

ZORLU ENERJİ DECLARATION FOR LSEG GOVERNANCE PRACTICES

Introduction

This declaration outlines the steps Zorlu Enerji has implemented in the governance context for its ESG rating efforts and serves as a supplement to other corporate resources (such as the annual report, articles of association, etc.). Aligned with Zorlu Enerji's relevant corporate resources, this declaration covers application questions based on the ESG Rating Methodology defined by LSEG for the BIST25 Sustainability Index. The practices contained herein are not subject to any time limitations. ESG scoring headlines are taken into consideration. Declaration series are approved by Zorlu Enerji Top Management.

Paper No: 1

1. Board Structure & Committee

- External Consultants

Explanation of Requirement: The Board and its committees shall independently hire external consultants without requiring management's consent.

Implementation:

Zorlu Enerji board members have unrestricted access to corporate management at all times, exercising careful judgment to ensure that such interactions do not interfere with the Zorlu Enerji's business operations. Throughout the year, the Board and each of its committees retain the authority to engage independent legal, financial, or other advisors as deemed necessary, without the need for prior consultation with or approval from any Zorlu Enerji officer.

2. Management

- Policy Executive Retention

Explanation of Requirement: The Company's Compensation program shall be based on attracting and retaining skilled employees, which is same for executives as well.

Implementation:

Zorlu Enerji Executive Retention Policy

Our company has implemented a comprehensive Compensation Policy designed to attract, motivate, and retain high-caliber executives and key talent at all levels of leadership, including Board members, executive directors, prospective executives, and mid-level managers. This policy forms a cornerstone of our commitment to fostering sustainable growth and long-term success for the company by ensuring that we maintain a leadership team with the necessary skills, experience, and dedication.

The Compensation Policy is structured to align with the following core objectives:

- **Attraction and Retention:** To attract and retain employees, particularly those with the skills, attributes, and experience essential to driving our business's growth and success.
- **Motivation and Engagement:** To motivate executives and leaders to perform at their highest level, ensuring alignment with the company's strategic goals and long-term vision.
- **Equitable Remuneration:** To provide a fair and competitive remuneration framework for all executives and key managers, with particular focus on the CEO, executive directors, and non-board executives.

In this structure, Zorlu Enerji applies uniform principles to remuneration across leadership levels, encompassing not only base compensation but also performance-based incentives and benefits packages designed to recognize both short- and long-term contributions.

- **Compensation Improvement Tools**

Explanation of Requirement: The company shall have the necessary internal improvement and information tools for the board members to develop appropriate compensation/remuneration to attract and retain key executives.

Implementation:

Compensation Improvement Tools for Zorlu Enerji

Zorlu Enerji is committed to ensuring that the compensation and remuneration structures for key executives are both competitive and strategically aligned with market standards. To this end, we have established robust internal tools and processes that empower our HR Directorate to effectively set and adjust executive pay. This includes the ability to engage external consultants who provide independent insights on executive remuneration.

The Corporate Governance Committee has the right to hire external consultants or advisors, exclusively for determining executive-level compensation, ensuring that our compensation packages are market-aligned and competitive. For example, our Human Resources department works in collaboration with external firms such as Mercer and KF, a specialized compensation consulting firm. Mercer and KF provides valuable insights by offering market comparisons and benchmark data for executive roles, based on comprehensive survey data from related database. This partnership enables us to access up-to-date compensation ranges that reflect broader market trends, supporting informed decision-making for executive pay structures.

The engagement of external consultants is strictly limited to executive remuneration and does not extend to non-executive compensation. Furthermore, only compensation-related services are requested from these consultants to maintain focus on executive retention and motivation.

3. Anti-Takeover Devices

- Limited Shareholder Rights to Call Meetings

Explanation of Requirement: The company shall limit the rights of shareholders to call special meetings.

Implementation:

Limited Shareholder Rights to Call Meetings for Zorlu Enerji

In Zorlu Enerji, Turkish Commercial Code is implemented in related topic. According to code, shareholders have the authority to call for an extraordinary meeting.

Article 411- (1) Shareholders holding at least one-tenth (10%) of the company's capital (or one-twentieth for publicly traded companies) may request the board of directors, in writing, to convene a general meeting, stating their reasons and proposed agenda. If the articles of association allow, this right may be granted to shareholders with a smaller holding.

(2) Requests for agenda items must reach the board of directors before the notice to convene is published in the Turkish Trade Registry Gazette, and the announcement fee must be paid in advance.

(3) The request for a meeting or additional agenda items must be made through a notary.

(4) If the board accepts the request, the general assembly shall be convened within 45 days at the latest. Otherwise, the shareholders themselves may issue the call.

- Advanced Notice Period Days

Explanation of Requirement: The company shall report the minimum interval prior to the next shareholder meeting beyond which a shareholder proposal will not be accepted.

Implementation:

Under the Turkish Commercial Code, specifically Articles 411 and 414, shareholders must meet certain timelines for general assembly agenda items:

Agenda Addition by Shareholders (Article 411): Shareholders constituting at least one-tenth of the capital and one-twentieth of the publicly traded companies may request the board of directors to call the general

assembly meeting or, if the general assembly is already to be convened, to put on the agenda the issues they want to be resolved, by stating the necessary reasons and the agenda in writing. With the articles of association, the right of call may be granted to the shareholders with a smaller number of shares.

Minimum Notice for General Assembly Calls (Article 414): The general assembly is called to the meeting as indicated in the articles of association, by an announcement published on the company's website and in the Turkish Trade Registry Gazette. This call is made at least two weeks before the meeting date, excluding the announcement and meeting days. The day of the meeting and the newspapers in which the announcement is or will be published are notified by registered letter with return receipt.

Based on these requirements, shareholder proposals for agenda items are effectively required at least 14 days prior to the general assembly meeting date.

- **Elimination of Cumulative Voting Rights**

Explanation of Requirement: The companies shall reduce/eliminate cumulative voting in regard to the election of board members.

Implementation:

Zorlu Enerji shareholders do not have cumulative voting rights.

- **Pre-emptive Rights (TRUE)**

Explanation of Requirement: The companies shall grant pre-emptive rights to existing shareholders.

Implementation:

According to the Turkish Commercial Code, each shareholder has the right to acquire newly issued shares in proportion to their existing shareholding. Zorlu Enerji implements pre-emptive rights for shareholders. Additionally, in capital increases, A Group shares are issued in return for A Group shares, and B Group shares are issued in return for B Group shares. If A Group shareholders do not exercise their pre-emptive rights, the newly issued shares will only be B Group shares.