



Corporate Governance Compliance Rating Report



AstorEnerji A.Ş.

13 March 2025

Validity Period 13.03.2025-13.03.2026

LIMITATIONS

This Corporate Governance Rating Report, issued by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for **ASTOR ENERJİ A.Ş.**

has been prepared by considering Communiqué Amending the "Corporate Governance Communiqué (II-17,1) (II-17,1.a)" published in the Official Gazette No. 31262 on October 02 2020, by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated January 03 2014 and numbered 28871

The criteria established for the companies whose shares are traded at BIST are organized separately as First Group, Second Group and Third Group companies and investment partnerships, taking into consideration the group distinctions stated by CMB's Corporate Governance Principles in Item 2 - Article 5 of communiqué no II-17.1, published in the Official Gazette on 03.01.2014.

The Corporate Governance Compliance Rating Report prepared by KOBIRATE Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. has been issued by considering the documents and information contained within 106 files submitted electronically by the relevant company, data publicly disclosed via the company's official website, the Independent Audit Report dated 03.03.2025 by Eren Bağımsız Denetim A.Ş. regarding the 2024 operating results, and examinations and interviews conducted with the relevant company through our experts.

Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. has formulated its Ethical Rules according to the Banking Act, the CMB and BRSA Directives on the Operations of Rating Companies, generally accepted ethical rules of the IOSCO and OECD including generally accepted ethical customs, which is shared with the public through its Internet website (www.kobirate.com.tr).

Although the rating is an assessment based on numerous data, it is consequently the institutional opinion of Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. formed according to the methodology disclosed.

The rating grade does not constitute a recommendation to purchase, to hold or to dispose of any kind of borrowing instrument. KOBİRATE A.Ş. may not be held liable for any losses incurred or investments made to the company referring to this report.

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TABLE OF CONTENTS

1. Rating Result	3
2. Rating Summary	5
3. Rating Methodology	7
4. Company Profile	10
5. Sections of the Rating Process	
A. Shareholders	17
a. Facilitating the Exercise of Shareholders Rights	18
b. Right to Obtain Information and to Examine	18
c. Right to Attend the General Assembly	18
d. Voting Right	20
e. Minority Rights	20
f. Dividend Right	20
g. Transfer of Shares	21
B. Public Disclosure and Transparency	22
a. Corporate Website	23
b. Annual Report	23
C. Stakeholders	25
a. Corporation's Policy on Stakeholders	25
b. Supporting Participation of Stakeholders in Corporation's Management	26
c. Human Resources Policy of the Corporation	26
d. Relations with Customers and Suppliers	27
e. Ethical Rules, Social Responsibility	27
f. Sustainability	28
D. Board of Directors	29
a. The function of the Board of Directors	30
b. Principles of Activity of the Board of Directors	30
c. Structure of the Board of Directors	30
d. Procedure of Board of Directors Meetings	31
e. Committees Formed within the Structure of the Board of Directors	31
f. Financial Rights Provided for Members of the Board of Directors and Executives	33
6. Corporate Governance Compliance Grades and Descriptions	34



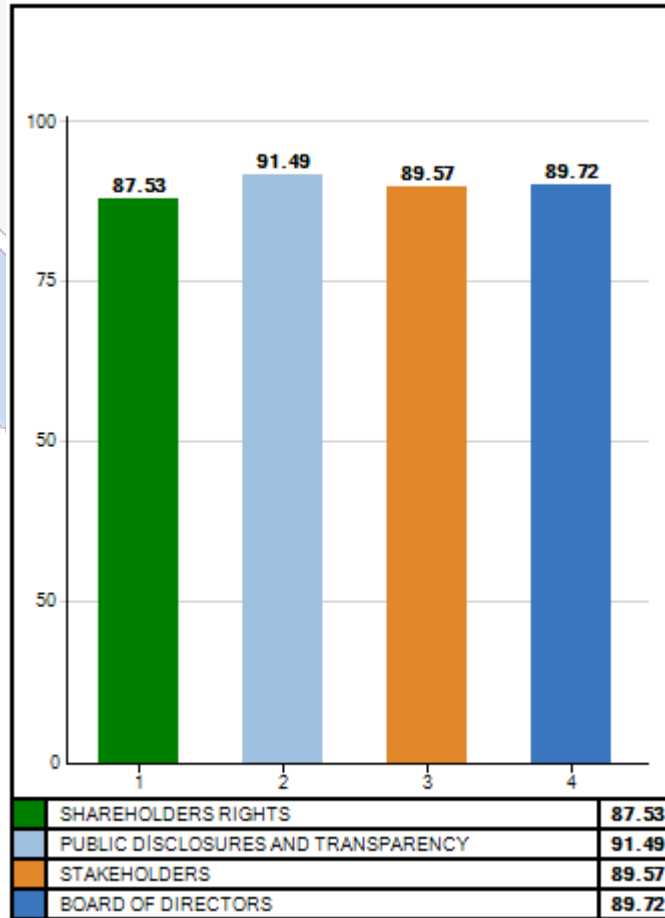
ASTOR ENERJİ A.Ş.

1- RATING RESULT

BIST FIRST GROUP COMPANY

CMB CORPORATE GOVERNANCE
PRINCIPLES COMPLIANCE GRADE

8.96





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Corporate Governance Compliance Rating Committee

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2- RATING SUMMARY

This report, concerning the rating of ASTOR ENERJİ A.Ş.'s compliance with Corporate Governance Principles, has been prepared based on documents and information contained within 106 files submitted electronically by the company, examinations performed on these documents, interviews conducted with managers and relevant individuals, publicly available information, as well as other detailed reviews and observations. The study has been held in accordance with the Corporate Governance Compliance Rating Methodology developed by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.

In the methodology and rating process, in addition to the Capital Markets Board's Corporate Governance Communiqué No. II-17.1, the Communiqué Amending the "Corporate Governance Communiqué (II-17.1) (II-17.1.a)" published by the Board has been considered in addition to the regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105.

According to the decision of the Board decision body dated 16.01.2025 and numbered 3/76, ASTOR ENERJİ A.Ş. is included in the BIST 1st Group Companies list. The Company has been evaluated through examination of 456 criteria described in Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş.'s methodology of "BIST 1st Group Companies".

At the end of the examination of criteria under the main headings of Shareholders, Public Disclosure and Transparency, the Stakeholders, and the Board of Directors, the Corporate Governance Compliance Rating Grade of ASTOR ENERJİ A.Ş. has been determined as **8.96**.

This result signifies that ASTOR ENERJİ has achieved a significant level of compliance with

CMB's Corporate Governance Principles and deserves to be on the BIST corporate governance index.

The Company complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are operational and in place, although some improvements are required. Potential risks to which the Company may be exposed are identified and can be managed. The rights of the shareholders are impartially taken care of. Public disclosure transparency activities are conducted at a good level. The interests of the stakeholders are fairly considered. The composition and operational conditions of the Board comply with the Corporate Governance Principles. Some improvements are needed in compliance with the Corporate Governance Principles, even though they do not constitute serious risks.

In view of the rating process under main headings in brief;

It has been seen that the Company has obtained the grade of **87.53** in the Shareholders Section and achieved good level of compliance with CMB Corporate Governance Principles. Existence of Investor Relations Department to conduct healthy relationship with shareholders, duly convention of general assemblies, preparation of dividend policy and having no restrictions on transfer of public shares are among positive policies.

ASTOR ENERJİ has achieved the grade of **91.49** for the section of Public Disclosure and Transparency. It has prepared disclosure policy and revealed it to public. Its corporate website has been designed to allow investors easy access to the information they require, as described by Principles.

The annual report's content is sufficient and information is given in a graphic and easy-to-understand format. It has been determined that the Company is in compliance with the

principles in the field of public disclosure and transparency.

The Company has obtained **89,57** in the Stakeholders section.

The Company has achieved significant compliance with CMB's Corporate Governance Principles in this section. A human resources policy has been established, and topics concerning employees such as recruitment, job descriptions, performance evaluation, promotion, rewards, leave, and social benefits have been organized in the form of contracts and regulations and communicated to the employees. With the Board of Directors' resolution dated 27.03.2023, the Astor Enerji A.Ş. Disciplinary Directive has entered into force, and accordingly, a Disciplinary Committee has been established and commenced its activities.

Work processes and standards have been established and it has been observed that customers and suppliers are informed about these processes.

Methods to procure products and services from outside have been determined and put into written documents.

The company's Code of Ethics and Implementation Principles Directive was established on 03.08.2021, and employees have been adequately informed to ensure compliance with these rules. There are statements about sustainability and corporate social responsibility activities both in the annual report and on the corporate website.

In the Board of Directors section, it is observed that the company has achieved a score of **89.72** and complies with the CMB's Corporate Governance Principles. However, the company still requires certain improvements.

It has been confirmed that the Board of Directors has set Company's strategic goals, audits performance of company management and pays further attention for company affairs

to be in compliance with the legislation, the Articles of Association and internal regulations.

The duties of the Chairman of the Board of Directors and General Manager are carried out by different people.

The Board of Directors convenes regularly. Meeting procedures are written in the Articles of Association and internal regulations.

The Audit, Corporate Governance, Early Risk Detection and Remuneration Committees, referred to by the Principles, have been established, and their working principles have been prepared as written documents.

Determining the remuneration principles for the Board of Directors and senior executives and publishing these on the company's corporate website have been seen as positive practices in terms of compliance with corporate governance principles.

Financial liability insurance has been partially provided to cover potential damages resulting from faults committed by board members during their duties. The renewed financial liability insurance policy was disclosed on the Public Disclosure Platform on 12.03.2025.

The board includes two independent members but currently has no female members.

3- RATING METHODOLOGY

The Corporate Governance Compliance Rating is a system which audits whether the firm's management structures and management styles, the arrangements for shareholders and stakeholders and the process of informing in transparency and accuracy are performed in accordance with the modern corporate governance principles and which assigns a grade corresponding to the existing situation.

Organization for Economic Co-operation and Development (OECD) established a working group in 1998 in order to assess member countries' opinions on corporate governance and to prepare some non – binding principles.

The fact that principles are open to change in time was also accepted at this work. Although at first these principles were focused on the companies whose shares were quoted in stock exchange, it was emphasized by OECD that it would be also useful to implement these principles in public enterprises and companies whose shares were not quoted in stock exchange.

In 1999, OECD Corporate Governance Principles were approved at the OECD Meeting of Ministers and published. Since then, these principles have been regarded as international references for the decision – makers, investors, shareholders, companies and stakeholders throughout the world.

Since their approval, these principles have kept the concept of corporate governance on the agenda and become guidelines for the laws and regulations of OECD members, as well as other countries. The Corporate Governance Principles, first announced by the OECD in 1999, were updated for the first time in 2004 and took their final form in Istanbul on April 10, 2015, during Turkey's G20 Presidency.

There are four basic principles of corporate governance in OECD Corporate Governance Principles. These are: fairness, transparency, accountability and responsibility.

Turkey has been closely monitoring these developments. A working group established within TUSIAD in 2001 prepared the guide titled "Corporate Governance: The Best Implementation Code." Then, CMB issued "Capital Market Board Corporate Governance Principles" in 2003 and updated it in 2005, 2010, 2012, 2013, 2014 and 2020 according to international developments in this field.

Obligation to comply with CMB's Corporate Governance Principles, based on the principle of "comply or explain," and to declare it became part of companies' lives in 2004. Putting the Declaration of Compliance to Corporate Governance in the annual reports became obligatory the following year.

The CMB has decided to create a new corporate governance reporting framework, and the new framework has been shared with the public with the Capital Markets Board Bulletin dated 10.01.2019 and numbered 2019/2 and the announcement dated 11.01.2019. Within the scope of the new reporting framework, it has been decided that the explanations will be made in the following order. Disclosure of the Compliance Report Format ("CRF") to report compliance with voluntary principles and disclosure of the Corporate Governance Information Form ("CGIF") to provide information on current corporate governance practices. In accordance with the Turkish Commercial Code and the CMB's Corporate Governance Communiqué (II-17.1), CRF and CGIF must be announced on the Public Disclosure Platform at least three weeks before the date of the general assembly meeting on the same date as the annual activity reports, and before the due date of the announcement period of the annual financial reports on the Public Disclosure Platform.

The Communiqué on Amending the "Corporate Governance Communiqué (II-17.1)" published in the Official Gazette numbered 31262 on October 02, 2020, by the Capital Markets Board (II-17.1.a) and regulations regarding the

voluntary sustainability principles compliance framework were included.

The compliance framework has been published on the Capital Markets Board website. The Sustainability Compliance Framework is examined under the Headings A- General Principles B- Environmental Principles C- Social Principles D- Corporate Governance Principles.

The practice has been determined according to the "Comply or Explain" principle. It is anticipated that the annual reports include whether the sustainability principles are applied or not, and if not, a reasoned explanation and an explanation of the effects that have occurred. In case of a significant change during the period, it is anticipated that the relevant change will be included in the interim annual reports.

The principles are grouped under four main headings, namely: the Shareholders, Public Disclosure and Transparency, Stakeholders and the Board of Directors.

The Corporate Governance Compliance Rating Methodology, revised in February 2022, has been prepared by Kobirate A.Ş. for companies whose shares are traded on BIST, banks, investment partnerships and non-quoted companies.

It has been prepared by considering Communiqué Amending the "Corporate Governance Communiqué (II-17.1) (II-17.1.a)" published in the Official Gazette No. 31262 on October 02, 2020 by the Board, as well as regulations regarding the voluntary sustainability principles compliance framework and the board decisions taken at the CMB's board meeting dated 01.02.2013 and numbered 4/105 in addition to the criteria specified in the "Corporate Governance Communiqué No. II-17.1" of the Capital Markets Board published in the Official Gazette dated January 03 2014 and numbered 28871.

In this analysis, the full compliance of workflow and analysis technique with Kobirate A.Ş.'s Ethical Rules is considered.

456 criteria are used in the rating process for BIST 1st Group Companies in order to measure the compliance of firms with corporate governance principles. These criteria are translated into "Corporate Governance Rating Question Sets" through Kobirate A.Ş.'s unique software PERFECRATE.

The weighting scheme for the four main sections in the new Corporate Governance Compliance Rating, determined by CMB's memorandum dated 12.04.2013 and numbered 36231672-410.99 (KBRT)-267/3854, is applied completely by Kobirate A.Ş. The weightings are as follows:

Shareholders 25 %
Public Disclosure and Transparency 25 %
Stakeholders 15 %
Board of Directors 35 %

CMB decision dated 01.02.2013 and numbered 4/105 states that in case the minimum requirements of corporate governance principles are met, 85 % of full points can be given at most for that principle, and it is required to add new questions/methods into the methodology in order to ensure that good corporate governance principles, which go beyond meeting the minimum requirements are included in the rating grade. Our company has been informed about this requirement by CMB notification dated 19.07.2013 and numbered 36231672-410.99 (KBRT) 452.

In the FEBRUARY 2022 revised corporate governance compliance rating methodology, created by our company, the grade that can be given to a related criterion in that subsection for meeting minimum requirements of corporate governance principles, stated by CMB Communiqué of Corporate Governance published on 03.01.2014 is restricted to 85% of the full points.

A rating is made with a system that completes the section grades up to 100 by the company's compliance and implementation of the corporate governance practices, which include the good implementation and internalization of the criteria determined in the corporate

governance principles, and the different good corporate governance practice criteria determined by our company.

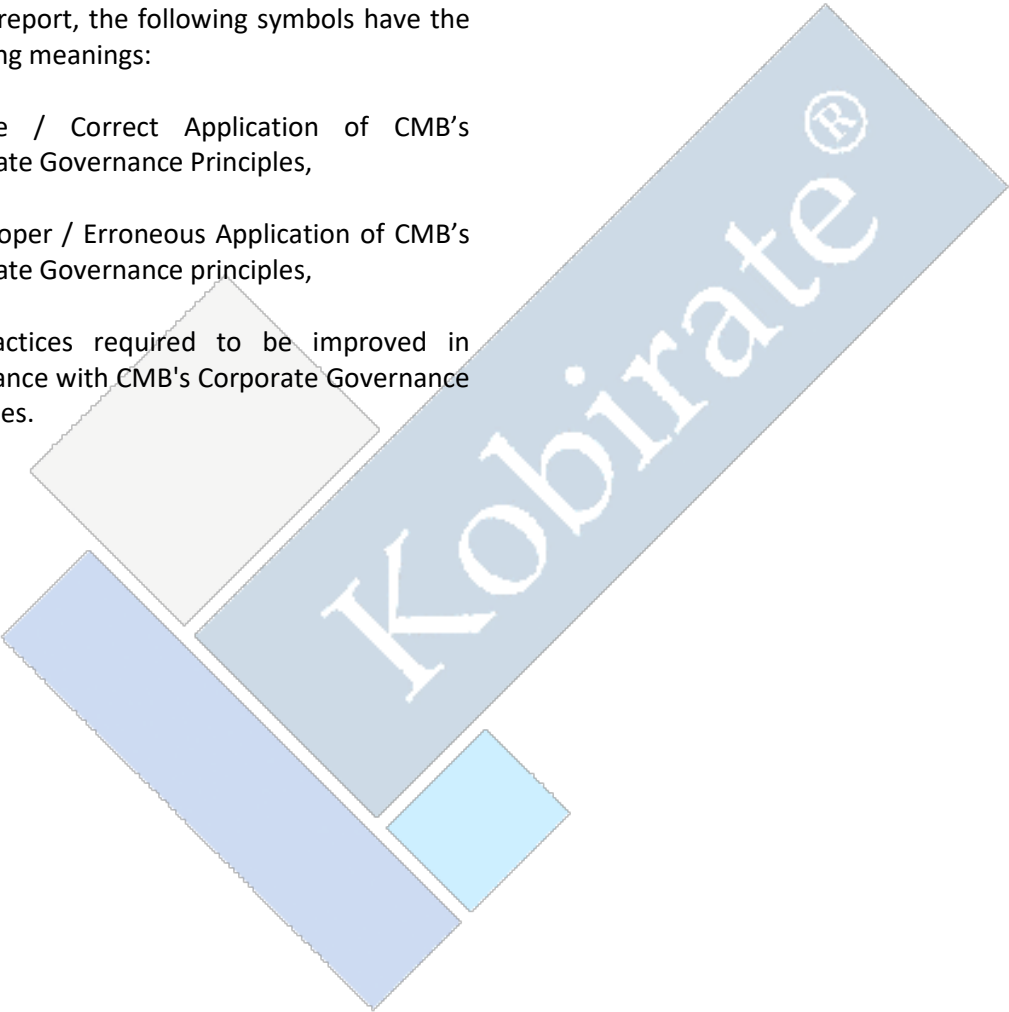
The grade to be assigned by the Corporate Governance Rating Committee to the firm ranges between 0-10. In this scale of grade, "10" points mean excellent, full compliance with CMB's Corporate Governance Principles while grade "0" means that there is no compliance with CMB's Corporate Governance Principles, in any sense, in the existing weak structure.

In this report, the following symbols have the following meanings:

✓ Due / Correct Application of CMB's Corporate Governance Principles,

✗ Improper / Erroneous Application of CMB's Corporate Governance principles,

✓/*Practices required to be improved in compliance with CMB's Corporate Governance Principles.



4- COMPANY PROFILE



Company Name : ASTOR ENERJİ A.Ş.
Company Address (HQ) : ALCI OSB MAHALLESİ 2001 CADDE A BLOK NO:5/A SINCAN/ANKARA
Company Phone : 0 (312) 267 01 56
Company Fax Number : 0 (312) 267 00 34
Company's Web Address : www.astoras.com.tr
Email : info@astoras.com.tr
Date of Incorporation : 29.07.1983
Trade Registry Number: : ANKARA 371935
Paid-in Capital : 998,000,000 TL
Line of Business : The company manufactures transformers and medium- and high-voltage switching products required by industrial facilities and the electricity generation, transmission, and distribution energy sectors. It also carries out activities related to the import, export, purchase, and sale of machinery, equipment, raw materials, finished goods, and semi-finished goods necessary to perform these productions. Additionally, it provides field installation, commissioning, and field-testing services as part of the after-sales services for the products it manufactures.
Company's Sector : Manufacturing / Metal Goods, Machinery, Electrical Equipment and Transportation Vehicles
Market where the Capital Market Instrument is Traded : YILDIZ PAZAR
Indices in which the company is included: BIST 30 / BIST 50 / BIST 100 / BIST 500 / BIST YILDIZ / BIST HALKA ARZ / BIST METAL EŞYA, MAKİNA / BIST SİNİAİ / BIST TÜM / BIST ANKARA

Company's Representative in Charge of Rating:

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Senior Investor Relations Specialist

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ASTOR ENERJİ A.Ş.

Quality of Shareholder Structure

Shareholder Name	Share(TL)	Share(%)	Share in Voting Right %
FERİDUN GEÇGEL	671,150,000	67.25	80.52
ASTOR HOLDİNG A.Ş.	49,950,000	5.01	2.98
Public	276,900,000	27.74	16.5
TOTAL	998,000,000	100.00	100

Source: www.kap.org.tr

The company's shares began trading on BIST on 18.01.2023. The company's registered capital ceiling is divided into 4,250,000,000 shares, each with a nominal value of 1 (one) TL. The registered capital ceiling authorization granted by the CMB is valid for the years 2022-2026 (5 years). The company's issued capital amounts to 998,000,000 TL, which has been fully paid without any collusion. This capital is divided into 998,000,000 shares, each with a nominal value of 1 (one) TL. These shares consist of 170,000,000 Group (A) shares and 828,000,000 Group (B) shares.

Board of Directors

Name/ Surname	Title	Executive/ Non - Executive	Date of Inauguration
FERİDUN GEÇGEL	Chairman	Executive	19.09.2022
ENVER GEÇGEL	Deputy Chairman	Executive	19.09.2022
YUSUF GEÇGEL	Member of Board of Directors	Executive	19.09.2022
HAKAN ÜNSAL	Member of the Board of Directors & General Manager	Executive	19.09.2022
İSMAİL ŞAHİNER	Independent Member of Board of Directors	Non - Executive	16.02.2024
SALİH TUNCER MUTLUCAN	Independent Member of Board of Directors	Non - Executive	19.09.2022

Source: www.kap.gov.tr

Senior Management of the Company

Name/ Surname	Title	Duty
HAKAN ÜNSAL	General Manager	
OLCAY DOĞAN	Deputy General Manager	Finance, Accounting, and Financial Affairs Director
MEHMET DEMİR	Deputy General Manager	Production–Distribution Transformers
ALİŞAN TAŞTAN	Deputy General Manager	Sales
FATİH IŞIK	Deputy General Manager	Investment and Technical Services
UĞUR GÖKÇE	Deputy General Manager	Production–Switching Products

Source: www.kap.gov.tr

The members of the Company's Audit, Corporate Governance and Early Detection of Risk Committees are listed below. The company has not established Nomination and Remuneration Committees; instead, the duties of these committees are carried out by the Corporate Governance Committee in accordance with its Duties and Working Principles.

Committee	Committee Members	Position within Committee	Position in Company
Audit Committee	Salih Tuncer MUTLUCAN	Chairman	Independent Member of Board of Directors
	İsmail ŞAHİNER	Member	Independent Member of Board of Directors
Corporate Governance Committee	Salih Tuncer MUTLUCAN	Chairman	Independent Member of Board of Directors
	İsmail ŞAHİNER	Member	Independent Member of Board of Directors
	Olcay DOĞAN	Member	Deputy General Manager
Early Detection of Risk Committee	İsmail ŞAHİNER	Chairman	Independent Member of Board of Directors
	Salih Tuncer MUTLUCAN	Member	Independent Member of Board of Directors

Investor Relations Unit

Investor Relations	Olcay DOĞAN	DEPUTY GENERAL MANAGER FINANCE - FINANCIAL AFFAIRS AND INVESTOR RELATIONS
	Fatih GÖREN	SENIOR INVESTOR RELATIONS SPECIALIST

Source: www.kap.gov.tr

Balance-Sheet comparison of the Company's certain selected items of the last two years (Thousand TL)

	2023/12	2024/12	Change % (2023-2024)
Current Assets	18,818,855,765	21,116,568,588	12.20
Fixed Assets	8,257,720,575	9,435,357,159	14.26
Total Assets	27,076,576,340	30,551,925,747	12.83
Short-Term Liabilities	9,242,020,130	9,640,185,465	4.30
Long-Term Liabilities	164,306,749	87,401,427	-46.80
Total Liabilities	9,406,326,879	9,727,586,892	3.41
Paid-in capital	998,000,000	998,000,000	-.
Equity	17,670,249,461	20,824,338,855	17.84
Total Liabilities	27,076,576,340	30,551,925,747	12.83

Source: Astor Enerji A.Ş. Independent Audit Report for the Period 01.01.2024-31.12.2024 dated 03.03.2025

Unless otherwise stated, all amounts are expressed in Turkish Lira (TL) based on the purchasing power of TL as of December 31, 2024.

**Income Comparison of Company's Certain Selected Items for yearends of last two years
(Thousand TL)**

	2023/12	2024/12	Change % (2023-2024)
Revenue	24,420,785,951	26,624,069,648	9.02
Cost of Sales	(15,068,861,719)	(17,416,546,509)	15.57
Main Operational Profit / Loss	7,972,594,884	6,599,287,382	-17.22
Net Profit/Loss	6,639,007,854	5,024,880,084	-24.31

Source: Astor Enerji A.Ş. Independent Audit Report for the Period 01.01.2024-31.12.2024 dated 03.03.2025

Unless otherwise stated, all amounts are expressed in Turkish Lira (TL) based on the purchasing power of TL as of December 31, 2024.

Direct and Indirect Subsidiaries / Group Companies

The Company does not have any subsidiaries or affiliates. Information about companies, other than Astor, in which Feridun Geçgel, who as of 2024 holds the majority shares, is a partner or has management authority, is provided below.

In order to trade the company's products in specific export markets, local regulations require that companies be established based in those countries. ETM Astor Sarl/Senegal and Astor Energy Algeria are companies founded within this scope.

Companies in which the Company is a Partner or a Management Participant	Line of Business	Capital	Share (%)
Aserva Danışmanlık Anonim Şirketi	Engages in real estate purchase, sale, and leasing activities.	45 Million TL	100
ETM Astor Sarl	A company established in Senegal, acting as an overseas representative engaged in the transformer trade.	38,250 EUROS	50
Astor Energy Algeria	A company established in Algeria, acting as an overseas representative engaged in the transformer trade.	36,188 EUROS	30
Astor Enerji A.Ş. Baghdad/Iraq Branch	Performing installation, assembly, and commissioning of transformers and switching products in the country it operates. Participating in all types of tenders and conducting commercial activities.	--	--
FYG Gayrimenkul A.Ş.	Engages in real estate purchase, sale, and leasing activities.	250,000, TL	100
ASTOR Holding A.Ş.	Participates in the capital and management of companies, engaging in commercial, industrial, and financial ventures.	50,000,TL	50
Astor Enerji A.Ş. Zaragoza/Spain Branch	Performs installation, assembly, and commissioning of transformers and switching products in the country it operates.	--	--

Source: Astor Enerji A.Ş. 01.01.2024-31.12.2024 Period Annual Report

The Market where the Capital Market Instrument is Traded and the Indexes that the Company is Included

BIST Code : ASTOR

Market where the Capital Market Instrument is Traded : YILDIZ PAZAR

Indices in which it is included : BIST 30 / BIST 50 / BIST 100 / BIST 500 / BIST YILDIZ / BIST METAL EŞYA, MAKİNA / BIST SİNAİ / BIST TÜM / BIST ANKARA

Source: www.kap.org.tr

Peak and Bottom Closing Values of Company shares traded at BIST between 12.03.2024-12.03.2025

Bottom (TL)	Peak (TL)
65.25 (14.10.2024)	128.00 (24.01.2025)

Source: www.astoras.com.tr

Brief History of the Company and Information About Its Operations

Established in Istanbul in 1983, Astor Enerji A.Ş. is a prominent real-sector company in the electromechanical manufacturing industry, specializing in transformer production and sales, with over 40 years of expertise. The company's headquarters were relocated from Istanbul to Ankara in 2014.

The company's core business activities include the manufacturing of transformers and medium- and high-voltage switching products required by industrial facilities and the electricity generation, transmission, and distribution sectors. It also carries out activities related to the import, export, purchase, and sale of machinery, equipment, raw materials, finished goods, and semi-finished goods necessary to perform these productions. Astor Enerji also provides after-sales services, including field installation, commissioning, and on-site testing for its products.

Astor Enerji A.Ş. carries out its manufacturing activities within two integrated factory buildings in cover a total indoor area of 105,000 m² on a land of 140,000 m², situated in Ankara ASO 2nd Organized Industrial Zone, located in Sincan district of Ankara province. The two factory units consist of a 78,000 m² main production facility and a 27,000 m² mechanical manufacturing plant.

The company's manufactured products are widely utilized across various sectors, primarily including electricity generation, transmission, and distribution systems; industrial production facilities such as iron-steel, cement, glass, and paper factories; and facilities operated by public and private enterprises, including hospitals, shopping centers, and schools.

The company has the capability to manufacture four major product groups required by the sector under one roof. These include Power Transformers, Distribution Transformers, and Medium and High Voltage Switching Products. Within this framework, the primary products and services provided by the company's manufacturing facility include Oil-immersed and Dry-type distribution transformers, Power transformers, Special-purpose transformers, Industrial transformers, Medium and high-voltage switching products, large-scale and project-based production and field installations, as well as transformer substations such as concrete and sheet-metal kiosks. The company's products are utilized at every stage, from electricity generation to the final end-user.

In addition to its strong position in the domestic market, the company exports approximately 40% of its sales to over 90 countries, more than %50 of which are European nations. The company has the capability to test all its products in an internationally recognized R&D and accredited testing center, and it collaborates with international CESI/KEMA laboratories. Astor Enerji's shares began trading on the Istanbul Stock Exchange (BIST) Yıldız Pazar on January 18, 2023, under the code "ASTOR." The Company does not have any subsidiaries or affiliates.

Astor Enerji meets its current manufacturing energy needs through clean energy generated by a 6.6 MW rooftop Solar Energy System (SES). Its business activities also include investments and operations in solar energy systems, as well as investment and management of electric vehicle charging networks. The company currently employs more than 2,000 people at its existing facilities.

Astor Enerji A.Ş. holds certifications including ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, ISO 27001 Information Security Management System, and ISO 50001 Energy Management System. In 2024, the company produced Turkey's first domestically manufactured vacuum interrupter at a voltage level of 40.5 kV, obtaining the International KEMA Type Test Certificate. The KEMA KEUR Certificate indicates that electrical devices and equipment comply with international safety and quality standards.

Milestones of Astor Enerji A.Ş.

1983 - Transtek, one of Turkey's first distribution transformer manufacturers, was established in Istanbul.

2003 - Transtek was renamed Astor Transformatör.

2005 - Astor's shares were acquired by the Geçgel family.

2009 - First TÜBİTAK-supported R&D project, first dry-type transformer production, first export of a mobile 31.5 MVA transformer.

2010 - Signed a 5-year agreement with Northern Ireland's electricity distribution company.

2013 - 100% of the company shares were acquired by Feridun GEÇGEL and received an accreditation certificate for the Test Laboratory (154 kV).

2014 - Company headquarters relocated to Ankara.

2015 - Astor continued production in Ankara by leasing Özgüney's facilities, machinery, and equipment. Astor entered the power transformer market with its first production at 154 kV voltage level, successfully passing the short-circuit mechanical endurance tests for 62.5 MVA and 100 MVA transformers at the KEMA² laboratory in the Netherlands.

2018 - Relocated production facilities to Başkent 2nd Organized Industrial Zone, Ankara, entered the MV equipment market, received chemical laboratory and HV power transformer accreditation certificates (800 kV – 1,000 MVA), entered the power transformer market at 400 kV, became the first local brand to pass KEMA short-circuit type tests for a 250 MVA 400/164 kV auto-transformer.

2020 - Entered the HV switching products market: Manufacturing 170 kV circuit breakers. Entered the HV reactor market (170 kV – 400 kV), obtained an accreditation certificate for HV circuit breakers (170

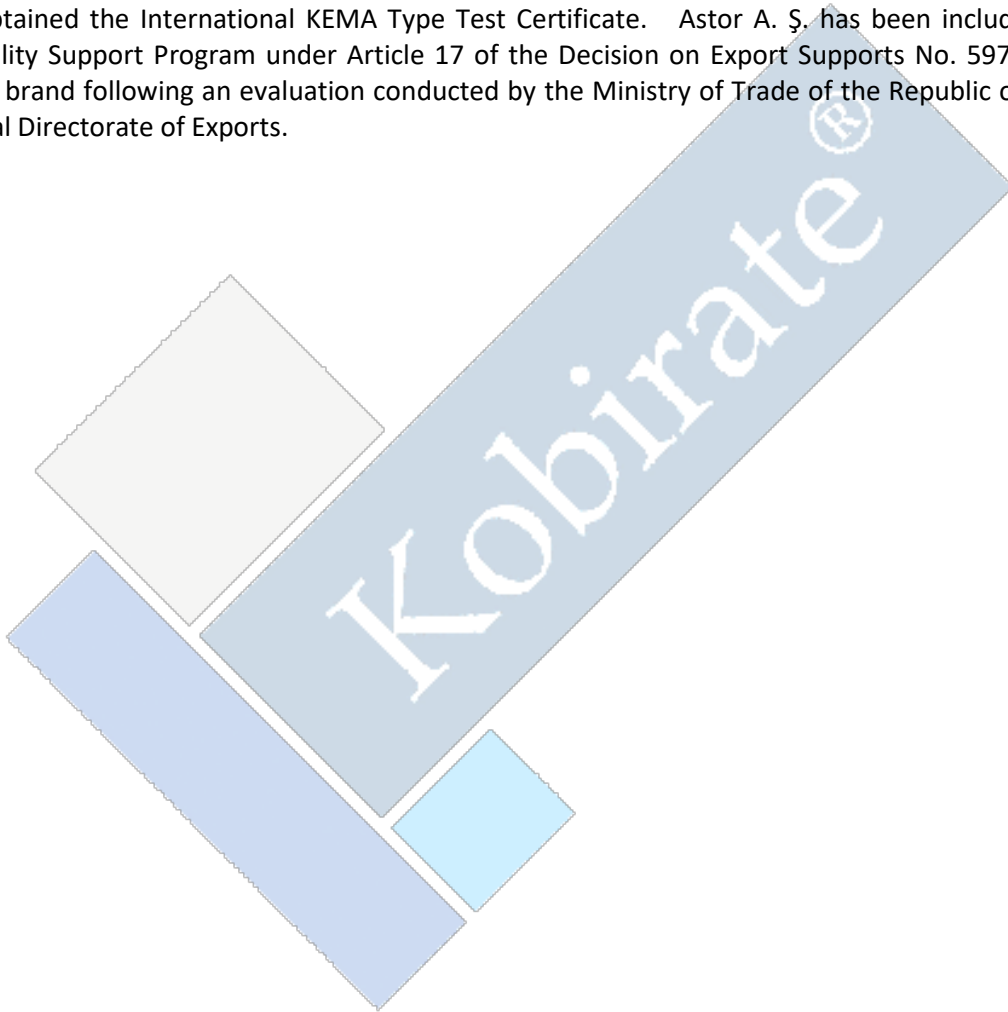
kV), and started production of all product groups, including distribution/power transformers and MV/HV equipment.

2021 - Mechanical manufacturing plant commenced operations.

2022 - Public offering approved by the CMB on 22.12.2022. Investments started under the Electric Vehicle Charging Network Operator License.

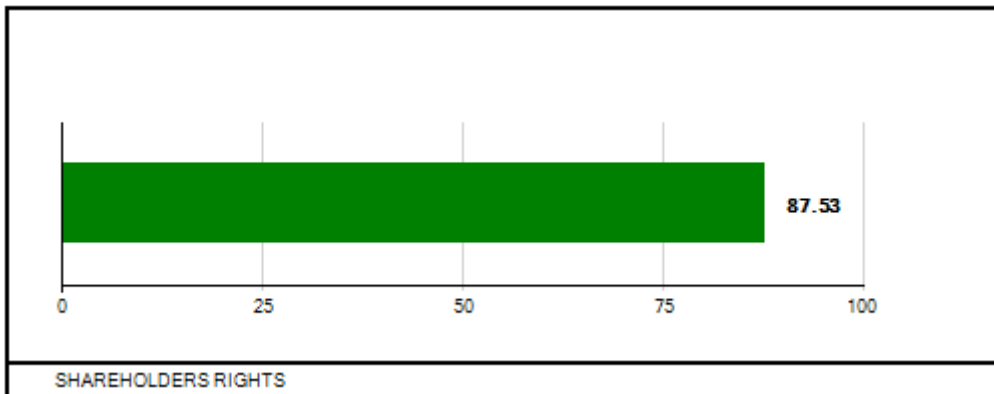
2023 - Astor's public offering completed; entry into MV instrument transformer and 420 kV HV circuit breaker markets; increased exports of 12 kV – 24 kV MV switching products; initiated land-based Solar Energy System (SES) investment; established a testing center for medium-power and special transformers.

2024 - Produced Turkey's first domestically manufactured vacuum interrupter at 40.5 kV voltage level and obtained the International KEMA Type Test Certificate. Astor A. Ş. has been included in the Turquality Support Program under Article 17 of the Decision on Export Supports No. 5973 with its ASTOR brand following an evaluation conducted by the Ministry of Trade of the Republic of Türkiye, General Directorate of Exports.



5- RATING SECTIONS

A. SHAREHOLDERS



Overview

- ✓ Investor Relations Unit has been established to conduct relations with shareholders.
 - ✓ The Investor Relations Department Manager works full-time under the supervision of the Deputy General Manager.
 - ✓ The Investor Relations Department plays an active role in facilitating and safeguarding shareholder rights, particularly the rights to obtain information and perform reviews.
 - ✓ The general meetings were held in accordance with the relevant laws, regulations and articles of association.
 - ✓ At the general assembly meeting, the shareholders were informed about the amount and beneficiaries of the donations and aids made during the period.
 - ✓ There are no arrangements making the exercise of voting rights difficult.
 - ✓ A profit distribution policy has been established and disclosed to the public.
 - ✓ The profit distribution policy is transparent enough to enable shareholders to foresee the procedures and principles regarding the distribution of the company's future profits and includes at least
 - information on how dividends will be paid.
 - ✓ There is a regulation in the Articles of Association regarding the possibility of making advance dividend payments.
 - ✓ There are no restrictions on the transfer of public shares.
 - ✓/* It is recommended that the Articles of Association include provisions stating that General Assembly meetings will be held publicly.
 - ✓/* It is recommended that minority rights be granted to shareholders possessing less than one-twentieth of the capital.
 - ✓/* If the agenda of the General Assembly meeting includes dismissal, replacement, or election of Board members, it is recommended that reasons for dismissal or replacement and CVs of candidates be clearly communicated to investors.
- * Group A shares have privileges in terms of voting rights and nominating candidates for the Board of Directors.**

In this section, as stated by CMB's Corporate Governance Principles, the company was evaluated on 111 different criteria under the headings of **Facilitating the Exercise of Shareholders' Rights, Shareholders' Right to**

Obtain Information and to Examine, Shareholders' Right to Attend the General Assembly, Shareholders' Right to Vote, Rights of Minority Shareholders, Shareholders' Right for Dividend and Shareholders' Right to Transfer Their Shares to whomever they want, whenever they want. The company's grade for this section is **87.53** points.

a. Facilitating the Exercise of Shareholders' Rights

Astor Enerji A.Ş.'s Investor Relations Department operates directly under the supervision of the Deputy General Manager responsible for Finance, Accounting, and Financial Affairs. The department is headed by the Deputy General Manager responsible for Investor Relations, Mr. Olcay DOĞAN, and Mr. DOĞAN holds the Capital Markets Level 3 License and Corporate Governance Rating License required by the Corporate Governance Communiqué and has been appointed to the Corporate Governance Committee.

Additionally, the department includes Senior Investor Relations Specialist Mr. Fatih GÖREN, and Mr. GÖREN also holds Capital Markets Level 3 and Corporate Governance Rating Licenses.

The Investor Relations Department has been structured in accordance with Article 11 of the Corporate Governance Principles, and its employees have been observed to possess the necessary knowledge and experience required by their roles. They actively facilitate and protect shareholder rights, especially the rights to obtain information and conduct reviews.

The Investor Relations Department submits periodic reports to the Board of Directors once a year.

It has been determined that the Company has achieved good compliance with the Corporate Governance Principles in this subsection.

b. Right to Obtain Information and to Examine

The information required for the proper exercise of shareholders' rights are presented to the shareholders and to this end the company's corporate website (www.astoras.com.tr) is used as an efficient platform. Any data that might affect the exercise of shareholders' rights are currently at disposal of shareholders on the official Internet website.

Company's "Disclosure Policy" is published on the corporate website. Shareholders' right to obtain information is explained in detail in the aforementioned policy.

All information concerning the company has been given on time, truthfully and completely. There have been no warnings or penalties on this issue given by Regulatory authorities.

It has been seen that inquiries of shareholders have been responded rapidly and care has been given to let shareholders exercise their right to obtain information and to examine.

Shareholders' right to obtain information and to examine is not canceled or restricted by the Articles of Association or any department of the Company.

Although there is no regulation in the articles of association regarding the shareholders' right to request the appointment of a special auditor from the general assembly, there are no internal regulations or practices that make it difficult to exercise this right.

It would be appropriate to present the company's disclosure policy for the approval of the General Assembly.

In this subsection, company practices are well in accordance with the principles.

c. Right to Attend the General Assembly

In accordance with the decision taken at the Board of Directors meeting dated 06.05.2024, Astor Enerji A.Ş.'s Ordinary General Assembly Meeting for the 2023 fiscal year was held on

Thursday, 30.05.2024 at 10:00 a.m. at the factory building located at Alcı OSB Mahallesi, 2001. Cadde No:5A, Sincan/ANKARA.

The invitation to the meeting was duly announced on 07.05.2024 via the Public Disclosure Platform (PDP), the Electronic General Assembly System (EGAS) of the Central Registry Agency, and the company's corporate website. The date, time, place, agenda and the sending department have been clearly described in the invitation.

It has been understood that the financial statements, annual report, audit reports, profit distribution proposal of the board of directors, notifications and explanations required by the partnership in accordance with the relevant legislation and Corporate Governance Principles should be made available for the examination of the shareholders within the framework of Article 437 of the TCC numbered 6102, were submitted to the information of the shareholders 3 weeks in advance.

It was concluded that the General Assembly meeting was organized in a manner aimed at maximizing shareholder participation without causing inequality among shareholders and enabling attendance at the lowest possible cost.

Along with the general assembly meeting announcement, the information note prepared in accordance with the Article 1.3.1 General Assembly of the Capital Markets Board's Corporate Governance Communiqué No. II-17.1 was published on the company's website.

In this document, it has been determined that information on the total number of shares and voting rights reflecting the shareholding structure of the company as of the date of disclosure, whether there are privileged shares in the company's capital are shared with the shareholders. Similarly, it has been seen that information about the changes that will significantly affect the management and activities of the partnership and its subsidiaries, requests of the shareholders to

add an item to the agenda, and explanations on the agenda are also included.

While preparing the general assembly agenda, it was determined that the topics of the agenda were expressed clearly and in a way that would not lead to different interpretations, and care was taken not to include phrases such as "other" and "various" on the agenda.

At the General Assembly meeting, Chairman of the Board Mr. Feridun GEÇGEL, Vice Chairman Mr. Enver GEÇGEL, Board Members Mr. İsmail ŞAHİNER, Mr. Yusuf GEÇGEL, Mr. Hakan ÜNSAL, Ministry Representative Mr. Ahmet UYAROĞLU, and Mr. Emir TAŞAR, representing Eren Bağımsız Denetim A.Ş. the independent external auditor of the company's 2023 financial statements, were present.

When the minutes of the General Assembly are examined, it is determined that the agenda items were voted separately, and the votes were counted and announced to the shareholders before the end of the meeting.

It was observed that the chairman of the meeting took care to convey the topics on the agenda in an impartial and detailed manner, with a clear and understandable method, and the shareholders were given the opportunity to express their thoughts and ask questions under equal conditions.

In accordance with the provisions of the CMB's Communiqué numbered II-17.1, the general assembly was informed about the transactions made with related parties and the guarantees, pledges and mortgages given in favor of third parties.

The shareholders were informed about the donations made during the period and their beneficiaries, and the donation limit was also determined. At the ordinary general assembly held in 2022, the Company's donation and aid policy was submitted to the General Assembly for approval.

It would be appropriate to include a provision in the company's articles of association regarding this section and the holding of General Assembly meetings open to the public, including stakeholders and media, without granting them the right to speak.

The company's practices in this subsection are in good compliance with the principles.

d. Voting Right

Neither the Articles of Association nor the internal procedures of Astor A.Ş. contain any difficulties in exercising the voting right, and the opportunity to exercise the voting right in the easiest and most convenient manner is given to each shareholder.

It is possible for the shareholders to exercise their voting rights in person or by proxies, whether a shareholder or not, at the general assembly meetings. The members are submitted with the specimen proxies to be used for this purpose at the firm's headquarters and on the corporate internet website.

Group (A) shares are granted the privilege of nominating candidates to the Board of Directors and having 5 (five) voting rights per each Group (A) share at General Assembly meetings. Group (B) shareholders are entitled to 1 (one) voting right per share. Group (B) shares do not have any privileges. Shares representing the capital are registered shares.

Detailed explanations on the distribution of company shares, voting rights granted by the shares, privileges regarding voting and other issues are provided in the corporate website, annual activity reports and general assembly information documents.

The Company doesn't have a mutual subsidiary, which creates a relationship of sovereignty.

The company's practices under this subsection are not fully aligned with corporate governance principles.

e. Minority Rights

There has been no violation of exercising basic minority shareholders' rights like attendance to the general assembly meeting, representation by proxy and imposition of no upper limit for voting rights. In this manner it has been observed that care is given to the exercise of minority rights.

There are no adjustments made to extend minority rights with Articles of Association and covering those shareholders who have less than 1 / 20 of the capital.

f. Dividend Right

The method to be applied for profit distribution is regulated by Article 14 of the company's articles of association, and it contains minimum information enabling the investors to foresee the procedure and guidelines for the distribution of profit to be generated by the company in future periods.

According to the relevant article in the Articles of Association, dividends will be distributed equally to all existing shares as of the date of distribution, regardless of their issue and acquisition dates and the Company may provide advance dividend payments to its shareholders within the framework of capital market regulations.

When examining the Profit Distribution Policy, it is evident that the Company maintains a balanced and consistent approach between shareholders' expectations and the Company's requirements. and under the provisions of the Capital Markets Board and Turkish Commercial Code, the Company aims to distribute at least 30% of its annual distributable profit calculated for a minimum period of 5 years as cash dividends.

From its operations in 2023, the Company achieved a net distributable profit of TL 4,392,805,619.54 (including donations) according to the Capital Market Law.

According to the legal records, it is seen that a profit of 4,027,270,655.82 TL has been obtained. In the Ordinary General Assembly meeting held on May 30, 2024, the Company's Board of Directors' profit distribution proposal was accepted without any changes, resolving to distribute TL 1,317,841,685.86 as gross cash dividends, with the cash dividend payment commencing on August 02, 2024.

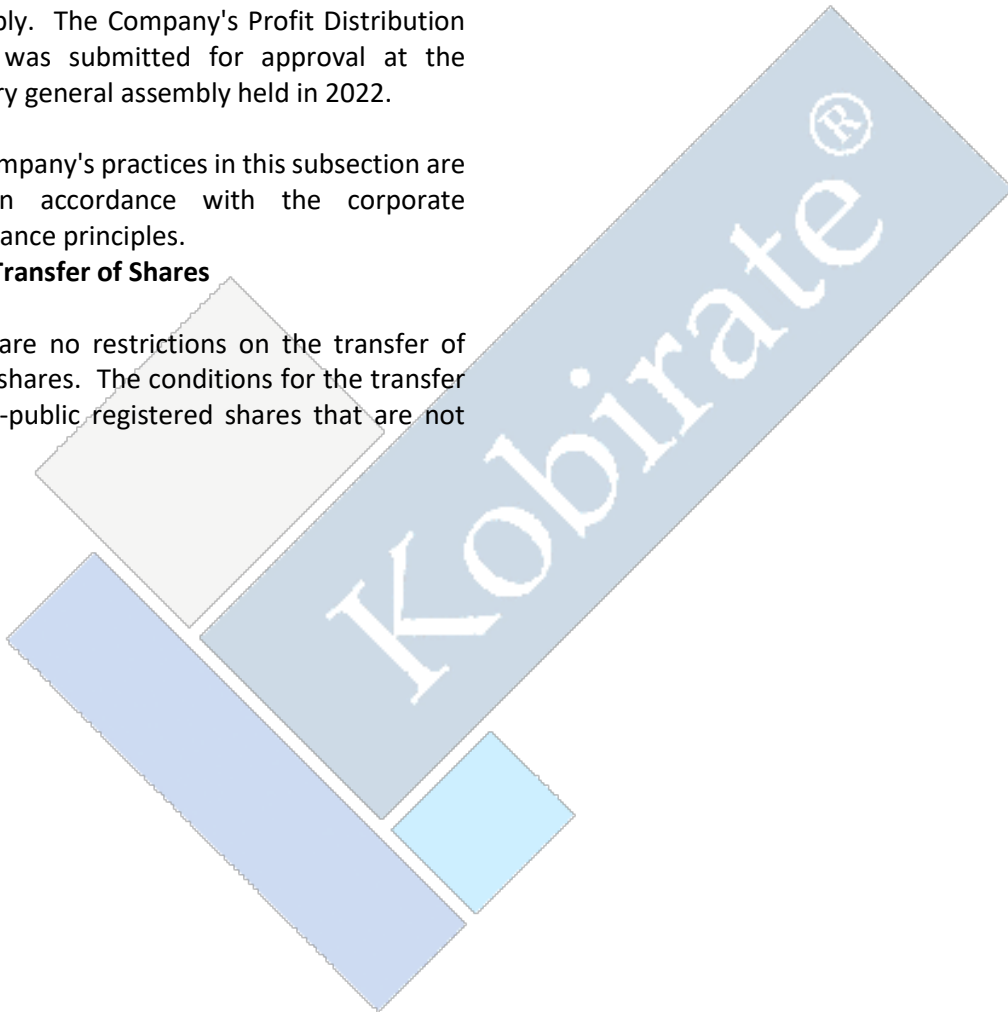
The profit distribution decision of the board of directors and the profit distribution table were published on the Public Disclosure Platform on the same day as the invitation to the general assembly. The Company's Profit Distribution Policy was submitted for approval at the ordinary general assembly held in 2022.

The company's practices in this subsection are well in accordance with the corporate governance principles.

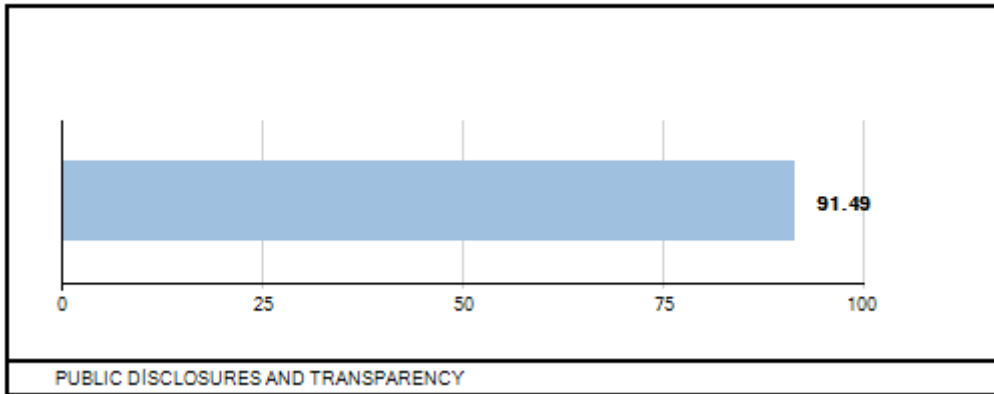
g. Transfer of Shares

There are no restrictions on the transfer of public shares. The conditions for the transfer of non-public registered shares that are not

traded in the stock exchange are regulated in Article 17 of the articles of association of the company. According to this article, except for the exceptions specified in the Charging Service Regulation, any direct or indirect changes in the Company's shareholding structure must be reported to the Energy Market Regulatory Authority within six months from the date the change is made.



B. PUBLIC DISCLOSURE AND TRANSPARENCY



Overview

- ✓ An information policy has been established and disclosed to the public.
- ✓ Corporate Governance Compliance Report (URF) and Corporate Governance Information Form (KYBF) were prepared and disclosed to the public in accordance with the provisions of the relevant legislation.
- ✓ Corporate website is used effectively as a current tool for public disclosures within the context as stated by the principles.
- ✓ The annual report is comprehensive and covers a significant portion of the principles.
- ✓ The annual report includes information about the Company's risk management policy against anticipated risks. ü
- ✓/* It would be appropriate to include in the annual report the decision of the Board of Directors regarding the acceptance of the balance sheet and income statement and their submission to the General Assembly for approval.
- ✓/* Including the Board of Directors' assessment of the operational principles of the committees and the effectiveness of their activities, along with detailed committee activities in

the annual report, will strengthen compliance with the principles.

As for this section, the Company has been assessed by **93** different criteria under the headings of **Corporate Website** and **Annual Report** as laid down in the Corporate Governance Principles of the Capital Market Board, for which the Company has deserved the grade of **91.49**.

ASTOR ENERJİ A.Ş. carries out public disclosures within the scope of its Public Disclosures Policies developed by the board and disclosed to the public.

This policy complies with the CMB's Special Circumstances Communiqué No. II.15-1.

Announcements and disclosures made on behalf of the Company, apart from forms, declarations, and reports signed according to the signature circular, are carried out by the Board members and individuals authorized by the Board of Directors. The Deputy General Manager of Finance, Financial Affairs, and Investor Relations, along with the Investor Relations Department, are assigned to coordinate the disclosure function. These officials fulfill their responsibilities in close cooperation with the Audit Committee and the Board of Directors.

The Company's independent external audits for 2023 and 2024 were conducted by EREN

Bağımsız Denetim A.Ş. There are no cases where the independent audit avoided expressing opinion, expressed opinion with conditions or avoided signature in the reports. It has been learned from company officials that no event took place with the independent audit company or with its auditors that could damage this company's independence, and there was no legal conflict with it.

a. Corporate Website

The official corporate website (<https://www.astoras.com.tr>) is updated regularly and the website is being used as an active and effective platform for disclosure to public.

Information in corporate website is consistent with the statements made as part of regulations and there is no missing or conflicting information.

In addition to the information that must be disclosed pursuant to relevant regulations, the company's website includes trade registry details, current shareholding and management structure, board committees and their working principles, information on privileged shares in the capital along with the latest version of the articles of association, material disclosures, financial reports, annual reports, general assembly meeting agendas, attendee lists and meeting minutes, proxy voting forms, profit distribution policy, disclosure policy, remuneration policy for board members and senior executives, compensation policy, donation and aid policy, code of ethics and implementation principles instructions, human resources policy, and policies on various matters of interest to all stakeholders.

The aforementioned information is provided to shareholders and potential investors regularly and up to date.

On the other hand, requests for information, questions, and denounces can be submitted through the company's ethics hotline available on the website.

All information provided on the corporate website is simultaneously published in other languages to ensure accessibility for international investors.

On the other hand, financial statement statements, which are required to be disclosed to the public in accordance with the capital market legislation, are disclosed simultaneously in English as well as Turkish on the Public Disclosure Platform.

In this subsection, the Company has achieved good compliance with corporate governance principles.

b. Annual Report

It has been observed that the Board of Directors has prepared the annual report with sufficient detail to ensure that the public can access comprehensive information about the company's activities.

The period activity report for the accounting period ending on 01.01.2024-31.12.2024, the content of the previous period annual reports include;

General information about the company, its corporate structure, shareholding, and privileged shares,

Members of subcommittees within the board of directors, meeting frequencies of these committees,

Number of Board meetings in that year and attendance of Board Members,

Changes in regulations, which might significantly affect company operations,

Information about important lawsuits filed against the company and their possible consequences,

Information about conflicts of interest between the Company and other enterprises that provide services like investment consultancy or rating and these measures taken by the Company to prevent conflicts of interest,

Information about subsidiaries where the direct participation ratio is over 5 %,

Social rights and professional training of employees, as well as other company activities that have social and environmental impacts and corporate social responsibility activities,

Information about the sector that the company operates in and about its position within the sector.

Also, in addition to the issues specified in the legislation and other parts of the corporate governance principles, the annual reports include;

The reporting period, the partnership's trade name, trade registry number, contact information, and details regarding the company's R&D expenditures (the R&D expenditure for 2024 was realized as 639 million TL)

The Board of Directors' assessment regarding potential risks faced by the company,

Completed and ongoing corporate social responsibility projects,

General explanations regarding the characteristics of business units and production volumes,

Sales and any updates on them,

Information on developments in investments,

Profit distribution policy, corporate governance principles compliance statement, mandatory disclosures to shareholders concerning related-party transactions and balances,

Various information, including other matters not included in the financial statements but would be useful to users.

It would also be appropriate to include in the annual report the company's approach to sustainability, as well as a compliance report prepared in accordance with the format set out by the voluntary sustainability principles compliance framework under the "Communiqué on Amendments to the Corporate Governance Communiqué (II-17.1.a)."

In the annual report, salaries, bonuses and similar benefits provided to the members of the board of directors and senior executives are disclosed in total, not on an individual basis.

It will be appropriate for the annual reports to include the approval by the Board of Directors; information regarding positions held by board members and executives outside the company;

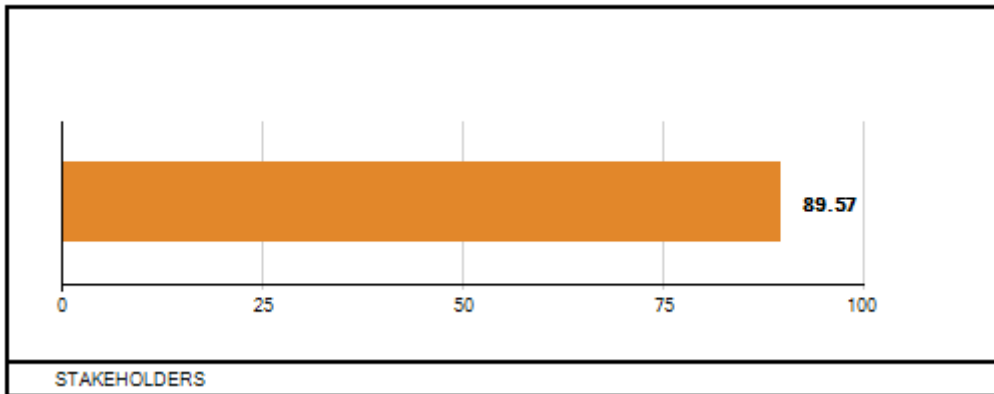
declarations concerning the independence of board members; the Board's assessment of the working principles and effectiveness of committees, including their activities.

If the Board of Directors has established a division of duties, the report should include a statement of responsibility from the board member(s) tasked with preparing periodic financial statements and reports, affirming that the annual report and periodic financial statements fully reflect the company's financial position and that the company complies entirely with relevant regulations.

It will be appropriate for the annual report to disclose whether there are any plans to modify corporate governance practices in the future, as well as ensuring that the activity reports are prepared in a format consistent with the corporate structure.

It has been determined that the Company has achieved compliance with the Principles in this subsection.

C. STAKEHOLDERS



Overview

- ✓ Ethical Principles and Rules of Conduct have been established and published electronically.
- ✓ There are no regulations that make it difficult for stakeholders to exercise their rights.
- ✓ Human resources policy was established, and many internal regulations concerning customers and other stakeholders have been prepared.
- ✓ The company conducts regular satisfaction surveys for employees and customers.
- ✓ Compensation policy for employees has been prepared and disclosed to the public.
- ✓ Care is given to confidentiality of information about customers and suppliers on a trade secret basis.
- ✓ The company discloses its activities within the scope of Social Responsibility to the public.
- ✓ The company has established its Sustainability Approach and disclosed the compliance report to the public via PDP.
- ✓/* It will be appropriate to develop regulations that support the participation of stakeholders in company management and to

include them in the articles of association and internal regulations.

In this section, the Company has been assessed by **104** different criteria under the headings of **Corporate Policies on Stakeholders, Supporting Stakeholders' Participation in Company Management, Company Policy on Human Resources, Relations with Customers and Suppliers, Ethical Rules and Social Responsibility and Sustainability** as laid down in the Corporate Governance Principles of the Capital Market Board, for which the Company has deserved the grade of **89.57**.

a. Corporate Policies on Stakeholders

According to the Corporate Governance Policies, stakeholders are individuals, institutions or interest groups, such as stakeholders, employees, creditors, customers, suppliers, the public, various non-governmental organizations, who have an interest in the achievement of the Company's objectives or activities.

It is concluded that Astor A.Ş. protects stakeholders' rights, which are specified in regulations and mutual contracts. The impression is that in case of lack of any regulation, the company respects stakeholders' rights within goodwill rules and company's reputation.

Stakeholders are adequately informed on company policies and procedures to protect their rights and company's corporate website (<https://www.astoras.com.tr>) is being actively used for this purpose.

The Compensation Policy for employees has been prepared and disclosed to the public via the corporate website.

Astor Enerji A.Ş. The Customer Satisfaction Survey Evaluation Instruction, prepared by the Quality Control Department, was put into effect on 03.03.2021 and revised on 27.03.2024. The satisfaction rate was recorded at 80.4% according to the customer satisfaction survey conducted in 2023 with 76 participants.

The employee engagement survey is conducted annually by the company in cooperation with Ipsos.

The company's practices in this subsection comply well with the principles.

b. Supporting Stakeholders Participation in Corporation's Management

There are no provisions within the Articles of Association or other internal regulations directly facilitating stakeholder participation in company management. However, it has been observed that efforts are underway regarding practices aimed at continuous improvement within the framework of Corporate Governance Principles, in order to support the direct participation of stakeholders in company management.

Developing models that support the participation of stakeholders in company management and including these models in the company's internal regulations or articles of association will strengthen compliance with the principles.

c. Human Resources Policy of the Corporation

As of 15.01.2025, Astor Enerji A.Ş. employs 2,137 people, with blue-collar workers comprising 78% and white-collar employees comprising 22% of the workforce. The average age of employees is 33.9 years, and the average duration of employment is 3.09 years.

As of 31.12.2024, the company's R&D center employs 174 personnel, of whom 144 are engineers. In 2024, Astor Enerji A.Ş. aimed to increase annual R&D expenditure to over 600 million TL through R&D projects focused particularly on new product categories and innovative products that only a limited number of manufacturers worldwide can produce. The actual R&D expenditure in 2024 reached 639 million TL, surpassing the annual target.

Astor Enerji has created and publicly disclosed its "Human Resources Policy." It has been determined that the Human Resources Policy of the Company aims to create employees who are in line with contemporary norms, equal, focused on performance, successful, loyal and highly motivated.

On the other hand, procedures on recruitment, rewarding, disciplinary practices, power and responsibilities of employees, remuneration, health rights, leave rights, career planning, promotions, task alterations, dismissal, death, resignation, retirement, and training have been developed.

Existing regulations are reviewed and updated as needed. The policy was last updated on 09.05.2024.

Both during the development of the policies and in practice, we got the impression that equal opportunity is given to individuals under equal conditions.

Training Policies have been established by the company for employees and annual training programs have been made in accordance with these policies.

On the digital learning platform Astor Academy, training assignments are

electronically allocated according to demand, allowing employees to access training sessions 24/7 from any location, thus contributing to their work-life balance.

It has been determined that the Company's organizational structure is in line with work conditions.

It has been learned that a safe working environment and conditions are provided for the employees and that no race, religion, language or gender discrimination is made among the employees. (Human Resources Policy)

In relation to this sub-section, it will be appropriate for the Company to develop and commit to a Corporate Human and Employee Rights Policy ensuring full compliance with the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey, and the legal framework governing human rights and working life in Turkey, as well as establishing share acquisition plans for employees.

In this subsection, it has been determined that company practices are compliant with corporate governance principles.

d. Relations with Customers and Suppliers

Methods regarding relations with customers, suppliers, etc., have been determined and standards have been defined. It is thought that care is taken to observe the principles of honesty, trust, consistency, professionalism, long-term relations and respect for mutual interests in relations with the aforementioned groups.

Relations with customers, suppliers, and other individuals or institutions with whom the company maintains business relationships are defined in Article 4.3 of the Ethical Principles Regulation. The company has established and publicly disclosed its Customer Satisfaction Policy. Additionally, customer satisfaction evaluations are carried out in accordance with

the Customer Satisfaction Survey Evaluation Instructions.

The company conducts regular annual satisfaction surveys targeting customers and suppliers.

The certificates and documentation held by the company are listed below.

- ISO 9001:2015 Quality Management System,
- ISO 27001:2013 Information Security Management System Certificate,
- ISO 50001:2018 Energy Management System,
- ISO 14001:2015 Environmental Management System,
- ISO 45001:2018 Occupational Health and Safety Management System,

In 2024, the company produced Turkey's first domestically manufactured vacuum interrupter at a voltage level of 40.5 kV, obtaining the International KEMA Type Test Certificate. (KEMA KEUR Certificate is a certificate stating that electrical devices and equipment comply with international safety and quality standards.)

The company's practices in this subsection rather comply with the principles.

e. The Code of Ethics, Corporate Social Responsibility

Astor Enerji A.Ş. established its "Code of Ethics Regulation," binding for all employees, on 18.06.2018 and revised it on 09.05.2024. Employees have been informed about the regulations and relevant policies, and the regulations have been publicly disclosed on the company's corporate website. It has been observed that the company's activities are conducted in accordance with this publicly disclosed regulation.

This regulation, which includes provisions under key headings such as Customer Relations, Media Relations, Conflict of Interest, Company Information Security, and

Personal Data, applies to all employees at every level within Astor A.Ş.

Requests, suggestions, and complaints submitted by employees and all stakeholders via the email address info@astoras.com.tr and through the ethical hotline application form available at www.astoras.com.tr are reported to be addressed and resolved promptly.

The company conducts all these activities in accordance with the established Corporate Social Policies, which have also been publicly disclosed.

Social responsibility initiatives and donations made by the company within the framework of Corporate Social Responsibility are published in the company's annual reports and on its corporate website.

In this subsection, Astor A.Ş. has achieved very good compliance with the Principles.

f. Sustainability and Sustainability Management

In the Capital Markets Board (CMB) Sustainability Principles Compliance Framework published in 2020, the basic principles expected to be disclosed within the scope of environmental, social and corporate governance activities of public shareholdings were disclosed.

In this context, the activities conducted by Astor A.Ş. have been partially disclosed in the annual activity reports. The company's Sustainability Compliance Report was publicly shared on PDP on 03.03.2025.

Since November 2023, Astor Enerji has been receiving consultancy services to support and reinforce its institutionalization efforts and manage sustainability matters effectively.

A Sustainability Committee was established by the Board of Directors' resolution no. 2024/28, dated 08.07.2024.

The study aimed at enhancing the company's existing strategies, activities, and future targets in line with global sectoral practices and sustainability standards consists primarily of the following:

- a- Gap analysis and roadmap development,
- b- Establishing a sustainability management system,
- c- Organizing in-house training programs,
- d- Calculating and reporting the carbon footprint,
- e- Preparing a sustainability report that is compliant with Global Reporting Initiative (GRI) standards.

Within the scope of its Sustainability Policies, the company has established and publicly disclosed its commitment to comply with policies on Information Security, Waste Management and Circular Economy, Diversity and Inclusion, Succession, Human Rights, Corporate Social Responsibility, Anti-Retaliation, Customer Satisfaction, Share Buyback, Competition, Anti-Bribery and Anti-Corruption, and Supply Chain.

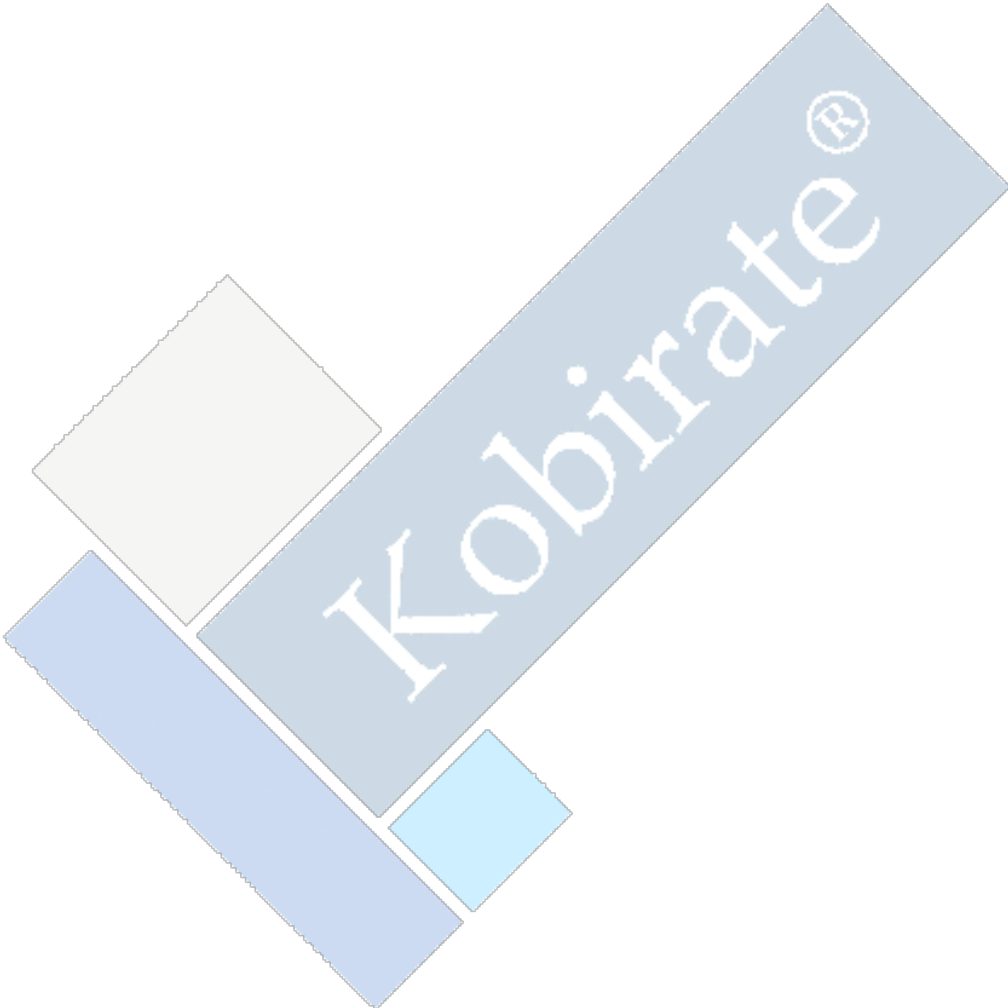
The company has made disclosures on PDP regarding legal proceedings, if any, filed or concluded against it in the areas of environmental, social, and corporate governance.

The company holds an ISO 14001 Environmental Management System certificate. Annual waste declarations and waste transfers are submitted and approved through the Ministry's E-ÇBS system. The company also possesses the ISO 14064-1 certificate for Greenhouse Gases and Emissions.

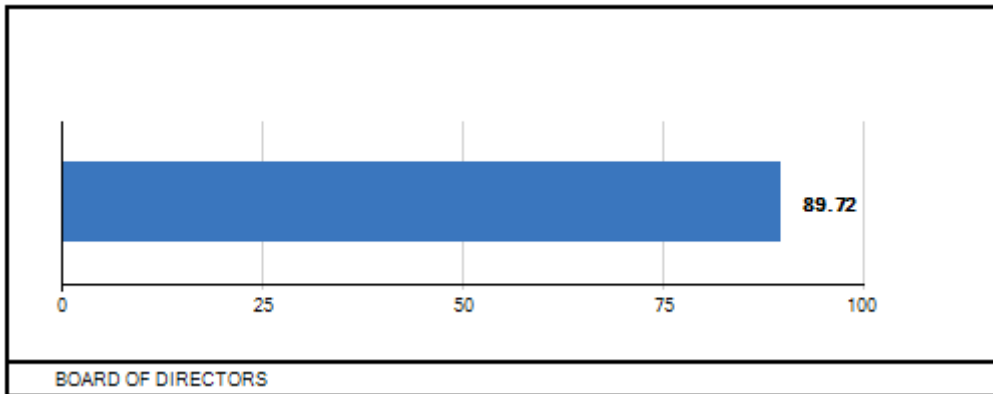
Although not publicly disclosed, the company has a Waste Management Procedure in place for handling waste generated after processes. Regarding air quality, it maintains a Flue Gas Emission Report as well as quarterly and annual wastewater analysis reports.

The company has undertaken initiatives to increase the use of renewable energy and transition to zero or low-carbon electricity and

has publicly disclosed these efforts. (Energy production through rooftop solar panels and sustainability investments aimed at enhancing efficiency support the company's energy efficiency efforts.) The company's corporate compliance in this area continues to improve.



D. BOARD OF DIRECTORS



Overview

- ✓ The company's strategic targets and human and financial sources it requires are determined by the Board of Directors.
- ✓ The posts of Chairman and CEO are carried out by separate individuals and there isn't any person with solely unlimited authority in the company.
- ✓ The number of Board Members is adequate for them to work productively and constructively.
- ✓ The majority of Board Members are non-executives.
- ✓ Each member has one voting right on the Board of Directors. There are no veto powers for any member.
- ✓ There isn't any loan/credit involvement between Board Members and the company.
- ✓ The Committees mentioned in the Principles were established, and their working principles were determined and disclosed to the public.
- ✓ Remuneration principles for members of the board and top executives have been determined and disclosed to the public.
- ✓ Performance evaluations of the board of directors are made on the basis of both the board and its members.

* Group A shares hold a privilege in nominating candidates for the Board of Directors.

- ✓/*The potential damages that may arise from the faults of Board Members during the performance of their duties have been partially insured by the Company, and the renewed policy dated 12.03.2025 has been disclosed on PDP.
- ✓/* Fees and benefits given to the board of directors and directors with administrative responsibilities are not disclosed in the annual report on an individual basis.

In this section, the Company has been assessed by **148** different criteria under the headings of **Function of the Board of Directors, Principles of Activity of the Board of Directors, Structure of the Board of Directors, Procedure of Board of Directors Meetings, Committees Formed within the Structure of the Board of Directors and Financial Rights Provided for the Members of the Board of Directors and Executives** as laid down by the Capital Market Board's Corporate Governance Principles, for which the Company has gained the grade of **89.72**.

a. Function of the Board of Directors

The Board of Directors has described the corporate strategic objectives and determined necessary human and financial resources. Board of Directors monitors company activities to be in compliance with regulations, Articles of Association, internal procedures

and policies and it supervises management performance.

Board of Directors is authorized to make decisions, to determine strategy and represent the company at the highest level.

In this subsection, the company has achieved good compliance with corporate governance principles.

b. Principles of Activity of the Board of Directors

It is our impression that the Company Board of Directors conducts its activities in an open, accountable, fair and responsible fashion.

The Board of Directors has established internal control systems, including risk management and information systems and processes, that can minimize the effects of risks that may affect the company's stakeholders, especially the shareholders. It has been learned that the Board is reviewing the effectiveness of risk management and internal control systems. The annual report includes information regarding the functioning and effectiveness of the internal audit system.

The positions of Chairman of the Board and CEO are held by different individuals.

It is thought that Board of Directors plays a leading role in the maintenance of effective communication and in easing and resolving disputes that might arise between the company and the shareholders. To this end, the Board is in close cooperation with the Corporate Governance Committee and Investor Relations Department.

Damages caused by the faults of the members of the board of directors during their duties in the company are partially insured,

In this subsection, there are areas where the company's compliance with corporate governance principles needs to be improved.

c. Structure of the Board of Directors

According to Article 7 of the Company's Articles of Association, the management and operations of the Company are carried out by a Board of Directors consisting of at least 5 members, elected by the General Assembly for a term not exceeding 3 years, in accordance with the provisions of the capital markets legislation and the Turkish Commercial Code.

The Board of Directors of the Company has been consisted of a total of 6 (six) persons, including 1 (one) chairman and 5 (five) members. The requirement of having at least 5 (five) members to form the Board has been met and the number of Board Members found sufficient and appropriate to serve effectively and constructively and to form and efficiently organize activities of committees.

The Board of Directors is composed of four (4) executive members and two (2) non-executive members, with the non-executive members meeting the criteria for independence as outlined in the corporate governance principles.

The number of independent board members constitutes one-third of the total number of board members. The principle that independent board members must possess the professional education, knowledge, and experience necessary to duly fulfill their responsibilities has been observed. Mr. Salih Tuncer MUTLUCAN, a member of the Audit Committee, has over 5 years of experience in auditing/accounting and finance.

There is an individual within the company who holds unlimited decision-making authority on their own.

Clearly separating the roles and responsibilities of the Chairperson of the Board and the CEO/General Manager and explicitly stating this distinction in writing in the Articles of Association, setting a target ratio and timeline for the representation of women on the Board of Directors, provided

that this ratio is not less than 25%; establishing a policy to achieve these targets; and having the Board of Directors evaluate the progress made toward these targets on an annual basis are identified as areas for improvement.

d. Procedure of Board of Directors Meetings

According to Article 9 of the Company's Articles of Association regarding Board of Directors meetings, at the first Board meeting following the annual Ordinary General Assembly, the members elect a Chairperson of the Board and, in the absence of the Chairperson, a Deputy Chairperson to act on their behalf.

Board meetings are held at regular intervals as determined by the Board of Directors. The Board convenes as needed for the company's operations and transactions, with a quorum being the majority of the total number of members, and resolutions being adopted by a majority of those present. Each board member has one vote.

The Board of Directors may convene at the company headquarters or in any city within Turkey.

Meetings can be held either physically or electronically. Individuals entitled to attend Board meetings may also participate electronically in accordance with Article 1527 of the Turkish Commercial Code.

The Board of Directors comes together frequently enough to carry out its duties efficiently. The agenda of board meetings is determined by the Chairperson of the Board in consultation with other board members and the General Manager. In 2024, the Board of Directors convened 20 times and made 36 decisions. All members attended these meetings.

It has been observed that documents and information related to the agenda items are provided to board members well in advance of the meetings to ensure equal access to information.

As a result of the studies on the documents and the meetings held with the relevant parties, it was observed that the meetings of the Board of Directors were held in accordance with the legislation and the articles of association. The duties of the Board Secretariat are carried out by the Investor Relations Department.

The company's articles of association does not contain restrictions on the members of the board of directors taking on other duties or duties outside the company.

The company's practices in this subsection comply with the principles.

e. Committees Formed within the Structure of the Board of Directors

In order for the Board of Directors to fulfil its duties and responsibilities soundly, Audit Committee, Corporate Governance Committee and Early Detection of Risk Committees have been established. Due to the structure of the Board of Directors, a separate Remuneration and Nomination Committee has not been established and the duties of this committee are fulfilled by the Corporate Governance Committee. The Working Principles of the Corporate Governance Committee also cover the working principles of the Remuneration and Nomination Committee.

The committees' duties, working principles and their members have been determined and approved by the Board of Directors as documents in writing; then they have been disclosed to public via electronic means.

The company has stuck with the principle, which requires that all members of the Audit Committee and, at minimum, the Chairmen of other committees are appointed from independent members, and the General Manager has not been assigned to any committee.

All sources and support are provided by the Board to ensure that the committees perform their duties.

Committees invite appropriate executives to their meetings to benefit from their opinions. All discussions in committees are recorded in writing.

Committees convene with the frequency deemed necessary for the efficiency of their activities. They report information on their activities and the results of their meetings to the board of directors.

- **The Audit Committee;**

The duties, authorities, and working principles of the committee have been approved by the Board of Directors, and the committee's job descriptions are specified in the working principles, Article 5th. Independent external audit, internal audit and control, accounting system and reporting, as well as other responsibilities have been explained in detail.

The Committee comprises 2 (two) independent members. One of them meets the principle of "At least one of the Audit Committee members should have 5 years of experience in audit/accounting and finance.

The Audit Committee convenes before the regular meetings of the Board of Directors and also to discuss the issues required by the regulations. It examines the financial reports prepared quarterly and presents its opinion to the Board of Directors. The committee convened with full attendance 9 (nine) times in 2024 and submitted the meeting outcomes to the board of directors in the form of reports.

- **Corporate Governance Committee;**

The duties, authorities, and working principles of the committee have been approved by the Board of Directors, and the committee's job descriptions are specified in the working principles, Article 5th.

The primary duty of the committee is to establish the Corporate Governance Principles within the Company, ensure their adoption, determine whether these principles are being implemented, identify the reasons in cases where they are not, as well as detect any conflicts of interest arising from non-compliance, and provide recommendations for improvement in practice. In line with its defined responsibilities, the committee also fulfills the duties of the Remuneration and Nomination Committees.

The Corporate Governance Committee is composed of 3 (three) members and 2 (two) members are independent and 2 (two) member is an independent and non-executive board member. The other member serves as the Head of the Investor Relations Department and Deputy General Manager.

In 2024, the committee held 8 (eight) meetings with the participation of three members and made 17 decisions. The outcomes of the meetings are submitted to the Board of Directors in the form of reports.

Working closely with the Corporate Governance Committee, Investor Relations Leadership reports to the board about its activities once a year.

- **Early Detection of Risk Committee**

The duties, authorities, and working principles of the committee have been approved by the Board of Directors, and the committee's job descriptions are specified in the working principles, Article 5th.

The duties of the Committee are as follows: In addition to the duties and responsibilities stipulated in the Company's Articles of Association and in capital markets legislation, particularly the Communiqué on Corporate Governance,

Identify, analyze, measure, monitor, and report areas that may pose managerial risks or weaknesses; warn the management regarding plans for identifying such issues and addressing

deficiencies; and gather opinions from relevant parties. Conduct studies to ensure the early detection of strategic, financial, legal, and other types of risks that may endanger the Company's existence, growth, or continuity; implement necessary measures concerning identified risks; and manage these risks effectively. Provide advice and recommendations to the Company's Board of Directors on the management of these risks in line with the Company's corporate risk appetite; their reporting; the implementation of necessary measures regarding identified risks; their consideration in decision-making processes; and the establishment of effective internal control systems accordingly. Review risk management systems at least once a year. Examine significant complaints related to management that reach the partnership, ensure their resolution, and ensure that employee reports on such matters are conveyed to the management in accordance with the principle of confidentiality. Establish effective internal control systems to identify, assess, monitor, and manage risk factors that may impact the achievement of the Company's objectives based on their likelihood and impact. Monitor the integration and effectiveness of the risk management and internal control systems within the Company's corporate structure. Conduct studies to ensure that risk factors are measured, reported, and utilized in decision-making processes under appropriate controls by the Company's risk management and internal control systems.

The Early Detection of Risk committee is composed of 3 (three) members. The committee chairperson and the other members are independent and non-executive members of the Board of Directors. The third member serves as the Deputy General Manager responsible for Finance and Financial Affairs.

The Committee held one meeting in 2024.

f. Financial Rights Provided for Members of the Board of Directors and Executives

Guidelines for the remuneration of board members and top executives have been written and disclosed to the public in the electronic environment.

It has been determined that actions have been taken in compliance with the principle, which states that stock-options or payment plans based on corporate performance should not be used for remuneration of independent members of board. The emoluments of independent directors are sufficient to protect their independency.

It has been learned that the company does not provide any loans or credit to any board member or senior executives, nor does it provide personal loans under the guise of a third party or offer guarantees such as suretyship in their favor.

Corporate governance principle of disclosing remuneration and all other benefits provided to directors and top executives on individual basis is not met. This information is disclosed collectively in the annual activity reports.

Performance evaluation of the Board of Directors and its members has been initiated in detail within the committee. The evaluations cover the performance assessment of each individual Board Member, the assessment of Board Meetings, the performance evaluation of the Chairperson of the Board, the evaluation of the CEO's performance, and the overall assessment of the Board of Directors.

There is no practice of rewarding or dismissing the members of the board of directors based on their performance. The implementation of the aforementioned method will strengthen compliance with the principles.

The compliance of the company's practices with the principles in this subsection is at a very good level.

6- KOBİRATE ULUSLARARASI KREDİ DERECELENDİRME VE KURUMSAL YÖNETİM HİZMETLERİ
A. Ş. CORPORATE GOVERNANCE RATING GRADES AND DESCRIPTIONS

GRADE	DEFINITIONS
9-10	The Company achieved substantial compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are established and are operational. Any risks to which the Company might be exposed are recognized and controlled effectively. The rights of the shareholders are impartially taken care of. The level of public disclosure and transparency is high. The interests of the stakeholders are fairly considered. The structure and the working conditions of the Board of Directors are in full compliance with the Corporate Governance Principles. The Company is eligible for inclusion in the BIST corporate governance index.
7-8.9	The Company complied considerably with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are operational and in place, although some improvements are required. Potential risks to which the Company may be exposed are identified and can be managed. The rights of the shareholders are impartially taken care of. Public Disclosure and transparency are at high levels. The interests of the stakeholders are fairly considered. The composition and operational conditions of the Board comply with the Corporate Governance Principles. Some improvements are needed in compliance with the Corporate Governance Principles, even though they do not constitute serious risks. The company is eligible for inclusion in the BIST Corporate Governance Index.
6-6.9	The Company has moderately complied with the Corporate Governance Principles issued by the Capital Market Board. Internal Control systems at a moderate level have been established and operated. However, improvement is required. Potential risks that the Company may be exposed are identified and can be managed. The interests of the shareholders are taken care of, although improvement is needed. Although public disclosure and transparency are taken care of, there is a need for improvement. The benefits of the stakeholders are taken care of, but improvement is needed. Some improvement is required in the structure and working conditions of the Board.

GRADE	DEFINITIONS
<p style="text-align: center;">4-5.9</p>	<p>The Company has minimum compliance with the Corporate Governance Principles issued by the Capital Market Board. Internal control systems are in place at a minimum level but are not full and efficient. Potential risks that the company is exposed to are not properly identified and are not under control. Substantial improvements are required to comply with the Corporate Governance Principles in terms of the benefits of both the shareholders and stakeholders, public disclosure, transparency, and the structure, as well as the working conditions of the Board. Under the current conditions, the Company is not eligible to be listed in the BIST Corporate Governance Index.</p>
<p style="text-align: center;">< 4</p>	<p>The Company has failed to comply with the Corporate Governance Principles issued by the Capital Market Board. It also failed to establish its internal control systems. Potential risks that the company might be exposed to are not identified and cannot be managed. The company is not responsive to the Corporate Governance Principles at all levels. There are major weaknesses in the interest of the shareholders and the stakeholders, such as public disclosure, transparency, structure, and working conditions of the Board, and they are at a level that might cause the investor to incur material losses.</p>

