	1,129
2022	1,218
2023	1,272
2024	1,306

### FINANCIAL RIGHTS GRANTED TO THE MEMBERS OF THE BOARD AND SENIOR EXECUTIVES

Remuneration to the Members of the Board are determined in the Ordinary General Assembly which is held annually.

Remuneration to all managers including senior executives of the Company are determined in parallel with the pay rise periods specified in the collective labor agreements, based on the general economic and sectoral circumstances, actual figures in the financial statements of the Company, wages applied in the market and particularly in the peer corporations, annual performance assessment results of employees, pay rise percentages arising from collective labor agreements of our union member workers and implemented upon evaluation and approval of the Board of Directors.

Financial Rights Given to the Members of the Board and Senior Executives	TRY
Attendance fees, salaries, bonuses, premiums and dividends	166,623,369
Allowances, travel, accommodation, insurance and representation expenses	3,221,750
<b>Total</b>	<b>169,845,119</b>

## **SOCIAL RESPONSIBILITY & CORPORATE SUPPORTS**

Our company sustains its contributions to society in various fields including education, healthcare, culture, social aids in line with an awareness on social responsibility. In 2024, our social responsibility projects were continued in line with our mission to create social benefits.

### **Donations for the Earthquake**

Following the devastating earthquake occurred on 06.02.2023 and affected 11 provinces in Türkiye, we donated 100,000 TL to the construction of İskenderun Vocational and Technical School of Higher Education through the Eymir Culture Foundation as part of the “METU in Hatay” project. Moreover, we gave donations to various associations, foundations and schools for them to fulfil their requirements.

### **Donations in Education**

- We granted non-refundable scholarships to 153 undergraduates, including children of our employees and graduates of Sarkuysan High School. As a result of these donations, a total of 394 grantees were included in the professional life.
- As part of the scholarship fund established by our employees 28 years ago with contributions from their salaries, 393 students completed their education and acquired a profession. Currently, we have 120 students who continue benefitting from this scholarship fund.
- We also carry on our relations and support uninterruptedly with the Elementary School and High School constructed by the donations of our company.

### **Donations in Healthcare**

Within the framework of our understanding of contributing to public health and in line with our traditional donation of 31 years, we donated

- 2 floor standing A/C units
- Archive cabinets to Gebze Fatih State Hospital, meeting the significant needs of the hospital.

### **International Donations**

We sustain our international donations as well, as part of our social responsibility projects. Through the Sen De Gel Association, we had contributions in some projects that have the purpose of meeting the vital needs of the people of Senegal and Gambia, two underprivileged African countries. Accordingly, we gave donations for a village to meet the minimum electricity requirements of 30 households.

### **Culture and Art Activities**

Our activities continue in art and music as essential components of our corporate culture. Our Turkish Music Choir gave a successful concert on December 21, 2024, as part of Müz dak’s “31<sup>st</sup> Istanbul Turkish Music Festival”.

### **Social Events Organized for Our Employees**

Our traditional social events that we organize for our employees and their families continued in 2024:

- We held our traditional picnic organization on a boat trip on the Bosphorus.
- We organized a circumcision ceremony and celebration for the children of our employees.
- We organize Pilates and Turkish Music activities with the attendance of our personnel.

Our company sustains its mission of contributing to society in terms of social responsibility and corporate support and continues to expand these activities and organizations every year.



## DONATIONS AND GRANTS

In this period, donations and grants in an amount of 2,673,337.-TL in total were provided to various organizations.

Provided donations and grants are as follows: 833,333 TL to earthquake zone for food and shelter, 240,050 TL to healthcare institutions and associations, 394,465 TL for education, 540,000 TL to municipalities and district governorships, 90,000 TL to the US Embassy, 325,000 TL to the Public Security Foundations of the Security and Gendarmerie Forces, and 250,489 TL to other foundations and institutions.

<b>Donations and Grants of the Company (TL)</b>	
DONATIONS TO 'TÜRKİYE TEK YÜREK' CAMPAIGN	833,333
DONATIONS TO MUNICIPALITIES	540,000
DONATION TO DARICA SECURITY FORCES ASSOCIATION	200,000
DENİZ TEMİZ ASSOCIATION GOLD SPONSORSHIP PAYMENT	150,000
GEBZE FATİH STATE HOSPITAL - DONATIONS FOR HEAVY DUTY STORAGE SHELVES	118,800
QUALIFICATION IN SOCIAL AND ECONOMIC LIFE	100,489
DONATION TO PUBLIC SECURITY FOUNDATION OF GENDARMERIE FORCES	100,000
EYMRİR CULTURAL FOUNDATION METU HATAY PROJECT DONATION	100,000
GEBZE TECHNICAL UNIVERSITY - MEAL SCHOLARSHIP	90,000
DONATIONS TO THE US EMBASSY	90,000
DONATION TO SARKUYSAN ANATOLIAN HIGH SCHOOL	61,565
DARICA MUSTAFA KEMAL PRIMARY SCHOOL	55,200
ARDA KADIR - SMA PATIENT	50,000
SCHOLARSHIP	47,000
ALTI NOKTA KÖRLER DERNEĞİ (SIX POINTS ASSOCIATION FOR BLINDS)	45,000
TÜRK EĞİTİM VAKFI (TURKISH EDUCATION FOUNDATION)	35,700
DONATION TO BEYKOZ POLICE SERVICES	20,000
DONATION TO FİZİKSEL ENGELLİLER DERNEĞİ (ASSOCIATION FOR PHYSICALLY CHALLENGED)	14,250
DONATION TO TÜRK GERİATRİ VAKFI (TURKISH GERIATRICS FOUNDATION)	12,000
DONATION TO İTÜ VAKFI (ITU FOUNDATION)	5,000
SECURITY FORCES DISABILITY ON ACTIVE DUTY AND DONATION RECEIPT	5,000
<b>TOTAL</b>	<b>2,673,337</b>

Dear shareholders,

Our Company made donations and grants to various organizations and contributed to their development and improvement.

Sincerely,

Board of Directors

## Internal Audits

The internal audit system of the Company consists of job descriptions, authorization system, policies and documented procedures that were previously determined based on the workflows and processes.

Our Company aims to achieve its targets on efficiency and effectiveness of operations, the reliability of its financial reporting system and assurance on the compliance to the legal regulations through implementation of an internal audit system.

The internal audit system is regularly subjected to periodic evaluation by the Quality Assurance Department and effectiveness of the production operations is inspected.

The Audit Committee has notified the Board of Directors in writing about its opinions on the election of the independent auditors for the year 2024 interim and annual financial statements to be disclosed to the public, accuracy and consistency of them with the accounting principles and actual figures and the decisions taken during the meetings held throughout the year.

## Risks and Assessment of the Board of Directors

All of the strategic, operational, financial particularities and other aspects that are thought to create risks preventing our Company from achieving its short- and long-term targets are evaluated at every level of the organization starting from the Board.

The Early Risk Detection Committee that is established for this purpose carries out activities in parallel with the objective of making recommendations and giving advice towards detecting, evaluating and managing, reporting all kinds of risks including strategic, financial, operational risks etc., that may have an impact on the Company and taking them into consideration in the decision-making mechanisms.

**Operational risks:** These risks are evaluated from a broad perspective beginning with the procurement of raw materials, production, sales and after sales services.

**Receivable risk:** The receivable risks of our Company are reported by the Limit Determination Committees consisting of senior executives of the Company in accordance with the Customer Limits Determination Procedure and they are approved upon checking and analyzing in accordance with the relevant procedure.

There are insurance policies covering the receivables of our Company from the domestic market and foreign countries so that the losses that may arise from risks can be compensated.

In addition to the global policies, various security methods (securities, bonds, direct debiting system, etc.) are used with the purpose of minimizing the receivables risk.

**Financial risks:** These risks are classified in four categories as Liquidity Risks, Interest Rate Risks, Foreign Exchange and Price Risks and following principles are regarded for the management.

**Liquidity Risks:** Attention is paid to match the due dates of our Company's receivables and debts, and efforts are made to maintain the liquidity ratios of the Company (current ratio and acid-test ratio) through effective cash flow management and control and net operating capital management with the purpose of maintaining the short-term liquidity level.

**Interest Rate Risk:** Changes in the interest rates lead to a substantial risk with respect to the financial consequences as a result of the impact created on interest sensitive assets and liabilities. This risk is managed by balancing the amount and maturity dates of the interest sensitive items.

Accordingly, efforts are made not only to match the maturities of the receivables and payables but also to balance the fixed/ fluctuating interest rates and short/long-term maturities.

**Foreign Exchange Risk:** As our Company carries out operations in a vast geography, the operations are compensated with different currencies. Therefore, the exchange rate risk is one of the most important financial risks encountered. The main principle in managing this risk is to balance foreign currency assets and liabilities in foreign currencies such that the currency fluctuations create the minimum impact, in other words, a level close to zero is maintained in connection with the foreign currency position. Most of the time, methods that can be implemented on the balance sheet are used for the management of the foreign exchange. In addition, derivative financial instruments are used for protection against the parity change risks.

**Raw Material Price Risk:** Copper prices that form a substantial part of our costs are set by the global markets and follow a volatile trend. We implement models based on matching the prices and payment dates of the goods procured and sold in order to protect the Company against such price change risks. Apart from these models, all long-term price fixing demands of customers are managed through hedging operations.

In addition to the hedging operations against changes in copper prices, we implement hedging operations for other metals such as Tin, Nickel and Aluminum too, as they form a part of our costs and are open to price changes.

## **Miscellaneous**

No important developments of special importance occurred in the Company that may have a potential to affect the rights of the partners, debtors and other relevant people and organizations upon expiry of the activity period.

# REPORT ON THE COMPLIANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES OF SARKUYSAN ELEKTROLİTİK BAKIR SANAYİ VE TİCARET A.Ş. PER CAPITAL MARKETS BOARD CORPORATE GOVERNANCE COMMUNIQUE NO. (II-17.1)

## SECTION I - Declaration of compliance with the corporate governance principles

Our company adopted complete compliance with Corporate Management Principles included in the annex of Communiqué on Corporate Management no.II-17.1 of the Capital Markets Board that came into effect after it was published in the Official Gazette no. 28871 dated 03.01.2014. However, full compliance cannot be achieved due to reasons such as difficulties that could be faced in practice and that could cause delays in the company's activities, the existence of debates in our country and also in the international arena about the compliance with some articles and as some of its aspects do not fully coincide with our company's present structure. There is not any conflict-of-interest situation that our company has been subject to for not complying with any principle. During application of Corporate Governance Principles, some principles that do not fully coincide with our Company structure and could cause delays in some activities were not included.

In the activity period that ended on December 31, 2024, the explanations regarding compliance to corporate governance principles found in the attachment of Corporate Governance Communiqué as well as the principles yet to be complied with were given in Corporate Governance Compliance Report ("CRF") and Corporate Governance Information Form ("CGIF") and other sections of the report. In case of any change in CRF or CGIF within the annual period, special announcements will be made, and updates will be included in interim reports.

Prepared in line with the Capital Market Board decision dated 10.01.2019 and numbered 2/49 and Corporate Governance Communiqué numbered II-17.1, Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF) can be accessed below.

### Sustainability Principles Compliance Frame

With the amendment made on Corporate Governance Communiqué on October 2, 2020, Capital Markets Board requested the following information to be included in the Annual Reports;

- If the fundamental principles defined as part of sustainability principles compliance framework are implemented,
- If not, explanations on the issue,
- Explanations related to impacts on the environmental and social risk management in the event of not fully complying with these principles.

Although implementation of sustainability principles are voluntary, whether or not implementing the principles must be explained in the report on "Implement or Explain" basis. Sarkuysan has the goal to fully comply with the principles defined in Sustainability Principles Compliance Framework document. Sarkuysan also has the goal to integrate internationally recognized ESG (Environmental, Social and Governance) reporting metrics with its corporate structure and strategic goals in order to create short-, medium- and long-term values. Thus, in the following period, the Company will focus on building structures, defining strategies, building policies in order to fully comply with the aforementioned principles. We will continue with our projects in education, innovation and environment, which are already priority projects of the Company, with the goal of fostering a more conscious society today and in the future. For a sustainable future, we will continue to contribute to the environment, people, economy, society and development; and fulfil the expectations of our stakeholders.

## Corporate Governance Compliance Report

	COMPLIANCE STATUS					DESCRIPTION
	YES	PARTIAL	NO	EXEMPTED	N/A	
<b>1.1. FACILITATING USE OF SHAREHOLDER RIGHTS</b>						
1.1.2 - Updated information and disclosures that may affect the use of shareholder rights are presented to the attention of the investors on the corporate website.	x					
<b>1.2 RIGHT TO DEMAND AND REVIEW INFORMATION</b>						
1.2.1 - The Company management avoids any actions that may complicate special audits.	x					
<b>1.3. GENERAL ASSEMBLY MEETING</b>						
1.3.2 - The Company ensured a clear description of the agenda of the General Assembly Meeting and each suggestion to be given under a separate title.	x					
1.3.7 - Privileged persons who have the opportunity to obtain partnership information informed the Board of Directors about the activities they carry out as part of the field of activity of the partnership in their own name to ensure that the item is included to the agenda for the General Assembly to be informed.						Privileged persons who have the opportunity to obtain partnership information have not taken action as part of the activity subject of the partnership in their own name.
1.3.8 - The Members of the Board, other concerned individuals, authorities in charge of preparing the financial statements and the auditors were present at the General Assembly meeting regarding the subjects on the agenda.	x					
1.3.10 - The agenda of the General Assembly included the amounts of all donations and grants and the grantees under a separate item.	x					
1.3.11 - General Assembly was held open to public including stakeholders and the media with no right to speak.	x					
<b>1.4. RIGHT TO VOTE</b>						
1.4.1 - There are no restrictions and practices that make shareholders to exercise their right to vote difficult.	x					
1.4.2 - The Company has no shares that have privileged voting rights.						There is a share with privilege to nominate for the Membership of the Board of Directors.
1.4.3 - The Company has not voted in a General Assembly of a partnership, in which the company has cross-ownership that also brings rulership.	x					

## Corporate Governance Compliance Report

<b>1.5. MINORITY SHAREHOLDER RIGHTS</b>					
1.5.1 - The Company pays utmost attention for the minority shareholders to use their rights.	x				
1.5.2 - Minority rights are granted to those who are in possession of less than one twentieth of the capital by the Articles of Association, and the scope of the minority rights was revised and extended in the Articles of Association.			x		The Company agrees that the related legislation in terms of the use of minority shareholder rights is sufficient. No extension was included in the Articles of Association regarding the minority shareholder rights.
<b>1.6. DIVIDEND RIGHT</b>					
1.6.1 - Profit distribution policy approved by the General Assembly is disclosed to the public on the partnership's corporate website.	x				
1.6.2 - Profit distribution policy includes minimum information to clearly ensure the shareholders to project the procedures and principles of profit distribution of the partnership in the upcoming periods.	x				
1.6.3 - Reasons not to distribute profit and the way of utilization for the undistributed profit were defined under the related agenda item.				x	
1.6.4 - The Board of Directors reviewed if there is a balance between the benefits of the shareholders and the partnership in the profit distribution policy.	x				
<b>1.7. TRANSFER OF SHARES</b>					
1.7.1 - There are no restrictions that make transfer of shares difficult.	x				
<b>2.1. CORPORATE WEBSITE</b>					
2.1.1 - The corporate website of the Company includes all items listed under corporate governance principle no. 2.1.1.	x				
2.1.2 - The structure of shareholders (names, privileges, number of shares and rates of the real person shareholders who own more than 5% of the issued capital) is updated on the corporate website in every 6 months at the latest.	x				
2.1.4 - Information on the corporate website of the Company are also prepared in other languages selected in line with the requirements and the contents were kept the same with the Turkish version.	x				
<b>2.2. ANNUAL REPORT</b>					
2.2.1 - The Board of Directors ensures that annual report reflects company activities completely and correctly.	x				
2.2.2 - The annual report includes all elements listed under the principle no. 2.2.2.	x				

## Corporate Governance Compliance Report

<b>3.1. COMPANY POLICY REGARDING STAKEHOLDERS</b>						
3.1.1 - Revisions regarding the rights of the stakeholders are protected as part of agreements and principles of goodwill.	x					
3.1.3 - Policies and procedures regarding the rights of stakeholders are disclosed on the corporate website of the Company.	x					
3.1.4 - Required mechanisms for the stakeholders to inform about any acts against the legislation and unethical acts were built.	x					
3.1.5 - The Company considers the conflicts of interests between the stakeholders in a balanced manner.	x					
<b>3.2. SUPPORTING THE ENGAGEMENT OF THE STAKEHOLDERS TO THE MANAGEMENT OF THE COMPANY</b>						
3.2.1 - Engagement of the employees to the management is drawn up in articles of association and internal regulations.	X					
3.2.2 - Methods such as surveys, consultation, etc. were conducted to get the opinions of the stakeholders in significant decisions that have outcomes with regard to stakeholders.	x					
<b>3.3. COMPANY'S HUMAN RESOURCES POLICY</b>						
3.3.1 - The Company adopted an employment policy that ensures equal opportunity and succession planning for all key executive positions.		x				The Company adopted an employment policy that ensures equal opportunity. This is indicated in the Human Resources Policy section of Company Annual Report Corporate Governance Principles Compliance Report section. The Succession Policy is currently being developed.
3.3.2 - Criteria for recruitment is adopted in written.	x					
3.3.3 - The Company has a Human Resources Development Policy and employees are provided training.	x					
3.3.4 - Meetings were held to inform employees on the financial structure of the Company, remuneration, career planning, training and healthcare.	x					
3.3.5 - Employees and employee representatives were informed about decisions that may have an effect on employees. Unions were consulted for such issues.	x					
3.3.6 - Job descriptions and performance criteria were elaborated for all employees and announced to employees; and these were used in decisions regarding remuneration.	x					

## Corporate Governance Compliance Report

3.3.7 - Various measures have been taken to prevent discrimination among employees and protect them against physical, mental and emotional abuse within the company and these include procedures, trainings, awareness raising, targets, tracking, grievance mechanisms.	x				
3.3.8 - The Company effectively supports the recognition of freedom to establish organizations and collective labor agreements.	x				
3.3.9 - A secure work environment is provided for the employees.	x				
<b>3.4. RELATIONSHIPS WITH CUSTOMERS AND SUPPLIERS</b>					
3.4.1 - The Company has measured customer satisfaction and has been operating based on the principle of unconditional customer satisfaction.	x				
3.4.2 - Customers are informed in case there is a delay in processing their requests regarding products and services they have purchased.	x				
3.4.3 - The company is committed to the quality standards regarding products and services.	x				
3.4.4 - The Company has the necessary measures in place to protect the confidentiality of sensitive information of customers and suppliers as part of commercial secret.	x				
<b>3.5. CODE OF ETHICS AND SOCIAL RESPONSIBILITY</b>					
3.5.1 - The Board of Directors defined the Codes of Ethics and disclosed them on the corporate website of the Company.	x				
3.5.2 - Partnership is sensitive to social responsibility. Measures have been taken to prevent corruption and bribery.	x				
<b>4.1. FUNCTIONS OF THE BOARD OF DIRECTORS</b>					
4.1.1 - The Board of Directors ensures that strategies and risks do not threaten long-term interests of the company and implementation of an effective risk management.	x				
4.1.2 - Meetings' agendas and minutes show that the Board of Directors discusses and approves strategic targets of the company, determines the required resources and supervises performance of the management.	x				



## Corporate Governance Compliance Report

<b>4.2. PRINCIPLES OF THE ACTIVITIES OF THE BOARD OF DIRECTORS</b>						
4.2.1 - The Board of Directors has documented its activities and informed shareholders accordingly.	x					
4.2.2 - Roles and authorities of the Members of the Board are disclosed in the annual report.	x					
4.2.3 - The Board of Directors has created an internal audit system suitable to the scale of the company and complexity of the activities.	x					
4.2.4 - Information regarding processes and effectiveness of internal audit system are given in the annual report.	x					
4.2.5 - The positions of President and CEO (Managing Director) were separated and their roles were defined.	x					
4.2.7 - The Board of Directors ensures effective operation of investor relations department and corporate governance committee and works in close cooperation with investor relations department and corporate governance committee to resolve conflicts between company and shareholders and in communication with shareholders.	x					
4.2.8 - The Company had initiated an executive liability insurance with an amount exceeding 25% of the capital regarding any damages in the Company that may result from the faults of the members of the Board during their assignments.	x					
<b>4.3. STRUCTURE OF THE BOARD OF DIRECTORS</b>						
4.3.9 - The Company set a goal to have a minimum of 25% for the ratio of women in the Board of Directors and built a policy to reach the goal. The structure of the Board of Directors are reviewed annually and the policy shall be considered for the nomination process.		x				Members of the Board, except Independent Members, are elected in every 3 years. Independent Members are elected every year. The Company set a goal to have a minimum of 25% for the ratio of women in the Board of Directors, yet no policy was built to reach the goal.
4.3.10 - At least one of the members of the committee in charge of auditing shall have 5 years of experience in auditing/accounting and finance.	x					

## Corporate Governance Compliance Report

<b>4.4. NATURE OF BOARD MEETINGS</b>					
4.4.1 - All members of the Board physically attended to the majority of the board meetings.	x				In 2024, all of the 26 meetings were held in physical environments; on the other hand, resolutions made in these meetings were later originally signed by the members of the Board of Directors.
4.4.2 - The Board of Directors sets a minimum period for the members of the Board to be provided information and documents regarding the items of the agenda before the meeting is held.	x				
4.4.3 - The opinions of members who did not attend the Board meeting but submitted their views in writing were presented to the information of other members.				x	In 2024, there were no members who did not attend the Board meetings but submitted their views in writing.
4.4.4 - Each member has the right for one vote on the Board.	x				
4.4.5 - The method of Board meetings is put in writing with internal regulations.	x				
4.4.6 - Minutes of the Board meeting shall indicate that all items in the agenda are discussed and records shall include the opposing views as well.	x				
4.4.7 - Members of the Board are restricted in assuming other duties outside of the company. The assignments of the members of the Board other than their assignments in the Company were disclosed to the shareholders during the General Assembly Meeting.	x				The restrictions set by the legislation are implemented.
<b>4.5. COMMITTEES BUILT UNDER THE BOARD OF DIRECTORS</b>					
4.5.5 - Each member of the Board is assigned to only one committee.			x		Independent members of the Board are assigned to more than 1 committee.
4.5.6 - The committees invite people, whose views were deemed necessary to be heard, to the meetings and heard their views.	x				
4.5.7 - Information regarding the independency of the person/organization that the committee is provided consultancy is included in the annual report.			x		No consultancy services were provided.
4.5.8 - Reports were issued regarding the outcomes of the committee meetings and were submitted to members of the Board.	x				
<b>4.6. FINANCIAL RIGHTS GIVEN TO THE MEMBERS OF THE BOARD AND ADMINISTRATIVE EXECUTIVES</b>					
4.6.1 - The Board of Directors went through a Board of Directors performance evaluation to assess if they effectively fulfilled their responsibilities.			x		No performance evaluation was conducted.
4.6.4 - The Company has not provided credit facilities to any of the members of the Board of Directors or managers with administrative responsibilities, has not given loans or extended the term of the loan that was given, has not improved the conditions of loan, has not provided credit facilities under the title of a personal credit through third parties or has not given guarantees on behalf of these such as indemnity.	x				
4.6.5 - Remuneration given to the members of the Board and executives with administrative responsibilities has been disclosed to the public for each member in the annual report.		x			Remuneration given to the members of the Board and executives with administrative responsibilities has been disclosed to the public as a total amount in the annual report.

## Corporate Governance Fact Sheet

<b>1. SHAREHOLDERS</b>	
<b>1.1. Facilitating Use of Shareholder Rights</b>	
Number of investor conferences and meetings organized by the Company throughout the year	None.
<b>1.2. Right to Demand and Review Information</b>	
Number of private auditor requests	None.
Number of private auditor requests agreed during the general assembly meeting	None.
<b>1.3. General Assembly</b>	
As part of Principle 1.3.1 (a-d), link to the PDP (Public Disclosure Platform) announcement in which required information is disclosed	<a href="https://www.kap.org.tr/Bildirim/1293382">https://www.kap.org.tr/Bildirim/1293382</a>
Whether documents regarding the General Assembly Meeting is submitted both in Turkish and English	<a href="https://www.kap.org.tr/Bildirim/1293382">https://www.kap.org.tr/Bildirim/1293382</a>
As part of Principle 1.3.9, the links to the PDP announcements associated with the transactions that are not approved by the majority of independent members or by unanimous votes of the present members	No such process was carried out as part of Principle 1.3.9.
The links to the PDP announcements associated with related party activities carried out as part of article 9 of the Communique on Corporate Governance (II-17.1)	In 2024, no such process was carried out as part of Article 9 of the Communique on Corporate Governance.
The links to the PDP announcements associated with common and continuous activities as part of Article 10 of the Communique on Corporate Governance (II-17.1)	In 2024, no such process was carried out as part of Article 10 of the Communique on Corporate Governance.
The name of the section that presents the donations and grants policy on the Company website	Investor Relations section includes the related information both under Annual reports section and Minutes of General Assembly section under the Announcements segment.
The link to the PDP announcement that presents the minutes of the general assembly meeting in which the donations and grants policy was approved	<a href="https://www.kap.org.tr/Bildirim/1295716">https://www.kap.org.tr/Bildirim/1295716</a>
The number of the provision in the articles of association that discuss the participation of stakeholders to the general assembly meeting	None.
Information on the stakeholders participating in the general assembly	Company General Assembly is held as per the relevant Turkish Commercial Code and Capital Market Board provisions, being open to all shareholders, employees and physical persons permitted to participate in the assembly as part of the relevant regulations.
<b>1.4 Right to Vote</b>	
Whether there is any privilege in the right to vote	NO
If yes, indicate privileged shareholders and their percentage of shares	None.
Specify the percentage of share of the shareholder that owns the largest percentage of share	9,62
<b>1.5 Minority Shareholder Rights</b>	
Whether the scope of minority rights extended (in terms of content or ratio) in the articles of association of the company	No
If yes, specify the relevant provision of the articles of association	Not extended.
<b>1.6 Dividend Right</b>	
The name of the section on the corporate website that describes the dividend distribution policy	The information can be accessed on <a href="http://www.sarkuysan.com">www.sarkuysan.com</a> under Homepage/Investor Relations/Annual Reports section.
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend	Dividend will be distributed.
PDP link to the related general assembly meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	No proposal of not distributing dividends.

## Corporate Governance Fact Sheet

2. PUBLIC DISCLOSURE AND TRANSPARENCY	
<b>2.1. Corporate Website</b>	
Specify the sections of the company website providing the information requested by the Corporate governance principle 2.1.1.	Information specified under Corporate Governance Principle item 2.1.1 are disclosed on our Company's website, <a href="http://www.sarkuysan.com">www.sarkuysan.com</a> , under the titles within "Investor Relations" section and again under the "Sarkuysan at Istanbul Stock Exchange" section on the homepage.
Specify the section on the website providing the list of real person shareholders who directly or indirectly own more than 5% of the shares	The information can be accessed on <a href="http://www.sarkuysan.com">www.sarkuysan.com</a> under Homepage/Investor Relations/Partnership and Capital Structure section.
List of languages for which the website is available	Turkish/English
<b>2.2. Annual Report</b>	
Page numbers and/or name of the sections in the annual report that demonstrate the information requested by corporate governance principle 2.2.2.	
a) Page numbers and/or name of the sections in the annual report that demonstrate the information on the duties of the Members of the Board and executives conducted out of the company and statements of independence of Members of the Board	The information is provided under "Corporate Governance Principles Compliance Report" section of the Company's Annual Report.
b) Page numbers and/or name of the sections in the annual report that demonstrate the information on committees built under the Board of Directors	The information is provided under "Corporate Governance Principles Compliance Report" section of the Company's Annual Report.
c) Page numbers and/or name of the sections in the annual report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	The information is provided under "Corporate Governance Principles Compliance Report" section of the Company's Annual Report.
cc) Page numbers and/or name of the sections in the annual report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	There are no amendments in the legislation which may significantly affect the activities of the corporation.
d) Page numbers and/or name of the sections in the annual report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	There are no significant lawsuits filed against the corporation.
e) Page numbers and/or name of the sections in the annual report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and measures taken by the corporation in order to avoid these conflicts of interest	No consultancy or rating services are procured.
f) Page numbers and/or name of the sections in the annual report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is no such cross-ownership subsidiary.
g) Page numbers and/or name of the sections in the annual report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	The information is provided under "Human Resources Policy" title of the "Corporate Governance Principles Compliance Report" section of the Company's Annual Report.
<b>3. STAKEHOLDERS</b>	
<b>3.1. Company Policy Regarding Stakeholders</b>	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	No remedy or severance policy is published on the Company's Website.
The number of definitive convictions the company was subject to in relation to breach of employee rights	None.
The title of the person responsible for the alert mechanism	Human Resources Manager / 0 262 676 66 00
The contact detail of the Company's alert mechanism	Human Resources Manager / 0 262 676 66 00
<b>3.2. Supporting the Participation of the Stakeholders to the Management of the Company</b>	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	The information is provided under "Stakeholders" title of the "Corporate Governance Principles Compliance Report" section of the Company's Annual Report.
Management bodies where employees are represented	Union

## Corporate Governance Fact Sheet

3.3. Company's Human Resources Policy	
The role of the Board on developing and ensuring that the company has a succession plan for the key management positions	The Board of Directors are fully authorized for the assignments to Key Management positions.
The name of the section on the corporate website that demonstrates the human resources policy covering equal opportunities and recruitment principles and a summary of relevant parts of the human resources policy	The information is provided under the Investor Relations Section on the Homepage of our Corporate Website and under the "Human Resources Policy" title of the "Corporate Governance Principles Compliance Report" section of the Company's Annual Report.
Whether the Company provides an employee stock ownership plan	None.
The name of the section on the corporate website that demonstrates the human resources policy covering discrimination and mistreatments and the measures to prevent them; and a summary of relevant parts of the human resources policy	The information is provided under the Investor Relations Section on the Homepage of our Corporate Website and under the "Human Resources Policy" title of the "Corporate Governance Principles Compliance Report" section of the Company's Annual Report.
The number of definitive convictions the company is subject to in relation to health and safety issues	None.
3.5. Code of Ethics and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	The information is provided under the Investor Relations Section on the Homepage of our Corporate Website and under the "Code of Ethics and Social Responsibility" title of the "Corporate Governance Principles Compliance Report" Section of the Company's Annual Report.
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues	The information is provided under the Investor Relations Section on the Homepage of our Corporate Website and under the "Code of Ethics and Social Responsibility" title of the "Corporate Governance Principles Compliance Report" Section of the Company's Annual Report.
Any measures combating any kind of corruption including embezzlement and bribery	All required measures are taken by double signatures for all activities, control of supervisor, Enterprise Resource Planning (SAP) activities and authorization.
4. BOARD OF DIRECTORS - I	
4.2. Principles of Activities of the Board of Directors	
Date of the last performance evaluation of the board conducted	None.
Whether the board evaluation was externally facilitated	No.
Whether all board members released from their duties	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Hayrettin ÇAYCI, President, Executive, Hamit MÜCELLIT, Acting President, Executive, A. Hamdi BEKTAŞ, Member of the Board, Executive, Cenap TAŞKIN, Member of the Board, Executive, Diana Manuş URUN, Member of the Board, Non-Executive, İpek ÖZCAN, Member of the Board, Non-Executive, Turgay ŞOHOĞLU, Member of the Board, Non-Executive, Bekir MENETLİOĞLU, Member of the Board, Non-Executive, Fatma Burcu CESUR, Member of the Board, Non-Executive, Ayhan ZEYTİNOĞLU, Member of the Board, Non-Executive, Virma SÖKMEN, Member of the Board, Non-Executive, İlfeta AKSOY, Member of the Board, Non-Executive, Mehmet Ali YILDIRIMTÜRK, Member of the Board, Non-Executive, Mehmet Nazmi ERTEN, Member of the Board, Non-Executive (No unlimited power of decision is given to anybody in our Company. Representation and binding of the Company in all transactions shall be JOINTLY signed by the President or Acting President, as well as a member of board with the related authority or the managing director.)
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	None.
The name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	The information is provided under "Internal Audits" and "Risks and Assessment of the Board of Directors" titles of the annual report.
Full Name of the President	Hayrettin Çaycı
Full Name of the CEO / Managing Director	Sevgür Arslanpay
The link to the relevant PDP announcement providing the rationale for the President and CEO/Managing Director being the same person	Not combined.
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the course of their duties is insured for an amount exceeding 25% of the company's capital	Insured. The amount of the insurance coverage does not exceed 25% of the Company's capital.
The name of the section on the corporate website that demonstrates current diversity policy that has the goal to increase the percentage of women directors	None.
Number and percentage of woman directors	There are 5 woman directors in the Board of Directors. The percentage is: 35.71%

## Corporate Governance Fact Sheet

Structure of the Board of Directors							
Full Name of the Member of the Board	Whether Executive or Not	Whether Independent or Not	Initial Date of Election	Link To PDP Notification That Includes The Statement of Independence	Whether the Independent Director Considered By The Nomination Committee	Whether There are any Members Losing Their Independence	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting and / or Finance
Hayrettin ÇAYCI	Executive	Not independent director	22.12.1995	-	-	-	Yes
Hamit MÜCELLİT	Executive	Not independent director	1.10.2010	-	-	-	Yes
A.Hamdi BEKTAŞ	Executive	Not independent director	30.03.2005	-	-	-	Yes
Cenap TASKIN	Executive	Not independent director	20.06.2013	-	-	-	No
Diana Manuş URUN	Non-executive	Not independent director	7.04.2023	-	-	-	No
İpek ÖZCAN	Non-executive	Not independent director	7.04.2023	-	-	-	No
Turgay SOHOGLU	Non-executive	Not independent director	28.03.2014	-	-	-	No
Bekir MENELİOĞLU	Non-executive	Not independent director	7.04.2017	-	-	-	Yes
Fatma BURCU CESUR	Non-executive	Not independent director	29.06.2020	-	-	-	Yes
Mehmet Nazmi ERTEN	Non-executive	Independent director	7.04.2023	<a href="https://www.kap.org.tr/tr/Bildirim/1282258">https://www.kap.org.tr/tr/Bildirim/1282258</a>	Considered	-	Yes
Ayhan ZEYİNOĞLU	Non-executive	Independent director	12.04.2019	<a href="https://www.kap.org.tr/tr/Bildirim/1282258">https://www.kap.org.tr/tr/Bildirim/1282258</a>	Considered	-	Yes
Virma SÖKMEN	Non-executive	Independent director	29.06.2020	<a href="https://www.kap.org.tr/tr/Bildirim/1282258">https://www.kap.org.tr/tr/Bildirim/1282258</a>	Considered	-	Yes
İfeta AKSOY	Non-executive	Independent director	15.04.2022	<a href="https://www.kap.org.tr/tr/Bildirim/1282258">https://www.kap.org.tr/tr/Bildirim/1282258</a>	Considered	-	Yes
Mehmet Ali YILDIRIMTÜRK	Non-executive	Independent director	15.04.2022	<a href="https://www.kap.org.tr/tr/Bildirim/1282258">https://www.kap.org.tr/tr/Bildirim/1282258</a>	Considered	-	Yes

#### 4 . BOARD OF DIRECTORS - II

##### 4.4 Nature of Board Meetings

Number of physical board meetings in the reporting period (meetings in person)	26
Average attendance rate to the board meetings	100
Whether the board uses an electronic portal to support its work	No.
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	4 days
The name of the section on the corporate website that demonstrates information about the board charter	The information is provided under "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section of the Company's Annual Report.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	Some of the Company's Members of the Board are executive managers at other companies or members in their board of directors. External commitments of the Board Members are permitted during the General Assembly as per articles 395 and 396 of TTC.

##### 4.5. Committees Built Under the Board of Directors

Page numbers or section names of the annual report where information about the board committees are presented	The information is provided under "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section of the
Link to the PDP announcement with the board committee charters	<a href="https://www.kap.org.tr/tr/Bildirim/1293387">https://www.kap.org.tr/tr/Bildirim/1293387</a>

## Corporate Governance Fact Sheet

Committees of the Board-I				
Names of the Board Committees	Name of Committee Members	Surname of Committee Members	Whether Committee Chair or Not	Whether Board Member or Not
Audit Committee	Ayhan	ZEYTİNOĞLU	Yes	Member of the Board
Audit Committee	Mehmet Nazmi	ERTEN	No	Member of the Board
Audit Committee	Virma	SÖKMEN	No	Member of the Board
Audit Committee	Mehmet Ali	YILDIRIMTÜRK	No	Member of the Board
Audit Committee	İlfeta	AKSOY	No	Member of the Board
Corporate Governance Committee	Mehmet Nazmi	ERTEN	Yes	Member of the Board
Corporate Governance Committee	Turgay	ŞOHOĞLU	No	Member of the Board
Corporate Governance Committee	Fatma Burcu	CESUR	No	Member of the Board
Corporate Governance Committee	Bekir	MENETLİOĞLU	No	Member of the Board
Corporate Governance Committee	İlfeta	AKSOY	No	Member of the Board
Corporate Governance Committee	Şefiye	YAYLA	No	Not a Member of the Board
Committee of Early Detection of Risk	Virma	SÖKMEN	Yes	Member of the Board
Committee of Early Detection of Risk	Mehmet Nazmi	ERTEN	No	Member of the Board
Committee of Early Detection of Risk	Fatma Burcu	CESUR	No	Member of the Board
Committee of Early Detection of Risk	Mehmet Ali	YILDIRIMTÜRK	No	Member of the Board

Committees of the Board - II					
Names of the Board Committees	Names of the Board Committees	The Percentage of Non-executive Directors	The Percentage of Independent Directors in the Committee	The Number of Meetings Held in Person	The Number of Reports on its Activities Submitted to the Board
Audit Committee	Audit Committee	100%	100%	5	5
Corporate Governance Committee	Corporate Governance Committee	100%	40,00%	3	3
Committee of Early Detection of Risk	Committee of Early Detection of Risk	100%	75,00%	6	6

## Corporate Governance Fact Sheet

4 . BOARD OF DIRECTORS - III	
<b>4.5. Committees Built Under the Board of Directors</b>	
Specify where the activities of the audit committee are presented in your annual report or the website. (page number or name of the section)	The information is provided under "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section of the
Specify where the activities of the corporate governance committee are presented in your annual report or the website. (page number or name of the section)	The information is provided under "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section of the
Specify where the activities of the nomination committee are presented in your annual report or the website. (page number or name of the section)	The information is provided under "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section of the
Specify where the activities of the early detection of risk committee are presented in your annual report or website. (page number or name of the section)	The information is provided under "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section of the
Specify where the activities of the remuneration committee are presented in your annual report or the website. (page number or name of the section)	The information is provided under "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section of the
<b>4.6. Financial Rights Given to the Members of the Board and Administrative Executives</b>	
Specify where the operational and financial targets and their achievement are presented in your annual report (page number or section name in the annual report)	The information is provided under "Financial Status" Section of the Company's Annual Report.
Specify the section of website where remuneration policy for executive and non-executive directors are presented	The information is provided under the Investor Relations Section on the Homepage of our Corporate Website and under the "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section of the Company's Annual Report.
Specify where the individual remuneration for board members and senior executives are presented in your annual report (page number or section name in the annual report)	The information is provided under "The Board of Directors" title of the "Corporate Governance Principles Compliance Report" Section, as well as the "Financial Rights given to the Members of the Board and Senior Executives" section of the Company's Annual Report.

### General Assembly Meetings

Date of the General Assembly	number of additional explanation requests submitted to the Company regarding the general assembly agenda	shareholder attendance rate to the general assembly	percentage of shares that are directly represented	percentage of shares that are represented by a proxy	title of the section on the Company website that includes the minutes of the general assembly meeting, showing the yea and nay votes for each agenda item	title of the section on the Company website that includes all questions asked and the answers provided at the general assembly meeting	article or paragraph number of the minutes of the general assembly meeting regarding related parties	number of people who have privileged access to partnership information and notified the board of directors (insider list)	link to the announcement of the general assembly published on PDP
31.05.2024	0	75,97%	22,66%	53,31%	Investor Relations/Announcements	Investor Relations/Announcements/Minutes of Meeting	-	52	<a href="https://www.kap.org.tr/tr/Bildirim/129338">https://www.kap.org.tr/tr/Bildirim/129338</a>



**REPORT ON THE COMPLIANCE WITH THE CORPORATE GOVERNANCE PRINCIPLES OF SARKUYSAN ELEKTROLİTİK BAKIR SANAYİ VE TİCARET A.Ş. PER CAPITAL MARKETS BOARD CORPORATE GOVERNANCE COMMUNIQUE NO. (II-17.1)**

## **Investor Relations Department**

The Investor Relations Department directly reports to Ümit Uluçam, CFO, and Şefiye YAYLA, Commercial Accounting Manager, Uğur BULAT, Commercial Accounting Chief, and Demet CİZRELİOĞULLARI, Legal Counsel, are assigned to this unit. Mrs. Şefiye YAYLA, Investor Relations Unit Manager, has **Capital Markets Board (SPK) Level 3 License (202248)** and **Corporate Governance Rating License (700932)**.

In line with the requirements of Corporate Governance Principles, Şefiye YAYLA is also appointed as a member of Corporate Governance Committee.

### **Şefiye Yayla – Investor Relations Unit Manager**

Phone : 0 262 676 66 00 / 3275

Fax : 0 262 676 66 82

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

### **Uğur Bulat – Investor Relations Unit Member**

Phone : 0 262 676 66 00 / 3276

Fax : 0 262 676 66 82

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

### **Demet Cizrelioğulları – Investor Relations Unit Member – Legal Counsel**

Phone : 0 262 676 66 00 / 3277

Fax : 0 262 676 66 82

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

The Investor Relations Department is responsible for ensuring that the investor relations are conducted as part of Corporate Governance Principles, following the changes that occur in the regulations concerning the Capital market Board Law and making sure that the concerned departments in the Company are informed, maintaining the relationship between the Capital Market Board (CMB), the Istanbul Stock Exchange (BIST) and the Central Records Agency (MKK) and representing our Company.

Information and disclosures of a nature that could affect the use of shareholder rights are presented to the attention of shareholders on our website, [www.sarkuysan.com](http://www.sarkuysan.com). In 2024, our Company made 56 special situation disclosures on the Public Disclosure Platform. Material events were disclosed according to the "Material Events" communiqué and no sanctions were imposed by the CMB and Borsa Istanbul. The verbal applications, which were made by investors to our Company within the period, were also responded.

Investor Relations Unit prepares an annual report regarding its activities and submits this report to the Corporate Governance Committee within the first two months of the following year.

## **1. Shareholders Exercising Their Right to Information**

### **1.1 Facilitating Use of Shareholder Rights**

Updated information and disclosures that may affect the use of shareholder rights are presented to the attention of the investors on the corporate website.

### **1.2 Right to Demand and Review Information**

While there is no article concerning the appointment of a special auditor in our articles of association, our company avoids actions that may complicate special audit and in 2024 there were no requests for a special audit from shareholders.

Investors can obtain answers to anything they want to know about our company from the 0 262 666 66 00 / Extension 3275 and 3276 telephone numbers. The e-mail address of investor relations, [yatirimciiliskileri@sarkuysan.com](mailto:yatirimciiliskileri@sarkuysan.com), can be used by shareholders to have all their questions answered other than information that has not been disclosed to the public, that is confidential and of a commercial secret nature. The inquiries of our partners who choose to contact us via mail will be answered immediately.

Information and disclosures of a nature that could affect the use of shareholder rights are presented to the attention of shareholders on our website [www.sarkuysan.com](http://www.sarkuysan.com) under "Investor Relations" menu. Also, following the agreement made with the MKK, the sub-section "Information Society Services" was added under the "Investor Relations" section and through the link provided here services can be accessed over the e-COMPANY Portal on MKK thus fulfilling the obligations specified in the TCC article 1524 and in the Regulation.

### **1.3 General Assembly**

Company's General Assembly Meetings and invitation to General Assembly are organized in a way that provides adequate information to the shareholders and wide participation of the shareholders as per Turkish Commercial Code, Capital Market Regulation, General Assembly Internal Directive and Corporate Governance Principles. The Ordinary General Assembly Meeting with regard to the 2023 operating period was held on 31.05.2024 at the headquarters of the company. Shareholders acting as principal or agent participated in the meeting which was organized in the electronic environment along with physical attendance and 75.97% participation was achieved.

Call for the General Assembly meeting is announced 3 weeks before the General Assembly as per Corporate Governance Principles Communiqué, on the same date as the Board of Directors decree dated 06.05.2024, via Special Occasion Announcement made through Public Disclosure Platform and Electronic General Assembly System (EGKS). As per the obligatory regulations in order to inform shareholders and enable the highest participation for the meeting, the Call for General Assembly meeting was advertised in

The Turkish Commercial Registry Gazette dated 08.05.2024, in Gebze Newspaper and Company website on 08.05.2024. Additionally, an announcement was made regarding the General Assembly Meeting to the shareholders of Group A Registered Shares by a letter dated 09.05.2024. The agenda of the meeting, information regarding the meeting, a copy of power of attorney and signature declaration were attached to the letters. At least three weeks before the general assembly meeting date, excluding announcement and meeting dates, the Consolidated Financial Statements and the Annual Report were made available to shareholders as part of the Turkish Commercial Code no. 6102, article 437.

We negotiated with the Company Medianova Internet Hizmetleri ve Tic. A.Ş. for an Electronic General Assembly Meeting per the Turkish Commercial Code number 1524 and article 34 of our Articles of Association. On the day of our Company's general assembly meeting the audio and video of our meeting was broadcasted by 3 cameras on the internet by connecting to the Central Records Agency.

Privileged people who have the opportunity to obtain partnership information have not taken action as part of the activity subject of the partnership in their own name.

The Board members, other concerned individuals, authorities in charge of preparing the financial statements and the auditors were present at the General Assembly meeting to answer questions and provide information about the subjects on the agenda. During the General Assembly meeting, items in the agenda are conveyed to the shareholders in an unbiased, clear and detailed manner. During the General Assembly meeting, shareholders and stakeholders who participated in the meeting evaluated the questions asked in EGKS environment electronically as well as physically as per the related regulation and answers were given by the Members of the Board of Directors and Senior Managers; no question was left unanswered.

Company General Assembly is held as per the relevant Turkish Commercial Code and Capital Market Board provisions, being open to all shareholders, employees and physical persons permitted to participate in the assembly as part of the relevant regulations. During the General Assembly meeting, information was provided to the partners under a separate agenda item about the donations and aids given out within the period and a decision was made on the upper limit for donations in 2024. All of the decisions concerning the meeting agenda matters discussed in the General Assembly and the minutes of General Assembly meeting including the dividends were published on PDP, EGKS and e-Company portals as well as our company's corporate website, [www.sarkuysan.com.tr](http://www.sarkuysan.com.tr), after the meeting.

#### **1.4 Right to Vote**

While the Company avoids all practices that make it difficult for shareholders to use their votes, the necessary mechanisms have been established to help shareholders vote easily and properly, even outside the borders. Hence, shareholders who have the right to participate in General Assembly Meetings are able to attend these meetings in electronic setting per Turkish Commercial Code article 1527 according to articles 21 and 34 of the articles of association concerning Participation in General Assembly Meetings Electronically. At the 2024 Ordinary General Assembly meeting the system established according to this provision of the articles of association was used to enable shareholders and their representatives to use their votes. No privileges are recognized concerning voting rights in the Company's Articles of Association. There is one vote per share in the Ordinary and Extraordinary General Assemblies. Shareholders

may attend the General Assembly meetings by proxy with the power of attorney issued in the name of shareholders or non-shareholders representing them. The power of attorney holders who are also shareholders shall have the right to use their own vote plus the vote of the share they are representing. The power of attorney form is determined and announced by the Board in accordance with the CMB. There are no privileges concerning the use of votes. Only as a requirement of our articles of association, during the election of the Board of Directors, 5 of the Board members are selected amongst the candidates nominated by shareholders of the (A) group and 4 candidates nominated by the (B) group shareholders, after which the selection is carried out in the General Assembly. The Company has not voted in a General Assembly of a partnership, in which the company has cross-ownership that also brings rulership.

### **1.5 Minority Shareholder Rights**

The Company pays utmost attention to the minority shareholders to use their rights. The Company agrees that the related legislation in terms of the use of minority shareholder rights is sufficient. No extension was included in the Articles of Association regarding the minority shareholder rights.

### **1.6 Dividend Right**

There are no privileges on dividend rights and profit is distributed equally to all existing shares. The Company has a specific and consistent dividend distribution policy. This policy is presented to the partners for approval at the general assembly meeting and is disclosed on our company's corporate website. Profit is distributed according to the policy provisions.

### **Dividend Distribution Policy**

- The annual profit of the Company is distributed per General Assembly meeting decision in accordance with the Dividend Distribution policy formulated in accordance with the Turkish Commercial Code, Capital Market Law, appropriate regulations and Company's articles of association.
- The Board determines its proposal for dividend distribution in line with appropriate legal provisions and by observing the sensitive benefit balance between shareholders and the Company.
- The decision of whether to distribute profit or not is taken during the General Assembly upon the proposal of the Board. The Board's proposal for dividend distribution is publicly disclosed together with the dividend distribution scheme, for which the format and content are defined by the Capital Markets Board, in line with CMB's regulations on the disclosure of material events, on the date when the agenda of the general assembly meeting is announced at the latest and then posted on the Company's corporate website.
- The dividend distribution process is initiated no later than the end of accounting period for which the general assembly meeting where dividend distribution is decided is held.
- The profit may be paid in instalments of equal or different amounts subject to the further appropriate decision taken at the general assembly meeting. The number and timing of instalments are determined during the general assembly meeting or by the board of directors authorized thereby.
- Instalment payments are distributed equally to all of the shares existing as of the date of payment pro rata their shares in capital, regardless of their dates of issuance and acquisition.
- The dividend per share is found by dividing the profit to be distributed to shareholders under the general assembly meeting decision by total number of shares.
- There is no share certificate granting any privilege for dividend share.
- Since the share certificates of the Company are registered on account as per the applicable regulations, dividend payments are deposited to Takasbank A.Ş. for further transfer to the accounts of shareholders with brokers and banks upon Central Registry's request on the date specified by the general assembly.

- Dividend distribution is affected in accordance with Turkish Commercial Code, Capital Market Law, applicable regulations and the Company's articles of association.
- The Company's Articles of Association should contain a specific provision for dividend distribution to Board members and Company's employees.
- The Company's articles of association should contain a provision to make donations. The limit of donation is designated defined during the general assembly meeting. Donations made within the given fiscal period are added to the distributable profit base. The donations and payments to be made are presented to the partners in the ordinary general assembly.
- The dividend distribution policy is formulated in accordance with the Turkish Commercial Code, Capital Market Law appropriate legal regulations and the Company's Articles of Association and included in the annual report. Shareholders are informed accordingly during the general assembly meeting.
- In the event that it is proposed to make an amendment to the dividend distribution policy, the Board resolution on this matter and justification thereof are publicly disclosed in accordance with CMB's regulations on the public disclosure of material events.

### 1.7 Transfer of Shares

There are no restrictions that make transfer of shares difficult. All of the A and B Group shares that were issued against our company's issued capital have been listed in the Stock Exchange. Whilst the Group A registered shares are not traded, the B group shares are issued to the holder and traded. Per article 7 of the Company's Articles of Association "Founding partners who wish to sell their Group (A) Registered Shares shall first propose their intention in writing through the Board to the other partners. If none of the founding partners states an interest in the said shares at the market value or the actual value of the share stock, this share may be sold to an outsider. All sales, which are not done accordingly shall be considered invalid by the company and shall not be entered on the company ledgers."

### 2.1 Corporate Website

The objective of disclosure policy is to share the performance, expectations, strategies, targets, and visions of the Company except for confidential business information with the public, relevant authorities, existing and potential investors and shareholders through an active and open communication medium. This policy is presented to the approval of the partners during the general assembly meeting and is disclosed to the public in the annual report and on our company's website.

The Sarkuysan website, [www.sarkuysan.com](http://www.sarkuysan.com), is actively used by the company in public disclosure as recommended by the CMB Corporate Governance Principles. The disclosures on the website do not take the place of notifications and material disclosures required by the Capital Markets Board. The website is prepared in Turkish and in English with the content and format set forth by the CMB Corporate Governance Principles. In accordance with Article 1527 of the Turkish Commercial Code, a specific part of the corporate website is dedicated to legal announcements. This section is available through "Information Society Services" on our corporate website. The Investor Relations part of our corporate website contains the Company's trade registration details, most recent shareholding and management structure, details of preferred shares, announcements, date and issue no of the Turkish Commercial Registry Gazette announcing the amendments to the Company's articles of association, Company's up-to-date articles of association, material event disclosures, annual reports, announcements for General Assembly meetings, sample agenda and power of attorney, list of attendance, meeting minutes, profit distribution policy, disclosure policy, frequently asked questions and answers thereto. In the part "Sarkuysan on Istanbul Stock Exchange" on our website, all details

about the Company posted on Istanbul Stock Exchange's corporate website are available. The corporate website further contains stock prices, charts, prices of some precious items as well as news about Sarkuysan and all other related news and exchange rates.

## **2.2 Annual Report**

The Board of Directors ensures that the annual report reflects company activities completely and correctly. The Company's annual report is prepared according to the provisions in the Regulation on Determining the Minimum Contents of Company Annual Reports published in the Official Gazette no 28395 dated August 28, 2012, the periods in the Communique on Principles Concerning Financial Reporting in the Capital Markets (II - 14.1) and as part of Corporate Governance Principles and are disclosed to the public.

### **3.1 Company Policy Regarding Stakeholders**

The rights of all our stakeholders and employees are protected and they are informed efficiently as part of our information disclosure policy concerning Company activities. Stakeholders are organizations or interest groups like employees, creditors, customers, suppliers, unions and various nongovernmental organizations that are involved in our Company's reaching its goals or in its activities. The Company protects the rights of stakeholders that are organized by relevant regulations and mutual contracts in its operations and activities. In cases where the rights of stakeholders are not protected under regulations and mutual contracts, the rights of stakeholders are protected as part of good faith and to the extent of the company's capabilities.

Our company forms the necessary mechanisms to forward any acts of stakeholders that are in violation of our company's relevant regulations and ethically unsuitable to the corporate governance committee or the committee in charge of auditing.

### **3.2 Supporting the Contribution of the Stakeholders to the Management of the Company**

In order to encourage the participation of personnel at all levels in the management, regular management meetings are held with the attendance of department managers and executive managers. The "Suggestion System" for employees is actively used. In 2024, 56 of the 96 suggestions were accepted. Those whose suggestions are chosen to be the best are rewarded every year. All of the operations and processes of our company are carried out in accordance with the ISO 9001 quality management system procedures. While there are no provisions in the Company's Articles of Association concerning employee participation in the management, the principle of employing personnel who have been raised within the company for vacancies in senior management positions has been adopted.

### **3.3 Corporate Human Resources Policy**

The Company adopted an employment policy that ensures equal opportunity. This is indicated in the Human Resources Policy section of Company Annual Report Corporate Governance Principles Compliance Report section. The Succession Policy is currently being developed. Action is taken in line with the Human Resources Policy broadcasted on the Company website.

When forming employment policies and planning careers, the principle of providing equal opportunity to people in equal conditions is implemented. Employees are treated fairly in all rights and training programs are provided to increase their knowledge, skills and experience. Meetings are organized to inform employees and get their views on the financial status of our company, salaries, career, training

and health. Periodic bulletins and announcements as necessary are issued to achieve an efficient communication network to inform employees, increase their motivation and develop good relations and communication.

Decisions that are made concerning the employees or developments regarding the employees are notified to the employees or their representatives and if deemed necessary the views of the unions concerned are obtained for these types of decisions.

Various measures have been taken to prevent discrimination among employees and protect them against physical, mental and emotional abuse within the company and these include procedures, training, awareness raising, targets, tracking, grievance mechanisms.

Our Company effectively supports the freedom to establish organizations and collective labor agreements. Relations with employees as part of Collective Labor Contracts are conducted through representatives. As an employer, the Company is a member of the Turkish Metal Industrialists (MESS), and its blue-collar workers are members of the United Metal Labor Union.

A safe work environment and conditions are provided for our employees. As part of the "ISO 9001 Quality Management System" job descriptions and our booklet titled "The Basic Sources of Our Corporate Culture", which includes Our Quality Policy, Our Personnel Guidelines, Our Collective Labor Contract and Our Corporate Behavior Principles, is given in printed form to each employee. The "Occupational Health & Safety Handbook" is distributed to our employees, blue-collar employees in the first place, as part of the activities we carry out to prevent work accidents. Applications like vaccination, health screening and medical follow up is carried out meticulously to protect employee health, which is a top priority of the company. Necessary activities are carried out in integration with our legal obligations within the framework of the "OHSAS 18001 Occupational Health and Safety" management system standards that we are certified with. All our employees, their spouses and children are insured against any kind of accidents 24/7 and for 365 days with a group personal accident policy.

Various social, athletic and artistic events are organized to motivate employees. Our Sarkuysan Tennis Table team has won domestic and international championships and a number of different achievements while we also have different activities in music.

Our Turkish Music Chorus, which is composed of our staff members, gives concerts to the local people in Gebze. Furthermore, folk dancing and Pilates activities continue.

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

The Company has measured customer satisfaction and has been operating based on the principle of unconditional customer satisfaction. Customers are informed in case there is a delay in processing their requests regarding products and services they have purchased. The Company is committed to the quality standards regarding products and services. The Company has the necessary measures in place to protect the confidentiality of sensitive information of customers and suppliers as part of commercial secret.

### **3.5 Ethics Code and Social Responsibility**

The Ethics Code of the Company is explained to the employees under the "Corporate Behavior Principles" titles within "The Basic Principles of the Company Culture" manual.

Partnership is sensitive to social responsibility. Measures have been taken to prevent corruption and bribery.

Our Company presents its governance undertakings concerning the environment and health and safety with its "Environment, Health and Safety Policy" which it has disclosed to the public through our Company website.

Being aware of its social responsibilities, Sarkuysan continuously develops social projects in all fields. For example;

Frej Han, renovated and used as Company Headquarters for several years, is an important contribution to our cultural legacy. The Company contributes to education by building the Sarkuysan High School in Gebze and the Sarkuysan Elementary School in Darıca and by granting non-refundable scholarships to higher education students. Sarkuysan also supports State Religious Affairs with the Sarkuysan Mosque inspired by and built as an Ottoman Architectural complex. Contributing to the healthcare sector by allocating the funds reserved in the beginning of the year for the urgent medical device needs of a health institution, the Company also supports sports with its Table Tennis Team that frequently represents our country successfully in the European Cup Championship. Contributing to arts with its Turkish Music Choir, Folk Dance group consisting of its employees, the Company pays utmost attention to the environment by developing forestation areas. And the last but not the least is that Sarkuysan promotes our country by hosting international events. There are no cases filed against our Company for environmental damage in this period.

#### **4.1 Function of the Board of Directors**

The Board of Directors ensures that strategies and risks do not threaten the long-term interests of the company and the implementation of an effective risk management. Meetings' agendas and minutes show that the Board of Directors discusses and approves the strategic targets of the company, determines the required resources and supervises the performance of the management.

#### **4.2 Rules of Procedures for the Board of Directors**

The Board of Directors has documented its activities and informed shareholders of these.

The Board of Directors has created an internal audit system suitable to the scale of the company and complexity of the activities. Information regarding processes and effectiveness of internal audit system are given in the annual report.

The President and the Managing Director positions are filled by two different persons. The Board of Directors ensures effective operation of investor relations department and corporate governance committee and works in close cooperation with investor relations department and corporate governance committee to resolve conflicts between company and shareholders and in communication with shareholders.

According to the Company's Articles of Association, the management of the Company is carried out as part of Turkish Commercial Code provisions and the Capital Markets Board Regulation by 14 members, 9 of which are regular members and 5 of which are independent members, to be elected by General Assembly decision from among the 5 candidates nominated by A Group shareholders and 4 candidates to be nominated by B Group shareholders. The Members of the Board must be



determined to assist in conducting efficient and constructive work, making fast and rational decisions and effectively organizing the formation work of the committees.

Some members of the board are assigned to executive positions whilst others are not. (Members of the board who are not assigned to an executive function are individuals that, except for membership, do not have any other management position in the company or an executive department that reports to them and are not involved in the daily workflow and ordinary activities of the company.) Amongst the Members of the Board who are not assigned to an executive function, there are independent members with the ability to carry out their duties without being under any kind of influence.

As part of the duties of Members of the Board of Directors and managers, managers' liability insurance with 5 million Euro worth of securities was put in place to pay damages against liabilities they may be held responsible for personally.

#### 4.3 Structure of the Board of Directors

Name-Surname	Position	Executive or Not	Independent Member of Board or not	Latest Date of Election	Term of Office	Committees Assigned & Roles	Duties Outside the Company
Hayrettin ÇAYCI	President	Executive	Not An Independent Member	07.04.2023	3 Years		Chairman and Managing Director at Sarkuysan Group of Companies Turktrade Chairman
Hamit MÜCELLİT	Acting President	Executive	Not An Independent Member	07.04.2023	3 Years		Acting President and Member of Board at Sarkuysan Group of Companies
A. Hamdi BEKTAŞ	Member	Executive	Not An Independent Member	07.04.2023	3 Years		Acting President and Member of Board at Sarkuysan Group of Companies
Cenap TASKIN	Member	Executive	Not An Independent Member	07.04.2023	3 Years		Member of Board at Sarkuysan Group of Companies
İpek KİLİMCİ ÖZCAN	Member	Non-executive	Not An Independent Member	07.04.2023	3 Years		
Diana Manuş URUN	Member	Non-executive	Not An Independent Member	07.04.2023	3 Years		
Turgay SOHOGLU	Member	Non-executive	Not An Independent Member	07.04.2023	3 Years	Corporate Governance Committee	
Bekir MENETLİOĞLU	Member	Non-executive	Not An Independent Member	07.04.2023	3 Years	Corporate Governance Committee	
Fatma Burcu CESUR	Member	Non-executive	Not An Independent Member	07.04.2023	3 Years	Corporate Governance Committee, Early Risk Detection Committees	

Ayhan ZEYTİNOĞLU	Member	Non-executive	Independent Member	31.05.2024	1 Year	Audit, Corporate Governance Committees	President of Kocaeli Chamber of Industry, President of Economic Development Foundation (IKV), General Coordinator of Zeytinöğlü Denizcilik A.Ş.
Mehmet Nazmi ERTEN	Member	Non-executive	Independent Member	31.05.2024	1 Year	Audit, Corporate Governance, Risk Assessment Committees	Founding Partner at Erten & Erten
Virma SÖKMEN	Member	Non-executive	Independent Member	31.05.2024	1 Year	Audit, Early Risk Detection Committees	Member of Loan Committee at Yapı Kredi Bank
İlfeta AKSOY	Member	Non-executive	Independent Member	31.05.2024	1 Year	Corporate Governance Committee	Member of the Board of Turktrade (Foreign Trade Association of Turkey)
Mehmet Ali YILDIRIMTÜRK	Member	Non-executive	Independent Member	31.05.2024	1 Year	Audit, Early Risk Detection Committee	Economist Author

In the Ordinary General Assembly Meeting held in 2024, 5 independent members who fully meet the criteria set forth by the Capital Markets Board's communique no. II-17.1 were elected. The Independent Members of Board submitted their independence declarations and background information to the Corporate Governance Board before the General Assembly Meeting. No incidents that would invalidate the independent status of our independent board members occurred in this activity period.

In accordance with the decision taken in the General Assembly meeting dated 07.04.2023, the Members of the Board were elected to serve for 3 years and in accordance with the decision taken in the General Assembly meeting dated 31.05.2024, the Independent Members of the Board were elected to serve for 1 year; and it was decided by the General Assembly decision that all members of the Board of Directors be allowed to carry out transactions in accordance with articles 395 and 396 of the Turkish Commercial Code and the Capital Market Board regulations.

With the objective of carrying out the duties and responsibilities of our Board efficiently, an "Audit Committee", a "Corporate Governance Committee" and an "Early Risk Detection Committee" were established in line with Board decision 1351/12.41 dated 18.09.2012 and these committees conduct their activities as part of their specified operation principles. However, since a separate nomination committee and remuneration committee have not been established due to the structure of the Board, the corporate governance committee carries out the duties of these committees. No conflicts of interest occurred in the committees in 2024.

The tasks, principles of work and which members will comprise the committees is determined by the Board and disclosed on Public Disclosure Platform (PDP).

The managing director is not assigned to any of the committees.

The utmost care is taken to make sure that one Board member is not assigned to more than one committee but members who have to serve on more than one committee due to the structure

providing communication between the committees that serve in related matters and increase the ability to cooperate. The Board of Directors is of the opinion that the benefits expected from the committee's work are being provided.

All kinds of resources and support, which are required for the committees to fulfil their duties, are provided by the Board. The committees invite people who they deem necessary, to the meetings and obtain their views.

Committees utilize independent expert opinions on subjects they require concerning their operations. The fees for consultation which is needed by the committee are covered by the company. However, in such a case, information about the person/company service is being acquired from and whether or not this person/company has any relation with the company is included in our annual report.

Decisions that are made as a result of the independent work done by our committees are presented to the Board of Directors and the final decision is made by the Board of Directors. Committees put all their work into writing and keep records. Our committees meet at the frequency that is deemed necessary and explained in the working principles. Committees present reports containing information about their work and results of meetings to the Board of Directors.

#### **4.4. Nature of Board Meetings**

Our Board of Directors meets at least once a month as part of the provisions of the articles of association. The President negotiates with the other Members and the Managing Director to determine the agenda of the Board meeting. Members make every effort to attend every meeting and voice their opinions at the meetings. All members of the Board physically attended the majority of the board meetings. Work has been started to make sure remote participation can be made possible through technological means and this has been included in the articles of association.

The Board of Directors sets a minimum period for the members of the Board to be provided with information and documents regarding the items of the agenda before the meeting is held. The opinions of members who did not attend the meeting but submitted their views in writing are submitted to the attention of other members.

Each member has one vote on the board.

How the Board of Directors meetings are to be held has been organized and also an internal guideline has been prepared as part of the TCC and relevant regulations. In 2024, the Board of Directors met 26 times.

The Board Members shall always consult to the Chairman and ask for matters to be added to the agenda.

The Independent Members of the Board have positive votes on the Board decisions concerning related party processes presented to the Members of the Board for approval.

The issues on the agenda in Board meetings are openly discussed in every aspect. The President does the best to make sure that nonexecutive members actively attend the Board meetings. Board members shall record their reasonable and detailed justifications for opposing votes on issues they disagree with in the decision record. The minutes of the Board meeting shall indicate that all items on the agenda are discussed, and records shall include the opposing views as well.

Members of the Board shall set aside sufficient time for company work. If the member of the Board is an administrator or board member in another company or provides consultation in another company, it is essential that this situation does not cause a conflict, interests or disruptions in the member's work in this company. Members of the Board are not restricted in assuming other duties outside of the company.

#### **4.5 Committees Built Under the Board of Directors**

Independent members of the Board are assigned to more than 1 committee. Members who have to serve on more than one committee shall enable communication between the committees that serve in related matters and increase the ability to cooperate. The committees invite people whose views were deemed necessary to be heard to the meetings and hear their views.

#### **The Audit Committee**

Our audit committee monitors the Company's accounting system, the disclosure of financial information to the public, independent auditing and the operation and efficiency of the internal control and auditing system. At least one of the members of the committee in charge of auditing shall have 5 years of experience in auditing/accounting and finance.

The independent audit company that our company will obtain services from and the services to be obtained from this company are determined by the audit committee and presented to the board for approval. The Company accounting and internal audit system, investigation and conclusion of complaints received by the Company concerning internal audit and the methods and criteria to be applied in the evaluation of disclosures concerning Company employees, Company accounting and independent audit as part of confidentiality principles are determined by the audit committee. The audit board makes an evaluation of the annual and interim financial statements to be disclosed to the public and their compliance with the accounting principles followed by the company and their accuracy and submits the evaluations along with the opinions of company administrators and independent auditors, in writing to the Board. The audit committee met 5 times in 2024, and the results of these meetings were recorded, and decisions were presented to the board of directors. Explanations of the activities and meetings results of the audit committee are provided in the annual report. The number of the audit committee's submission with written notification to the board within the accounting period is included in the annual report.

## The Audit Committee

Name-Surname	Position in the Company	Duty on the Committee
Ayhan ZEYTİNOĞLU	Independent Member of the Board	President
Mehmet Nazmi ERTEN	Independent Member of the Board	Member
Virma SÖKMEN	Independent Member of the Board	Member
Mehmet Ali YILDIRIMTÜRK	Independent Member of the Board	Member
İlfeta AKSOY	Independent Member of the Board	Member

## Corporate Governance Committee

Our corporate governance committee determines whether or not corporate governance principles are being implemented in our company, if not the reasons for not implementing and the conflicts of interest that are generated by not fully complying with these principles, they make recommendations to the board to improve the implementation of corporate governance applications and monitor the work of the investor relations department.

Name-Surname	Position in the Company	Duty on the Committee
Mehmet Nazmi ERTEN	Independent Member of the Board	President
Turgay SOHOGLU	Member of the Board	Member
Bekir MENETLİOĞLU	Member of the Board	Member
Fatma Burcu CESUR	Member of the Board	Member
İlfeta AKSOY	Member of the Board	Member
Şefiye Yayla	Investor Relations Manager	Member

## Nomination Committee (within our Corporate Governance Committee)

The duties of this committee include forming a transparent system for selecting, evaluating and training suitable candidates for the Board and management positions with administrative responsibility, determining policies and strategies on this subject, making regular assessments of the structure and productivity of the Board and submitting suggestions to the Board on changes that could be made to these subjects.

## Remuneration Committee (within our Corporate Governance Committee)

This committee determines the principles, criteria and applications to be used in the remuneration of the Members of the Board and managers with administrative responsibilities taking into account the long-term goals of the Company and monitors the application thereof. The committee presents recommendations for the wages to be paid to Board members and managers with administrative responsibility considering their degree of meeting the criteria used in remuneration to the Board.

## Early Risk Detection Committee

The risk assessment committee works to detect the risks that could endanger our company's existence, development and continuation, to take precautions concerning the detected risks and manage the risks; and reviews the risk management systems at least once a year. Additionally, the committee meets at least once every two months and gives reports to the Board on their work.

Name-Surname	Position in the Company	Duty on the Committee
Virma SÖKMEN	Independent Member of the Board	President
Mehmet Nazmi ERTEN	Independent Member of the Board	Member
Fatma Burcu CESUR	Member of the Board	Member
Mehmet Ali YILDIRIMTÜRK	Independent Member of the Board	Member

## 4.6 Financial Rights Given to the Members of the Board and Administrative Executives

The principles of remuneration for the members of the Board and administrative executives were put in writing and presented to the information of shareholders as a separate item on the agenda at the general assembly meeting dated 31.05.2024. Our partners are given the opportunity to submit their opinions on the subject.

Profit shares, profit options or payment plans based on the company's performance cannot be used in the remuneration of Independent Board Members. In fact, the wages of our independent board members are determined at a level that will maintain their independence. Our company has not provided credit facilities to any of the members of the board of directors or managers with administrative responsibilities, has not given loans or extended the term of the loan that was given, has not improved the conditions of loan, has not provided credit facilities under the title of a personal credit through third parties or has not given guarantees on behalf of these such as indemnity.

All other benefits acquired with the wages given to Board members and administrative staff were disclosed to the public via the annual report.

The wages, attendance fees and dividends from the annual profit of Board Members and administrative staff were put in writing. The criteria and remuneration principles were presented as a separate agenda subject in the General Assembly meeting dated 31.05.2024 and shareholders were given the opportunity to state their opinions. Decisions, which are made at a later date, are written on record and disclosed to the public. This information that is included in our annual report is also available on our website.

## **Risk Management and Internal Control Mechanism**

All of the strategic, operational, financial particularities and other aspects that are thought to create risks preventing our Company from achieving its short- and long-term targets are evaluated at every level of the organization starting from the Board of Directors' level. The Early Risk Detection Committee that is established for this purpose carries out activities in parallel with the objective of making recommendations and giving advice towards detecting, evaluating and managing, reporting all kinds of risks including strategic, financial, operational risks etc., that may have an impact on the Company and taking them into consideration in the decision-making mechanisms.

The internal audit system of the Company consists of job descriptions, authorization system, policies and documented procedures that were previously determined based on the workflows and processes. Our Company aims to achieve its targets on efficiency and effectiveness of operations, the reliability of its financial reporting system and assurance on the compliance to the legal regulations through implementation of an internal audit system. The internal audit system is regularly subjected to periodic evaluation by the Quality Assurance Department and effectiveness of the production operations is inspected. The Audit Committee has notified the Board of Directors in writing about its opinions on the election of the independent auditors for the year 2024 interim and annual financial statements to be disclosed to the public, accuracy and consistency of them with the accounting principles and actual figures and the decisions taken during the meetings held throughout the year.

## **Strategic Goals of the Company**

The goals and critical performance indicators that are in parallel with the Company's vision and mission are approved by the Board of Directors at the budget meetings which is organized at the end of the previous year. The Board of Directors reviews the results of activities and target indicators by comparing with the previous year's performance and target indicators in its ordinary meetings.

## INDEPENDENCE STATEMENT OF BOARD MEMBERS

I hereby declare that I am a candidate for assuming the role of an "Independent Member" in the Board of Directors of Sarkuysan Elektrolitik Bakır San. ve Tic. A.Ş (Company); as part of the criteria stipulated in the legislations, the articles of association of the Company and the Corporate Governance principles issued by the Capital Markets Board,

- Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and (i) the Company and (ii) the subsidiaries of Company, and (iii) shareholders who control the management of Company or who have significant influence in Company and legal persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,
- Within the last five years, I have not worked as an executive manager who would have important duties and responsibilities, or have not been a member of the Board of Directors or been a shareholder (more than 5%) particularly in the companies that provide auditing, rating and consulting services for the Company (including tax audit, legal audit, internal audit), and in the companies that the Company purchase products and services from or sells products and services to as part of the agreements signed,
- I do have the professional training, knowledge, and experience that will help me properly carry out the tasks and duties I will assume as a result of my independent membership on the Board,
- In accordance with the legislation, I will not be working full-time in public institutions and organizations (except working as an academician at the university) after being elected as a member,
- I am treated as a resident in Turkey in accordance with the Income Tax Law no 193 of 31.12.1960,
- I do have the strong ethical standards, professional standing and experience that will help me positively contribute to the activities of the Company and remain neutral in conflicts of interest between Company shareholders, and that will help me take decisions freely by taking the rights of the stakeholders into consideration,
- I will be able to spare the sufficient time for the activities of the Company to an extent that will help me pursue the activities of the Company and fulfil the requirements of my tasks and duties,
- I have not been a member of the Board of Directors of the Company for more than six years in total within the last decade,
- I have not been an independent member of the Board of Directors in more than three of the companies controlled by the Company or by the shareholders who control the management of the Company and in more than five of the publicly traded companies in total,
- I have not been registered and announced on behalf of the legal entity elected as member of the Board of Directors,

and therefore, I will fulfil my Board membership as an independent member.

Yours faithfully,  
Ayhan Zeytinoğlu



## INDEPENDENCE STATEMENT OF BOARD MEMBERS

I hereby declare that I am a candidate for assuming the role of an "Independent Member" in the Board of Directors of Sarkuysan Elektrolitik Bakır San. ve Tic. A.Ş (Company); as part of the criteria stipulated in the legislations, the articles of association of the Company and the Corporate Governance principles issued by the Capital Markets Board,

- Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and (i) the Company and (ii) the subsidiaries of Company, and (iii) shareholders who control the management of Company or who have significant influence in Company and legal persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,
- Within the last five years, I have not worked as an executive manager who would have important duties and responsibilities, or have not been a member of the Board of Directors or been a shareholder (more than 5%) particularly in the companies that provide auditing, rating and consulting services for the Company (including tax audit, legal audit, internal audit), and in the companies that the Company purchase products and services from or sells products and services to as part of the agreements signed,
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- I have not been registered and announced on behalf of the legal entity elected as member of the Board of Directors,

and therefore, I will fulfil my Board membership as an independent member.

Yours faithfully,  
Virma Sökmen

## INDEPENDENCE STATEMENT OF BOARD MEMBERS

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- Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and (i) the Company and (ii) the subsidiaries of Company, and (iii) shareholders who control the management of Company or who have significant influence in Company and legal persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,
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- I have not been registered and announced on behalf of the legal entity elected as member of the Board of Directors,

and therefore, I will fulfil my Board membership as an independent member.

Yours faithfully,  
İlfeta AKSOY

## INDEPENDENCE STATEMENT OF BOARD MEMBERS

I hereby declare that I am a candidate for assuming the role of an "Independent Member" in the Board of Directors of Sarkuysan Elektrolitik Bakır San. ve Tic. A.Ş (Company); as part of the criteria stipulated in the legislations, the articles of association of the Company and the Corporate Governance principles issued by the Capital Markets Board,

- Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and (i) the Company and (ii) the subsidiaries of Company, and (iii) shareholders who control the management of Company or who have significant influence in Company and legal persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,
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- I have not been registered and announced on behalf of the legal entity elected as member of the Board of Directors,

and therefore, I will fulfil my Board membership as an independent member.

Yours faithfully,  
Mehmet Nazmi ERTEN

## INDEPENDENCE STATEMENT OF BOARD MEMBERS

I hereby declare that I am a candidate for assuming the role of an "Independent Member" in the Board of Directors of Sarkuysan Elektrolitik Bakır San. ve Tic. A.Ş (Company); as part of the criteria stipulated in the legislations, the articles of association of the Company and the Corporate Governance principles issued by the Capital Markets Board,

- Within the last five years, no executive employment relation that would give important duties and responsibilities has been established between myself, my spouse, my second degree relatives by blood or by marriage and (i) the Company and (ii) the subsidiaries of Company, and (iii) shareholders who control the management of Company or who have significant influence in Company and legal persons controlled by these shareholders; and that I neither possess more than 5% of any and all capital or voting rights or privileged shares nor have significant commercial relations,
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- I do have the professional training, knowledge, and experience that will help me properly carry out the tasks and duties I will assume as a result of my independent membership on the Board,
- In accordance with the legislation, I will not be working full-time in public institutions and organizations (except working as an academician at the university) after being elected as a member,
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- I have not been registered and announced on behalf of the legal entity elected as member of the Board of Directors,

and therefore, I will fulfil my Board membership as an independent member.

Yours faithfully,  
Mehmet Ali YILDIRIMTÜRK

## **INFORMATION POLICY**

### **Purpose**

Sarkuysan Elektrolitik Bakır Sanayi ve Ticaret A.Ş. pursues a transparent and accurate policy that enables its shareholders to be informed precisely, clearly, accurately and simultaneously as part of relevant laws and the Capital Markets Board (CMB) Corporate Governance Principles. Any information, which is not regarded as a trade secret and can be legally disclosed, is publicly communicated.

The objective of the disclosure policy is to share past performance, strategies, targets except for confidential business information, and visions of the Company with the public, relevant authorities, existing and potential investors and shareholders through an active and open communication medium.

Sarkuysan complies with the regulations of CMB and the regulations of the Istanbul Stock Exchange (IMKB) regarding all public disclosure, and aims to follow the most accurate, fair, simultaneous, clear and efficient communication policy as part of CMB Corporate Governance Principles.

### **Authority and Responsibility**

The authority and responsibility to follow, monitor and develop Sarkuysan's policy of clarifying and informing the public is under the responsibility of the Board, whilst the Vice Managing Director (Finance), Accounting Department and Investor Relationships Department conduct the coordination of the disclosure function. Such authorities carry out their responsibilities in close cooperation with the Board and the Managing Director.

The Disclosure Policy approved by the Board is submitted to the consideration of shareholders at the General Assembly meeting and disclosed publicly through the corporate website.

### **Methods and Means of Public Disclosure**

The methods and means used to inform the public by Sarkuysan in accordance with the regulations of CMB and BIST and further with the appropriate provisions of the Turkish Commercial Code (TCC) are given below:

- Material Event disclosures (submitted online to the Public Disclosure Platform (PDP)),
- Financial statements, notes, independent audit reports and statements periodically disclosed on a quarterly basis (submitted online to PDP),
- Annual and interim reports,
- Corporate website ([www.sarkuysan.com](http://www.sarkuysan.com)),
- Prospectus, circular, invitation for general assembly and other documents disclosed through Central Registration System (CRS) and the Central Database Service Provider (CDSP) systems,
- Announcements and notices made in Turkish Trade Registry Gazette, and also in national and local newspapers that are widely circulated when necessary, press releases published in the press and mass media throughout the year parallel to the important developments,
- Means and methods of communication such as telephone, e-mail, fax, etc.,
- Announcements made through brochures and catalogues,
- Domestic and International fairs participated.

## **Public Disclosure of Material Events**

The material event disclosures of Sarkuysan A.Ş are prepared by the Financial Affairs Department and Investor Relations Department and submitted online to PDP by duly authorized directors. The relevant units carry out controls in connection with the publication of such disclosures on PDP.

Officials with administrative function are Board Members, Auditors, the Managing Director, the Assistant Managing Directors, Finance Department, Cost Accounting and other officials who make administrative decisions having an effect on future development and commercial objectives of Sarkuysan.

Such officials are announced in the Annual Report updated annually and on the corporate website. In the event that there are legal and commercial relationships between our Company and real & legal entities with which we directly or indirectly collaborate for capital management and audit purposes, the necessary disclosures are made pursuant to the appropriate provisions of CMB.

## **Public Disclosure of Financial Statements**

Financial statements and footnotes of Sarkuysan are prepared in consolidated form in accordance with the provisions set forth by the Public Oversight Accounting and Auditing Standards Authority (POA) of Turkey and Turkish Financial Reporting Standards (TFRS). Annual and semi-annual financial statements are subject to independent audit in accordance with Turkish Audit Standards before public disclosure. 3- and 9-month Financial Statements are also prepared in accordance with TFRS and publicly disclosed within a defined timeframe.

In accordance with the Capital Markets Legislation, prior to public disclosure of the financial statements and footnotes, they are submitted to the Board of Directors for approval upon the positive opinion of the Audit Committee. After attestation is granted at the meeting, financial statements, footnotes and the independent audit reports are submitted to BIST and CMB in accordance with the Capital Market Law and BIST.

Financial statements and footnotes that are disclosed on PDP are publicly announced simultaneously with PDP on our corporate website under a link titled BIST due to our agreement with Forex. In addition to that, data on financial statements are retrospectively stored for a period of five years under the heading "Annual Reports" in the Investor Relations section of the corporate website.

## **Public Disclosure of the Annual Report**

The content of yearly and interim Annual Reports is prepared in accordance with the Turkish Commercial Code, CMB legislation and CMB Corporate Governance Principles. Turkish Accounting Standards (TAS) and Turkish Financial Reporting Standards (TFRS) are applied to the annual report and financial statements.

Once Annual Reports are prepared, they are subject to the Board's approval and then reports are publicly disclosed through the corporate website three weeks prior to the General Assembly meeting and also communicated to PDP online. Investors may obtain a Turkish and English hard-copy version of the Annual Report from the Finance Department and Investor Relations Department.

## **Website**

The Sarkuysan website [www.sarkuysan.com](http://www.sarkuysan.com) is actively used by the Company in public disclosure as recommended by the CMB Corporate Governance Principles. The disclosures on the website do not take the place of notifications and material disclosures required by the Capital Markets Board. The website is prepared in Turkish and in English with the content and format set forth by the CMB Corporate Governance Principles.

In accordance with Article 1527 of the Turkish Commercial Code, a specific part of the corporate website is dedicated to legal announcements. This section is available through "Information Society Services" on our corporate website.

The Investor Relations part of our corporate website contains the Company's trade registration details, most recent shareholding and management structure, details of preferred shares, announcements, date and issue no of the Turkish Commercial Registry Gazette announcing the amendments to the Company's articles of association, Company's up-to-date articles of association, material event disclosures, annual reports, announcements for General Assembly meetings, sample agenda and power of attorney, list of attendance, meeting minutes, dividend distribution policy, disclosure policy, ethical rules of the Company, frequently asked questions and answers.

In the part "Sarkuysan on Istanbul Stock Exchange" on our website, all details about the Company posted on Istanbul Stock Exchange's corporate website are available. The corporate website further contains stock prices, charts, prices of some precious items as well as news about Sarkuysan and all other related news and exchange rates.

## **Announcements and Notices Published on the Turkish Trade Registry Gazette**

As required by the Capital Market Law, Turkish Commercial Code and the Company's Articles of Association; the announcements related to the General Assembly meeting, capital increase and dividend payment are published both in the Turkish Trade Registry Gazette and daily newspapers.

## **Statements on Exercising the Rights of Partnership**

Pursuant to CMB regulations, shareholders are informed about the General Assembly, Capital Increase, Dividend Payments, merger and appropriate matters through prospectuses and announcements.

The company's Ordinary General Assembly meetings are held every year within legal periods specified. The information and documents to be discussed during the General Assembly meeting can be listed as the List of Attendance, Annual Report, Auditor's Report, Balance Sheet, Statement of Income, minutes of meeting for the General Assembly and Amendments to the Articles of Association, if any.

## **Measures to Keep In-house Information Confidential Until Public Disclosure**

Sarkuysan A.Ş. employees with internal information and other relevant parties are informed about their liability to ensure confidentiality of internal information between the time when the information subject to a material event disclosure develops until it is announced on PDP.

In the event that it is determined that internal information has unintentionally been shared by people working for and on behalf of Sarkuysan A.Ş. with third parties, if it is concluded that the confidentiality of the information cannot be protected as part of CMB legislations, a material event disclosure is made immediately.

#### **DIVIDEND DISTRIBUTION POLICY**

- The annual profit of the Company is distributed as per the decision taken during the general assembly meeting in accordance with the Dividend Distribution Policy formulated in accordance with the Turkish Commercial Code, Capital Market Law, appropriate regulations and Company's articles of association.
- The Board determines its proposal for dividend distribution in line with appropriate legal provisions and by observing the sensitive benefit balance between shareholders and the Company.
- The decision of whether to distribute profit or not is taken during the General Assembly upon the proposal of the Board. The Board's proposal for dividend distribution is publicly disclosed together with the dividend distribution scheme, for which the format and content are defined by the Capital Markets Board, in line with CMB's regulations on the disclosure of material events, on the date when the agenda of the general assembly meeting is announced at the latest and then posted on the Company's corporate website.
- The dividend distribution process is initiated no later than the end of accounting period for which the general assembly meeting where dividend distribution is decided is held.
- The profit may be paid in instalments of equal or different amounts subject to the further appropriate decision taken at the general assembly meeting. The number and timing of instalments are determined during the general assembly meeting or by the board of directors authorized thereby.
- Instalment payments are distributed equally to all of the shares existing as of the date of payment pro rata their shares in capital, regardless of their dates of issuance and acquisition.
- The dividend per share is found by dividing the profit to be distributed to shareholders under the general assembly meeting decision by total number of shares.
- There is no share certificate granting any privilege for dividend share.
- Since the share certificates of the Company are registered on account as per the applicable regulations, dividend payments are deposited to Takasbank A.Ş. for further transfer to the accounts of shareholders with brokers and banks upon Central Registry's request on the date specified by the general assembly.
- Dividend distribution is affected in accordance with Turkish Commercial Code, Capital Market Law, applicable regulations and the Company's articles of association.
- The Company's Articles of Association should contain a specific provision for dividend distribution to Board members and Company's employees.
- The Company's articles of association should contain a provision to make donations. The limit of donation is designated defined during the general assembly meeting. Donations made within the given fiscal period are added to the distributable profit base. The donations and payments to be made are disclosed to the public as part of rules concerning public disclosure of material events and are presented to the partners in the ordinary general assembly.
- The dividend distribution policy is formulated in accordance with the Turkish Commercial Code, Capital Market Law appropriate legal regulations and the Company's Articles of Association and included in the annual report. Shareholders are informed accordingly during the general assembly meeting.
- In the event that it is proposed to make an amendment to the dividend distribution policy, the Board resolution on this matter and justification thereof are publicly disclosed in accordance with CMB's regulations on the public disclosure of material events.



<b>Guarantees / Pledges / Mortgages Assigned</b>	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>Amount (TL)</b>	<b>Amount (TL)</b>
<b>A. Total value of GMP assigned on behalf of the Company</b>	<b>4,860,053,522</b>	<b>4,535,076,815</b>
Sarkuysan A.Ş. Letter of Guarantees Given	2,181,720,397	2,839,107,277
Sarkuysan A.Ş. Surety Bonds Given	2,495,000,000	1,478,342,782
Sar Makina A.Ş. Letter of Guarantees Given	758,059	13,186,092
Sarda A.Ş. Letter of Guarantees Given	182,575,066	204,440,664
Aegean Free Trade Zone Letter of Guarantees Given		
<b>B. Total amount of the GMP assigned in favor of the corporations included under full consolidation</b>	<b>180,988,442</b>	<b>229,416,054</b>
Sureties	180,988,442	229,416,054
Mortgages		
<b>C. Total amount of the GMP assigned for securing debts of other 3rd persons in order to carry out ordinary business operations</b>		
<b>D. Total amount of other GMPs assigned</b>		
ii. Total amount of the GMPs assigned in favor of the other group companies that are not included under articles B and C		
iii. Total amount of the GMPs assigned in favor of 3rd persons that are not included under article C		
<b>Total</b>	<b>5,041,041,964</b>	<b>4,764,492,869</b>

## Contact Details

### Headquarters

Address : Emek Mahallesi Aşıroğlu Caddesi No: 147  
41700 Darıca / KOCAELI  
Phone : (0 262) 676 66 00 (20 lines)  
Fax : (0 262) 676 66 80  
(0 262) 676 66 81  
(0 262) 676 66 83  
E-mail : info@sarkuysan.com  
Website : www.sarkuysan.com

### Factory

Address : Beylikbağı Mah. Çelikoğlu Caddesi No:155  
41401 Gebze / KOCAELI  
Phone : (0 262) 653 26 04 (3 Lines)  
(0 262) 653 27 52 (7 Lines)  
(0 262) 653 45 07 (4 Lines)  
Fax : (0 262) 653 55 12  
(0 262) 653 27 59  
E-mail : plant@sarkuysan.com

### Tuzla Enamel Factory

Address : Birlik Organize Sanayi Bölgesi  
Batı Cad. No: 4 34953 Tuzla / ISTANBUL  
Phone : (0 216) 593 27 27 (pbx)  
Fax : (0 216) 593 27 33  
E-mail : [info@bemkawire.com.tr](mailto:info@bemkawire.com.tr)  
Website : [www.bemkawire.com.tr](http://www.bemkawire.com.tr)

### Gebze Enamel Factory

Address : Beylikbağı Mah. 343 Sokak No:6  
41401 Gebze / KOCAELI  
Phone : (0 262) 653 20 20 (pbx)  
Fax : (0 262) 654 29 85

### Store

Address : Perpa İş Merkezi, A Blok  
7. ve 8. Kat, No: 733-735  
34350 Okmeydanı / Şişli / ISTANBUL  
Phone : (0 212) 222 45 96 (2 Lines)  
Fax : (0 212) 221 98 77  
E-mail : sksper@sarkuysan.com

## **Branch Office**

### **Aegean Free Trade Zone Branch Office**

Address : Ege Serbest Bölgesi Nilüfer Sok. No: 19 Gaziemir / İZMİR  
Phone : (0 232) 251 57 51  
(0 232) 258 00 26  
Fax : (0 232) 251 72 78  
E-mail : sksege@sarkuysan.com

## **Agency**

### **Sarkuysan S.P.A.**

Address : Via Caracciolo 30  
20155 Milan / ITALY  
Phone : (0039) 0234592237  
Fax : (0039) 0234592189  
E-mail : italia@sarkuysan.com

## **Subsidiaries and Affiliates**

### **Demisaş Döküm Emaye Mamulleri San. A.Ş.**

#### **Headquarters**

Address : Emek Mah. Aşıroğlu Cad. No: 147  
41700 Darıca / KOCAELİ  
Phone : (0 262) 677 46 00 (pbx)  
Fax : (0 262) 677 46 99  
Website : www.demisas.com.tr

#### **Factory**

Address : Vezirhan Beldesi, (11130) / BİLEÇİK  
Phone : (0 228) 233 10 14  
Fax : (0 228) 233 12 46  
E-mail : info@demisas.com.tr

### **Sarmakina San. ve Tic. A.Ş.**

#### **Headquarters and Factory**

Address : Osmangazi Mah. Kanuni Sok. No: 12  
41700 Darıca / KOCAELİ  
Phone : (0 262) 653 90 82 (pbx)  
Fax : (0 262) 653 90 89  
E-mail : info@sarmakina.com.tr  
Website : www.sarmakina.com.tr

**Sarda Dağıtım ve Tic. A.Ş.**

Address : Emek Mahallesi Aşıroğlu Caddesi No: 147  
41700 Darıca / KOCAELI  
Phone : (0 262) 654 01 21 (pbx)  
Fax : (0 262) 654 00 01  
E-mail : sarda@sarkuysan.com

**Bektaş Bakır Emaye Kablo San. ve Tic. A.Ş.**

Address : Emek Mah. Aşıroğlu Cad. No: 147 41700 Darıca / KOCAELI  
Phone : (0 262) 676 66 95  
Fax : (0 262) 676 66 85  
E-mail : bektasemaye@sarkuysan.com

**Germany Office**

Address : Bernier Allee 40,D-40212 Düsseldorf  
GERMANY  
Phone : +49 (0) 211 8632487-0  
Fax : +49 (0) 211 8632487-9

**Italy Office**

Address : Via Caracciolo, 30  
20155 Milan / ITALY  
Phone : +39 (02) 34592237  
Fax : +39 (02) 34592189  
E-mail : bemka@bemka.it

**Sark Wire Corp.**

Address : 120 Industrial Park Road Albany, NY 12206 USA  
Phone : 001 518 453 4199  
Fax : 001 518 453 4166  
E-mail : marketing@sark-usa.com  
Website : www.sarkwire.com

**Sark Bulgaria AD.**

Address : Shumen 9700 Second Industrial Zone No: 1  
Phone : 00 359 89 540 3003  
Fax : 001 518 453 4166  
E-mail : project@sarkuysan.com

**CRW Metal Sanayi ve Ticaret A.Ş.**

Address : Halil Rıfat Paşa Mah. Yüzer Havuz Sk. Perpa Ticaret Merkezi  
A Blok No 1 İç Kapı No: 733 Şişli / ISTANBUL  
Phone : (0 212) 222 45 96 (pbx)  
Fax : (0 212) 221 98 77