Together as One

2024 NUH ÇİMENTO INTEGRATED ANNUAL REPORT

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COMPANY PROFILE

Trade Name
Nuh Çimento Sanayi A.Ş.

Körfez Trade Registry Directorate
5097

MERSİS Number
0632-0009-7680-0012

Capital
150,213,600 TL

Tepecik Tax Office
6320009768

Address
Hacı Akif Mah. D-100 Karayolu Cad.
No: 92 Hereke 41800 Körfez Kocaeli

Phone
+90 262 316 2000

Borsa İstanbul Ticker Symbol
NUHCM

Web Site
www.nuhcimento.com.tr

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ABOUT OUR REPORT

In Nuh Çimento's sustainability journey, reaching from its rooted past to a strong future, we seize the opportunity to present our economic, environmental, and social performance along with the value we have created for our stakeholders through our goals and actions in 2024, in our eighth integrated annual report.

The purpose of this report is to ensure that our stakeholders can easily comprehend our company and processes and to facilitate their ability to assess the measurement, monitoring, and improvement efforts we undertake to manage the impacts arising from our activities. This report, prepared annually, stands as a significant communication tool through which we share the steps taken to manage our impacts.

The Scope of Our Report

In the studies we have conducted with our managers, we based the identification of strategic issues on Nuh Çimento's core business areas of clinker and cement production. Unless otherwise stated, the information presented in this report covers Nuh Çimento's operations at the Hereke facility from January 1, 2024, to December 31, 2024, without any limitations. The financial data included in the report represents consolidated information for Nuh Çimento Group, including Nuh Beton A.Ş. and Nuh Yapı Ürünleri A.Ş. In our report, we provide data related to all significant issues over the past five years for trend tracking purposes.

We have prepared our report in compliance with the Global Reporting Initiative **(Global Reporting Initiative)** GRI Standards. When identifying our strategic sustainability issues and developing the content of this report, we adhered to the principles of transparency, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability outlined in this standard. **GRI Content Index** is available on our website.

We describe our Integrated Value Creation Business Model in our report through the six capital elements of the **Integrated Reporting Framework** proposed by the International Integrated Reporting Council (IIRC*).

Our performance indicators are compatible with the indicators within the Construction Materials Standard of the **Sustainability Accounting Standards Board (SASB)*** under the Sustainability Accounting Standards.

We provide detailed disclosures regarding our compliance with the SASB Sustainability Accounting Standards Board, the UNPRI Principles for Responsible Investment, the UN Sustainable Development Goals, and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct under the section titled **Compliance with International Sustainability Standards** in our report.

Our Next Report

We plan to publish our ninth integrated report in the first quarter of 2025, reflecting our 2025 activities and sustainability performance, in compliance with the TSRS S1 General Provisions for the Disclosure of Financial Information Related to Sustainability and TSRS S2 Climate-related Disclosures standards, which became mandatory in Türkiye as of January 1, 2024, and were issued by the International Sustainability Standards Board (ISSB), affiliated with the IFRS Foundation in 2023.

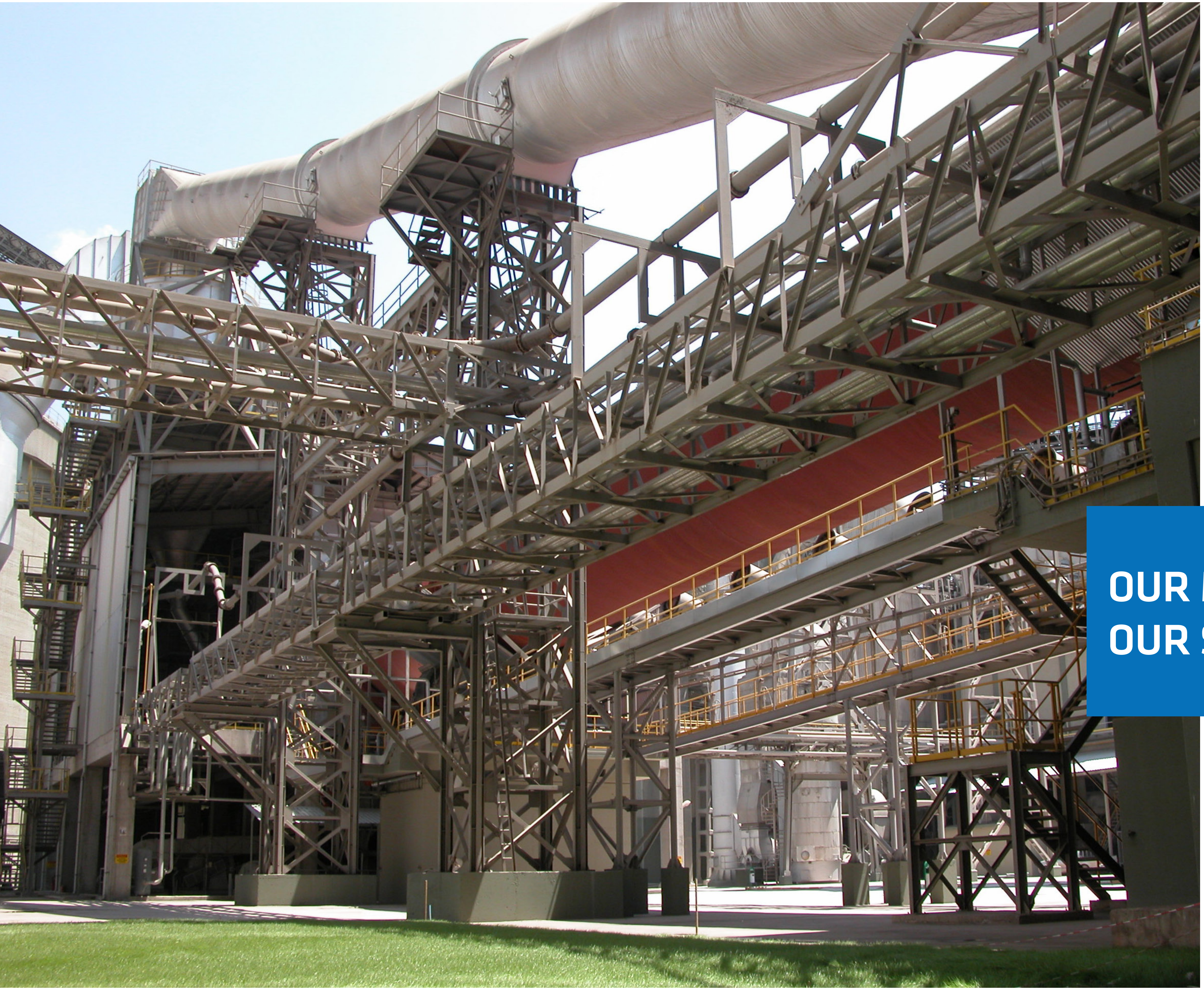
Considering the mandatory implementation of the TSRS S2 Climate-related Disclosures standards under the Turkish Sustainability Reporting Standards (TSRS) starting from 2025, we have included the results of our Climate Change-related Risks and Opportunities Survey, conducted in line with these standards, under the section titled **External Factors and Global Trends** in our report.

** The Sustainability Accounting Standards Board SASB and the International Integrated Reporting Council IIRC merged in 2021 under the name of the Value Reporting Foundation VRF. In 2022, VRF was consolidated under the International Sustainability Standards Board (ISSB), established by the International Financial Reporting Standards Foundation (IFRS).*

You can reach the relevant pages by clicking on **each title** on the table of contents page.

You can return to the table of contents by clicking on the **home icon** on all pages.

Throughout the report, you can access sources related to the topic by clicking on **the bold and underlined links.**



OUR MESSAGES TO OUR STAKEHOLDERS

MESSAGE FROM THE CHAIRMAN OF THE BOARD

Esteemed Shareholders,

As Nuh Çimento, a company recognized on the international stage for our innovative approach and sustainability vision, we stand as one of the leading institutions in Türkiye's cement industry—not only with our production capacity and quality but also with our environmental sensitivity and sustainability strategies. We carry out our activities across a broad spectrum, from reducing carbon emissions and supporting a circular economy to implementing social responsibility projects and biodiversity initiatives.

Leveraging our advantageous location with high-efficiency technologies, we enhance the added value we create through investments that both strengthen our competitive edge and reduce environmental impacts. While maintaining our strong position in international markets with our customer-centric approach, we also contribute to society through environmentally friendly production and employment creation.

We carry out the activities stated in the policies and related documents in line with the decarbonization of the Turkish cement industry and Turkey's goal of achieving net zero carbon emissions.

To this end, we have defined our carbon reduction strategies for 2030 and 2050. Through our waste feeding systems and R&D projects aimed at reducing fossil fuel consumption, we are promoting low-carbon production. We have taken significant steps by converting our heavy machinery and raw material operations to electric vehicles. With our investments in renewable energy, our contributions to the circular economy, and our green cements with a low carbon footprint, we are progressing steadily toward our "Net Zero by 2050" emissions goal. In 2024, we continued to guide our sector and contribute to the strength of our national economy. As a 100% locally owned company, Nuh Çimento ranked 141st overall and 4th in its sector on the Turkish Exporters Assembly's "Top 1,000 Exporters of Türkiye" list for 2023. By the end of 2024, we accounted for 16.4 percent of the total exports of the Turkish cement sector. At the 6th Champions of Export Awards organized by the Cement, Glass, Ceramics and Soil Products Exporters' Association (ÇCSİB), we were honored with awards in three different categories, and additionally, based on the sustainability assessments conducted for companies listed in the Fortune 500, we were honored with the "Fortune 2024 Sustainability Awards".

In our Integrated Annual Report, you can examine the values we create for our shareholders, dealers and customers, employees, society and our country, as well as our efforts to ensure the sustainability of our business and the natural environment and to combat climate change.

Alongside this integrated annual report—prepared in line with global standards such as the GRI Standards, the Integrated Reporting Framework, and SASB Standards—we will also publish our first report compliant with the Turkish Sustainability Reporting Standards in the second quarter of 2025.

Corporate sustainability has always been at the core of our focus, and in line with this commitment, we fulfill our responsibilities to all stakeholders through transparent and detailed disclosures, and by maintaining our presence in the BIST Sustainability Index

With gratitude and remembrance for our founders who have passed into eternity, our esteemed shareholders, successful business partners, and the efforts of our valuable employees, we will continue our journey as Nuh Çimento, producing, progressing, and always sharing the values that unite us. I express my heartfelt appreciation to all our stakeholders, especially our employees, for their valuable contributions, trust, and loyalty to Nuh Çimento, which have been instrumental in all that we have achieved and shared.

Sincerely,
Tevfik BİLGİN
Chairman of the Board

Tevfik BİLGİN
Chairman of the Board

MESSAGE FROM THE CEO

Our Esteemed Shareholders, Valuable Employees, and Business Partners,

In recent years, numerous binding regulations have been implemented at both national and international levels to reduce carbon emissions in the fight against climate change. As one of the key drivers of our country's exports and a sector with significant carbon output due to its high energy consumption, the cement industry is among those most affected by these developments. At Nuh Çimento, we are proactively reviewing all our operations in light of these changes and taking the necessary steps to stay ahead of future requirements.

In this context, corporate sustainability remained a central focus for us throughout 2024. We regard sustainability not only as an environmental imperative but also as a long-term opportunity from both a societal and economic perspective. Through the projects we implemented and our commitment to transparent reporting, we ensured strong sustainability performance by making all our data publicly accessible. We made a strong debut on the BIST Sustainability Index, ranking 15th among 125 industry representatives who report on ESG (Environmental, Social, and Governance) criteria.

We progress confidently in our journey to achieve net zero carbon by 2050!

Throughout 2024, we continued our efforts to reach our 2050 net zero target without slowing down. By increasing our use of renewable energy, we produced approximately 30% of our electricity consumption from clean energy sources. Our target is to raise this figure to 40% by 2030 and to 100% by 2050.

We obtained 12 Environmental Product Declarations (EPDs), becoming the only cement plant to secure EPDs for all its products. Through our efforts to expand green cement sales in the domestic market, we assumed a leading role in the industry and reached a 95% sales ratio for green cement.

To reduce the carbon footprint of our raw material operations, we continued transitioning from diesel-powered machinery to electric equipment. This year, we added two electric haul trucks and five electric heavy-duty machines to our fleet, reaching a total of 20 electric machines. We recycled 91% of our waste and achieved a 62% recovery rate for our wastewater.

We Maintained Our Strong Market Position Through Financial Performance!

Despite global economic fluctuations, rising cost pressures, and uncertainties across the industry, 2024 was a year in which Nuh Çimento preserved its financial stability and sustained its profitability through a solid operational structure. By increasing our total sales revenues to 15.5 billion TL, we have maintained our strong position in the market and continued to resist the challenging conditions of the sector.

We recorded an EBITDA of TRY 4 billion from our operations. As a result of all these dynamic processes, we achieved a net profit of 1.8 billion TL and maintained our operational efficiency and financial discipline. This success was made possible through effective risk management, efficiency-driven strategies, and our approach to sustainable growth.

We Build a Stronger Society Through Sustainability and Social Responsibility!

By conducting recovery efforts for construction debris and excavation waste, we reused 5,065 tons of excavation waste as raw material and recovered 108 tons of recyclable waste from it. With the use of 400,000 tons of alternative raw materials, we continued to contribute to the circular economy. Additionally, under the scope of biodiversity efforts, we served as the main sponsor of the "Marmara Sea Restocking Project," through which 6,000 juvenile fish were released into the Marmara Sea in 2024. In support of local communities, we took an active role in World Environment Day events, joining our employees to clean coastal areas and raise environmental awareness. On International Women's Day, as Nuh Çimento Group, we entered into a special collaboration with the Governorship of Hatay for the "Hayat Hatay" project, contributing to gender equality and supporting the spirit of solidarity in the region.

We Crowned Our Economic Achievements with Awards!

As one of the industrial giants of our country, with our multidimensional strategic vision, high customer satisfaction, and the level of operational excellence we have achieved, we have accounted for 20.3% of the cement sector's export via sea routes in Türkiye.

Following the consistent presence of Nuh Çimento in the "Top 500 Industrial Enterprises of Türkiye" list published by the Istanbul Chamber of Industry (ISO), our subsidiary Nuh Beton was also included in the ISO 500 list. At the 2023 Export Champions Award Ceremony held in 2024, we were honoured with the first-place award in the "Most Exporting Company" category in the clinker sector, second place in the "Most Exporting Company" category in the general cement sector (including clinker), and second place in the "Most Exporting Company" category in the grey cement sector.

Operational Excellence and Digital Transformation Became Our Priority!

By taking significant steps in "digitalization," which serves as the greatest enabler of our operations, we have reached a 76% digital control level in optimization, automated operations, and production systems. Through the digital transformation project, we launched under the name "Fusion," we set out to integrate all company data and processes within our company into a single digital platform, creating a larger and a stronger system.

The achievements of our company are the result of the dedicated efforts of all our employees, business partners, and, especially, our esteemed partners and shareholders.

I extend my heartfelt gratitude to each of you. Drawing strength from our unity, we will continue to achieve new milestones and share our success together.

Sincerely,
K. Gökhan BOZKURT
CEO

K. Gökhan BOZKURT
CEO

OUR FOUNDERS, WITH US IN ETERNITY

We are taking confident steps in their footsteps by protecting the values adopted by our founders. We commemorate the founders of Nuh Çimento with respect and gratitude.


Nuh Eskiyapan
1961


Mustafa Arıkan
1967

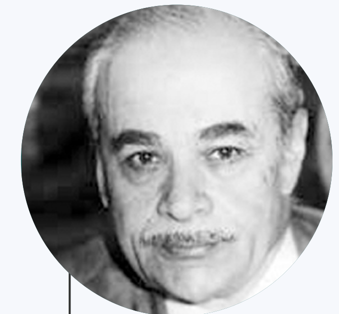

Ahmet Haskınacı
1970


H. Mehmet Küçükçalık
1973


Ahmet Eskiyapan
1975


H. Mehmet Özkan
1979


Hilmi Haskınacı
1988

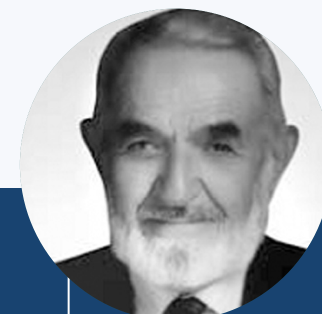

Şaban Diri
1988


Ahmet Özkan
1990


Kemal Yurtbilir
1991


Şaban Göbülük
1995


N. Mehmet Küçükçalık
2002


Muhittin Özkan
2005


N. Mehmet Baldöktü
2006


Burhan Dinçbal
2008


Muharrem Eskiyapan
2009


Mustafa Alikişoğlu
2012


Hacı Ahmet Paralı
2013


Alaeddin Küçükçalık
2016


Levent Yurtbilir
2017


Enver Paralı
2020

OUR CORPORATE PROFILE

As Nuh Cement Group, which has been contributing to production, employment and the economy of our country with its deep-rooted history since 1966, we continue to offer many products and services such as clinker, cement, ready-mixed concrete, lime, aerated concrete, aluminum paste and magnesium milk in the construction industry at high quality, to produce by creating value together with our hardworking and talented employees and to build a strong future.

OUR COMPANY

With our Nuh Çimento Hereke plant, which has one of the highest production capacities in Turkey and Europe in a single location, we, as Nuh Çimento, have been contributing to our country's economy and continuing our sustainable growth with our well-equipped employees, high quality standards and 100% customer satisfaction target for 58 years.

We became listed on Borsa Istanbul in the year 2000 and as of the end of 2024, we continue our operations with a 18.82% public float. Nuh Çimento is a private company with no partnership or ownership by any public legal entity having control over management. Founded in 1966 and commencing production in 1969 in Kocaeli-Körfez, to the east of the Marmara Region, which surrounds Istanbul where Türkiye's highest cement consumption occurs, our company offers clinker, cement, and other construction materials to both domestic and international markets through our factory-adjacent 57,000 m² port, which provides logistical competitive advantage in exports, extensive and robust dealer network, and our subsidiary Nuh Beton's widespread ready-mix concrete plants.

In addition to our expertise, experience, and technology-backed production strength, we continue to work tirelessly and produce with our strong corporate culture and competent human resources to maintain our competitive position in the industry.

OUR PRODUCTS

Nuh Cement products are used in a wide variety of superstructure and infrastructure constructions, including high-rise buildings, bridges, pavement concretes, harbour constructions, offshore structures, and reinforced concrete underground water pipes, and are preferred by our customers worldwide across the construction industry and all its sub-sectors.

Our cement and mineral admixtures are used in the production of all types of construction elements, from high-rise buildings to oil wells, from tunnels to harbour and offshore structures, from screed and plaster concretes to underground water pipes, across many countries and diverse climates around the world. Thanks to our product range, we meet the cement and mineral additive demands of our domestic and international customers who produce prefabricated concrete elements, building products, screed and plaster making, floor reinforcement / reclamation and pile applications, tiles and glazes, especially in ready-mixed concrete production, as well as selling high-quality clinker varieties that meet the different technical needs of cement manufacturers from different countries of the world. We conduct all our production in compliance with Turkish Standards, European Standards, ASTM Standards, and the regulations of numerous countries worldwide.

The clinker, the main raw material of cement, is also produced in accordance with various standards. Our product range includes portland, sulphate-resistant, low alkali content, low Cr (VI) content products, as well as blast furnace slag under the category of mineral additives.

All our products are consistently inspected and certified by accredited organisations to ensure compliance with relevant standards. In 2023, we obtained environmental product declarations for 12 of our products, and the list of these products is available under the title of **EPD Certificates.** The Nuh Çimento Group Quality Policy is available on our website.

ASTM Type I/II
Cement

ASTM Type III
Cement

ASTM Type IL
Cement

CEM I 42,5 R
Cement

CEM I 42,5 R SR5
Cement

CEM I 52,5 N
Cement

CEM II/A-S 42,5 R
Cement

CEM II/B-S 42,5 R
Cement

CEM II/A-LL 42,5 R
Cement

CEM V/A (S-P) 32,5 N
Cement

CEM II/B-M (S-LL) 42,5 R
Cement

CEM II/C-M (P-LL) 32,5 R
Cement

Oil Well Cement, Class G, HSR
Cement

Ordinary, Low Chromium (VI), Low Alkaline, SR, Oil Well Clinker
Clinker

Milled Blast Kiln Slag
Mineral Additive

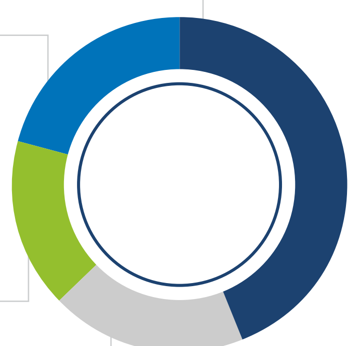
NUH ÇİMENTO GROUP COMPANIES

Our Group Companies	Field of Activity	Share (%)	Type of Partnership
Nuh Beton A.Ş.	Ready-Mixed Concrete Production and Marketing	100	Subsidiary
Nuh Yapı Ürünleri A.Ş.	Lime, Aerated Concrete Production and Marketing	100	Subsidiary
Nuh Gayrimenkul İnşaat A.Ş.	Construction and Contracting Works	100	Subsidiary
Navig Holding Trade B.V.	Import and Export	100	Subsidiary
Çim-Nak Taşımacılık Ltd. Şti.	Exploration, Loading, Transportation, Ship Agency	100	Subsidiary
Nuh Agro Tarım A.Ş.	Cultivation of Medicinal, Healing and Aromatic Products	85	Subsidiary
KSO Enerji A.Ş.	Electricity Generation	22.74	Affiliate
Çimpaş Çimento ve İnşaat Malzemeleri. Paz. A.Ş.	Cement Marketing	12.07	Affiliate

Changes in the Reporting Period

During the reporting period, the ownership shares in Çim-Nak Taşımacılık increased from 99.9% to 100%. The affiliate Oyak Çimento Fabrikaları A.Ş. was sold. A 27.74% stake was held in the company named KSO Enerji A.Ş. Cementos Esfera S.A. was sold.

Nuh Çimento Shareholding Structure



Shareholders whose partnership share is below 5 percent are non-public shareholders. (31.12.2024)

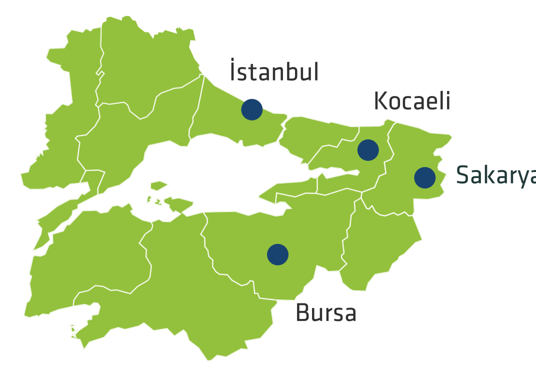
Nuh Beton

Nuh Beton A.Ş., one of the founding members of the Ready Mixed Concrete Association of Türkiye, has been providing world-class services in the Marmara Region since 1987 with its extensive facilities, modern power plants, large vehicle fleet, expert staff, integrated computer network and full automation.

Nuh Beton in 2024

- Achieved a revenue increase of approximately 37% in 2024 compared to the previous year.
- In the second half of 2024, the concrete sector experienced significant contractions in the markets it operates compared to the previous year, and although the increases in costs continued, concrete prices saw a notable decline. Despite these challenges, Nuh Beton maintained its production levels compared to the previous year and succeeded in keeping its profitability above the industry average.
- As of July 2024, the number of facilities increased from 14 to 15 with the addition of a new project plant established in Arnavutköy on the European side.
- Through effective controls in production and quality processes, as well as R&D efforts, a 4% improvement was achieved by optimizing raw material usage.
- In 2023, the Concrete Group operated with 481 employees (67 white-collar and 414 blue-collar). Despite the increase in the number of facilities, operational optimization enabled a reduction in total headcount to 468 in 2024 (68 white-collar and 400 blue-collar).
- Having invested approximately USD 21 million in 2023, Nuh Beton allocated around USD 10.6 million in 2024 for infrastructure, superstructure, and equipment investments, all financed through equity. As equipment, a concrete batching plant and equipment, a loader, a pick-up truck, two trailers, 10 pumps and 30 mixers were purchased.

Locations



Equipment

195 Trans Mixer

74 Mobil Pump

Plants

Connected to Each Other via Online Data Lines

15 Fully Equipped Plant

Computer Controlled and Fully Automated

21 Concrete Plant

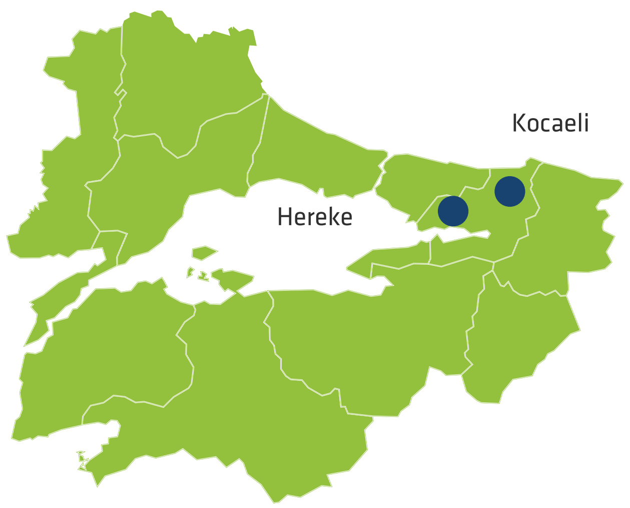
Nuh Yapı Ürünleri

Founded in 1995, Nuh Yapı Ürünleri A.Ş. is one of the leading manufacturers in its sector with its production capacity, product quality, advanced management and organisational structure and is a member of the Lime Industrialists Association and the Turkish Aerated Concrete Manufacturers Association. Having the first aluminium paste production facility in Türkiye, Nuh Yapı produces 100 percent domestic aerated concrete. Since 2000, it has been holding ISO EN 9000 Quality Management System Certificate in lime and aerated concrete production.

In 2022, the R&D Centre was established to add new products to the thermal insulation plate, aluminium paste, alpha plaster, anhydride and magnesium products developed by Nuh Yapı. In this way, it has been aimed to contribute to Türkiye's Science and Technology know-how resource and to advance the corporate innovation vision.

Nuh Yapı R&D Centre participated in the 4th International Research and Development Conference and received the first prize for the 'Most Innovative Scientifically Based Project' with the Utilization of Industrial Waste Casting Sands as Sustainable Building Material in Autoclaved Aerated Concrete Products.

Locations



Plants

Lime Factory
Aerated Concrete Factory
Aluminium Paste Production Plant
Alpha Gypsum Production Plant
Magnesium Oxide Production Plant
Milk of Magnesia Production Plant

Markets

Türkiye, Europe, North America, South America, Asia, Africa

Products

Thermocube
Aerated Concrete
Quicklime
Slaked Lime
Alpha Plaster
Micronised Plaster
Anhydride
Dental Plaster
Aluminium Pie
Magnesium Oxide
Milk of Magnesium

Nuh Yapı Ürünleri in 2024

- In 2024, 463.2 km^3 of autoclaved aerated concrete (AAC) and 191.8 kton of lime were sold.
- The revenue for 2024 amounted to 1 billion 114 million TL.
- Official procedures regarding dental plaster were completed.
- Production studies of G4/500 were conducted as an alternative to high-density demand in Aerated Concrete products.
- Studies were carried out to optimize stock, loading, and handling process costs in the production of bagged hydrated lime, and cost optimization was put into operation.
- A packaging unit was developed and activated for the production of quicklime in 25 kg kraft bags.
- Big-bag bagging configuration on pallet was provided to increase quick-lime export opportunities and exports were carried out.
- In order to support the shrinking domestic market sales of alpha gypsum, the opportunity of falling freight prices on the US line was utilized. Domestic market sales were supported. By creating a 2.5 tonne on-pallet packaging model, an alternative loading model was created in response to rising freight rates during the year.
- By evaluating the contraction in trade activities in Türkiye and worldwide, all production, packaging, and loading models were changed to maintain a balanced level of export activities in 2025. In this way, handling operations were optimized, labor was reduced, and cost savings were achieved.

Our Trademark Registered Products that We have Developed with R&D Efforts:

- Aerated Concrete Thermal Insulation Plate- Thermocube™
- Aluminium Paste- Alupore™
- Alpha Gypsum and Anhydride Products- Nuh Alçı™
- Nuh Dental Plaster

NUH ÇİMENTO IN NUMBERS

In 2024, we adapted to the rapid change triggered by economic and geopolitical factors that directly affected the business world with the support of our shareholders and employees and continued to create value for our stakeholders thanks to our resilience and adaptability. We achieved the TL 1.8 billion profit we announced by contributing to the development of the society we live in and protecting our ecological environment with an approach that is a requirement of sustainable success. According to the financial statements dated 31 December 2024, Nuh Çimento's asset size is TL 24.2 billion.

4.6 million tons
Clinker Production Capacity

88%
Capacity Utilization
4,100,000 tons/year
Production

5.7 million tons
Cement Production Capacity

66%
Capacity Utilization
3,833,700 tons/year
Production

57.000 m^2
Port Facility Area

50+ countries
The Number of Countries We Export To

FINANCIAL PERFORMANCE SUMMARY

Total Assets (TL)

2024*	24,250,425,240
2023*	27,286,362,684

Equity Resources (TL)

2024*	19,471,930,945
2023*	19,246,001,501

Net Profit Margin (%)

2024*	11.85
2023*	14.38

Dividends Paid Per Share (Gross TL)

2024**	13.00
2023	7.00

Gross Dividends Paid (TL)*

2024**	1,952,776,800
2023	1,051,495,200

Net Profit (TL)

2024*	1,834,502,441
2023*	2,780,597,863

** Inflation adjustment has been made in the preparation of the consolidated financial statements as of December 31, 2024, and December 31, 2023, for the scope and application of TAS 29 by the Public Oversight Authority on November 23, 2023.*
***The amount of the payment will be finalised at the General Assembly meeting on March 22nd, 2025.*

OUR CAPITALS AND THE VALUE WE CREATED

OUR COMMITMENT IS TO CREATE SUSTAINABLE VALUE FOR OUR SHAREHOLDERS, EMPLOYEES, DEALERS/CUSTOMERS AND SUPPLIERS.

CAPITAL ELEMENT | INPUTS | OUR VALUE CREATION PROCESS | NUH ÇİMENTO BUSINESS MODEL OUTPUTS | THE VALUE WE CREATE | SUSTAINABILITY ACHIEVEMENTS

FINANCIAL CAPITAL

Inputs

24.2 Billion TL
Assets

19.5 Billion TL
Equity Resources

4.8 Billion TL
Export Revenues

Our Value Creation Process

- Our Strong Partnership Structure
- Our Solid Equity Resources
- Our Investments

The Value We Create

1.8 Billion TL
Net Profit for the Year (Consolidated)

11 Billion TL
Payments to Suppliers

665 Million TL
Taxes Paid to the State

Sustainability Achievements

11.85%
Net Profitability
Direct Impact: Shareholders
Indirect Impact: Employees

MANUFACTURED CAPITAL

Inputs

441 Thousand m²
Integrated Production Facility

595 Metres
Waterfront

57 Thousand m²
Cargo Port Serving Ships

Our Value Creation Process

- Our High Production Capacity
- Raw Material Supply Security
- Operational Excellence
- Our Advanced Logistics Infrastructure

The Value We Create

7,1 Billion TL
Our Cement Sales Revenue

1 Billion TL
Our Clinker Sales Revenue

80 Thousand DWT
The Capacity of Our Cargo Port

Sustainability Achievements

100%
Port Utilisation Capacity
Direct Impact: Customers-Dealers
Indirect Impact: Shareholders, Employees

HUMAN CAPITAL

Inputs

1,021 People
Our Employees Including Subcontractors

35,597 Hours
The Duration of Our General Trainings

28,677 Hours
The Duration of Our OHS Trainings

Our Value Creation Process

- Our Understanding of Employee Satisfaction
- The Benefits We Offer
- Training and Development Programs
- Fair and Safe Working Environment

The Value We Create

6.61%
Our Employment Turnover Rate

27 Hours (Female) / 52 Hours (Male)
Average Annual Duration of Education

0
Number of Accidents with Lost Days (Subcontractor)

Sustainability Achievements

85%
Employee Satisfaction Rate
Direct Impact: Employees
Indirect Impact: Shareholders

SOCIAL CAPITAL

Inputs

2,243 Companies
Total Number of Suppliers

2,197
Number of Local Suppliers

50 +
The Number of Countries We Export To

Our Value Creation Process

- Our Local Supply Priority Approach
- Compliance with the Laws
- Social Life Cycle Analysis
- Effective Participation and Contribution to Sectoral Development Programs
- Our Corporate Memberships
- Our Understanding of Customer Satisfaction

The Value We Create

97.95%
Our Local Supplier Ratio

9.46 Billion TL
The Value of the Payments We Make to Our Local Suppliers

95%
Our Customer Satisfaction Rate

Sustainability Achievements

86%
The Rate of Purchase from Local Suppliers
Direct Impact: Suppliers
Indirect Impact: Shareholders, Customers-Dealers

INTELLECTUAL CAPITAL

Inputs

6
Number of Our Integrated Management Systems Certificates

Our **Low Carbon** Product R&D Formulas

Our Value Creation Process

- Our Policies
- Our Performance Monitoring Systems
- R&D Efforts and Our Business Associations
- Our Digital Transformation Studies and Investments

The Value We Create

Effective Quality, Environment, Energy, Occupational Health Safety and Information Security Management, Responsible Use of Resources

Standardisation of Product Quality, Effective Energy Efficiency and Emission Control

Sustainability Achievements

62%
Treatment Plant Discharge Water Reuse Rate
Direct Impact:
Local Community, Environment
Indirect Impact: All Stakeholders

NATURAL CAPITAL

Inputs

83.1 Million TL
Our Environmental Protection Expenditures

150 Million kWh
The Amount of Renewable Electricity We Produce (WHR&HEPP)

406,487 Ton
The Amount of Waste We Recover (Alternative Raw Materials and Fuels)

Our Value Creation Process

- Our Risk Management Approach
- Verifications
- Our Electric Vehicle Transformation Projects
- Our Investments in Renewable Energy Production
- Our Mine Fields Rehabilitation Activities

The Value We Create

112 Million TL
Our Net Profit Due to the Waste We Recover

253 Million TL
Our Savings Due to the Electricity We Produce and Consume at the Facility (WHR)

67,013 Ton of CO_2e
The Amount of Greenhouse Gases Averted (WHR & HEPP)

Sustainability Achievements

91%
Recycling Rate in Waste Management

30%
Renewable Energy Production Rate (WHR & HEPP)
Direct Impact:
Local Community, Environment
Indirect Impact: All Stakeholders

NUH ÇİMENTO BUSINESS MODEL OUTPUTS

Our Products

Cement Production
3,834 Thousand Tons/year

Clinker Production
4,100 Thousand Tons/year

Milled Blast Kiln Slag
188 Thousand Tons/year

Our Services and Solutions

Port Operations

Our Circular Economy Solutions

R&D Solutions for Sustainable Products with Low Carbon Footprint

Alternative Fuel and Raw Material Management Solutions

Our Waste

2,746 Tons
Total Waste

4.59 million Tons of CO_2e
Total Greenhouse Gas Emissions (Scope 1, 2, 3)

STRATEGY AND GOVERNANCE

At the core of our strategy lies our long-term value creation approach, rooted in our deep-rooted history, for all our stakeholders—primarily our employees, customers, shareholders, and suppliers. We regularly review our strategy to ensure that it adapts to the evolving climate, technological, and social developments and strengthens the resilience of our companies against potential risks. We carry out all our processes with this mindset and, together with our visionary leaders and competent human resources who embody this approach, we strengthen the future of both our industry and our society.

OUR CORPORATE VALUES

We Produce Together!

Since 1966, we have been adapting to the rapid transformation of the world with our expertise, experience, and next-generation technologies, and we support our production power with a strong and talented team that works with determination.

With our motto "We Produce Together," we lead the sector and innovation within our ecosystem in line with the principle of sustainability. Nourished by the strength of our unity, we work with a focus on continuous improvement and success and aim to be a pioneer in today's and tomorrow's world in order to move our business forward day by day. Thanks to the strong ties we have established with all our stakeholders, we are accomplishing great things.

We make a difference with the awareness of team spirit and mutual trust. Based on solidarity, we act knowing that we are parts of an unbreakable chain, and we produce together for the world with the power of our employees.

Our Values

- Empowering our employees within a safe working environment
- Cultivating a culture of continuous performance improvement
- Prioritizing customer satisfaction by maintaining the quality of our products at the highest level

Our Vision

- To be the preferred company of our customers, employees, suppliers, and shareholders
- To be the company leading sustainable growth in the sector with the innovations we implement

Our Mission

- To create value for our customers
- To provide our employees with an environment and opportunities for self-improvement.
- To contribute to the economic and social development of the community we are a part of with environmental awareness
- To keep our shareholders happy with continuous performance improvement, growth, and financial strength

CORPORATE GOVERNANCE, ETHICS AND COMPLIANCE

The highest governing body of our company is our Board of Directors, with the aim of determining the long-term strategic direction and goals of the company, considering its vision and values. Our Board of Directors manages Nuh Çimento Group's sustainable profitability goals by taking into account the balance of growth and return. Our Board of Directors consists of fourteen members, five of whom are independent. We have one female board member. Board members are subject to performance evaluation based on their talents, capacities, work experiences, as well as the ability to express themselves freely. At the regular general assembly meeting, all investors, regardless of size, have the opportunity to share their opinions and expectations on every issue.

The Board of Directors is responsible for the effective and efficient management of risks. Board members monitor sustainability-related risks and opportunities on a daily basis through the Early Detection of Risk Committee, established to identify and take necessary measures against factors that may jeopardise the company's existence, development, and continuity. In addition to this committee, there is a Corporate Governance Committee, an Audit Committee and a Nomination Committee affiliated to the Board of Directors. These committees, with their main goal of ensuring uninterrupted and lossless continuity of business and operations, indirectly play a role in effectively managing economic, social, and environmental performance and spreading the sustainability vision throughout the company.

In 2024, we renewed four of our policies concerning the Board of Directors and, in line with our commitment to transparency, made them available to our stakeholders on our website. These are: *Nuh Çimento Industry Inc. Diversity and Inclusion Policy, Nuh Çimento Industry Inc. Profit Distribution Policy, Nuh Çimento Group Succession Plan Policy, Nuh Çimento Group Members of The Board of Directors and Senior Executives Wage Setting Policy.*

Compliance with the Laws

At Nuh Çimento, we conduct all our activities in compliance with official regulations, directives, and notifications. While the primary responsibility lies with the Board of Directors, each department is responsible for monitoring the legislation related to its field and taking necessary precautions to prevent any adverse impact. Our company is subject to independent auditing in accordance with the regulations of the Capital Markets Board (CMB). In addition to this, in order to avoid legal sanctions, to prevent reputation loss, and financial losses, we seek consultancy services in cases of new legislation coming into effect or significant changes in existing regulations.

In the event of a legal change, if mandatory, we promptly take the necessary actions for full compliance, and if not mandatory, we strive for maximum compliance. Additionally, our lawyers working in our Legal Counsel Department provide opinions to our departments on all issues deemed necessary. The Audit Committee, affiliated to the Board of Directors, also has the authority to conduct investigations and research on a number of legal issues that senior management deems necessary.

There are no lawsuits filed or concluded against the company regarding ESG (Environmental, Social, and Governance) matters that are significant in terms of ESG policies and/or would have a substantial impact on operations.

At Nuh Çimento, we cooperate with official competition authorities conducting investigations whenever necessary to ensure and verify compliance with competition regulations, respond to information requests as promptly and thoroughly as possible, consider the use of available tools such as confidentiality waivers, and promote effective and efficient cooperation with investigating authorities across all our employees.

Business Ethics

Our vision, mission and corporate values supporting them were published with the approval of the Board of Directors at the strategy meeting and adopted by all our employees. Nuh Çimento Ethical Compliance Principles and Nuh Çimento Group Anti-Bribery and Anti-Corruption Policy are the internal mechanisms that monitor behaviours in compliance with our ethical values and laws. The Code of Ethics and Compliance is a guide that guides our employees and those acting on their behalf in their decisions and behaviours while performing their duties.

Our Ethics Committee is responsible for the implementation and reporting of our Code of Ethics Instruction. Our employees are informed about these mechanisms through email, Quality Management Document System (QDMS) and the Intranet. Employees and external stakeholders can submit their notifications to **etik@nuhcimento.com.tr.** Suggestions, warnings and concerns received by the Ethics Committee are handled with confidentiality and diligence.

EXTERNAL FACTORS AND GLOBAL TRENDS

At Nuh Çimento, when evaluating our risks, we not only consider internal risks but also monitor the global changes; we prepare our company for the future by taking into consideration global problems, sectoral trends and possible legislative changes as well as external factors.

World Economic Forum WEF Risk Perception

The WEF World Economic Forum Global Risk Perception 2025 Report reveals that the most prominent risks in the short term are misinformation and disinformation and extreme weather events caused by climate change. In the long term, extreme weather events rank first, followed by biodiversity loss and ecosystem collapse. In the short term in 2024, inflation, economic downturn and lack of economic opportunities may be replaced by inequality, erosion of human rights and/or civil liberties and geoeconomic conflict from 2025 onwards. According to the GRC Management Turkey Risk Report 2025, the five-year projection in Türkiye similarly points to geopolitical instability and forced migration, as well as crisis, bankruptcies, conflict, embargoes and sanctions on the economic side.

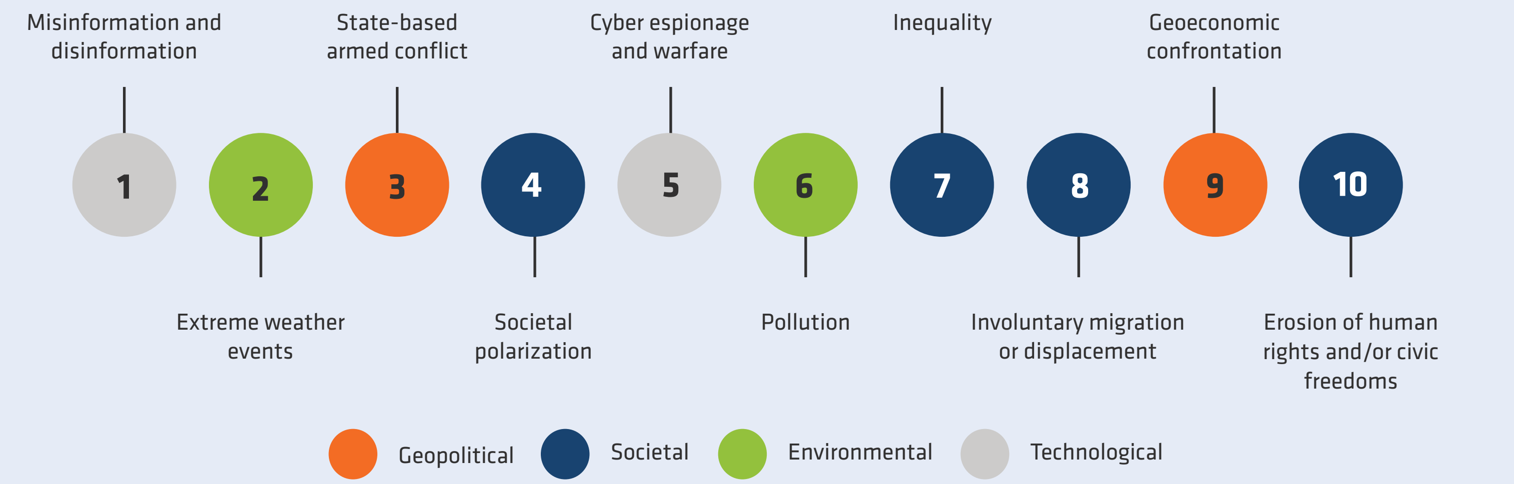
Although societal and geopolitical risks may not appear to directly impact operations, it is becoming increasingly important for companies to assess these risks and manage their adaptation processes to ensure business continuity. Natural disasters caused by climate change significantly affect the continuity, sustainability, and future of businesses. In this process, companies must possess financial and operational flexibility and prepare themselves infrastructurally.

The financial, operational and strategic risks, which are the three main risk categories that may affect the achievement of Nuh Çimento's goals, and the actions we take in relation to them, are reported broadly in our report, in section **Legal Disclosures** and title **Risk Management and Assessment by the Board of Directors.** Through evaluations with stakeholders during the report's preparation, we have detailed the actions taken regarding global risks directly associated with the identified strategic issues. The relevant disclosure table is provided below.

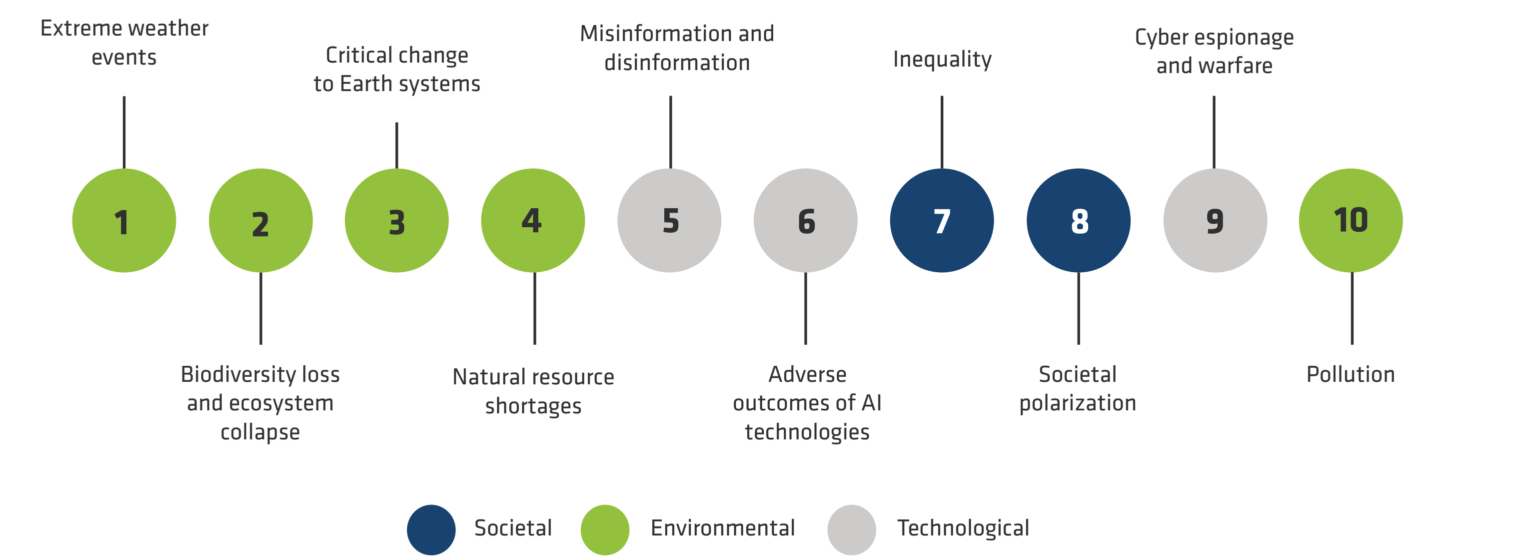
WEF The Most Likely Global Risks

WEF Long-Term Global Risks (10- year)	Nuh Çimento Risk Management Category	Corresponding Section in the Report
1. Extreme weather events	Operational (OHS/Environmental and External Risks) and Financial Risks	Disaster Preparedness and Response
2. Biodiversity loss and ecosystem collapse	Operational (Environmental and External Risks)	Biodiversity Conservation
3. Critical change to Earth systems	Operational (/Environmental and External Risks) and Financial Risks	Climate Change and Energy Management
4. Natural resource shortages	Operational (Environmental) and Financial Risks	Water and Wastewater Management Material Management
5. Misinformation and disinformation	Strategic Risks	Corporate Governance, Ethics and Compliance
6. Adverse outcomes of AI technologies	Operational (Information Security Risks), Financial and Strategic Risks	Digital Transformation
7. Inequality	Operational (Information Security Risks), Financial and Strategic Risks	Talent Management and Employee Engagement
8. Societal polarization	It is not directly related to our activities.	-
9. Cyber espionage and warfare	Operational (Information Security Risks) and Financial Risks	Digital Transformation
10. Pollution	Operational (Environmental) Financial Risks	Waste Management

WEF 2025 – 2 Year Risks



WEF 2025 – 10 Year Risks



Source: WEF The Global Risks Report 2025

Climate Change

2024 went down in history as the hottest year on average to date, in which we felt the devastating effects of climate change more all over the world. The issue of combating and adapting to climate change is increasingly at the forefront of risk reports, global goals, multinational agreements, and regional accords. According to the WEF report, extreme weather events caused by climate change are the second biggest risk in the world in the short term.

Nuh Çimento Climate Change-Related Risk and Opportunity Analyses

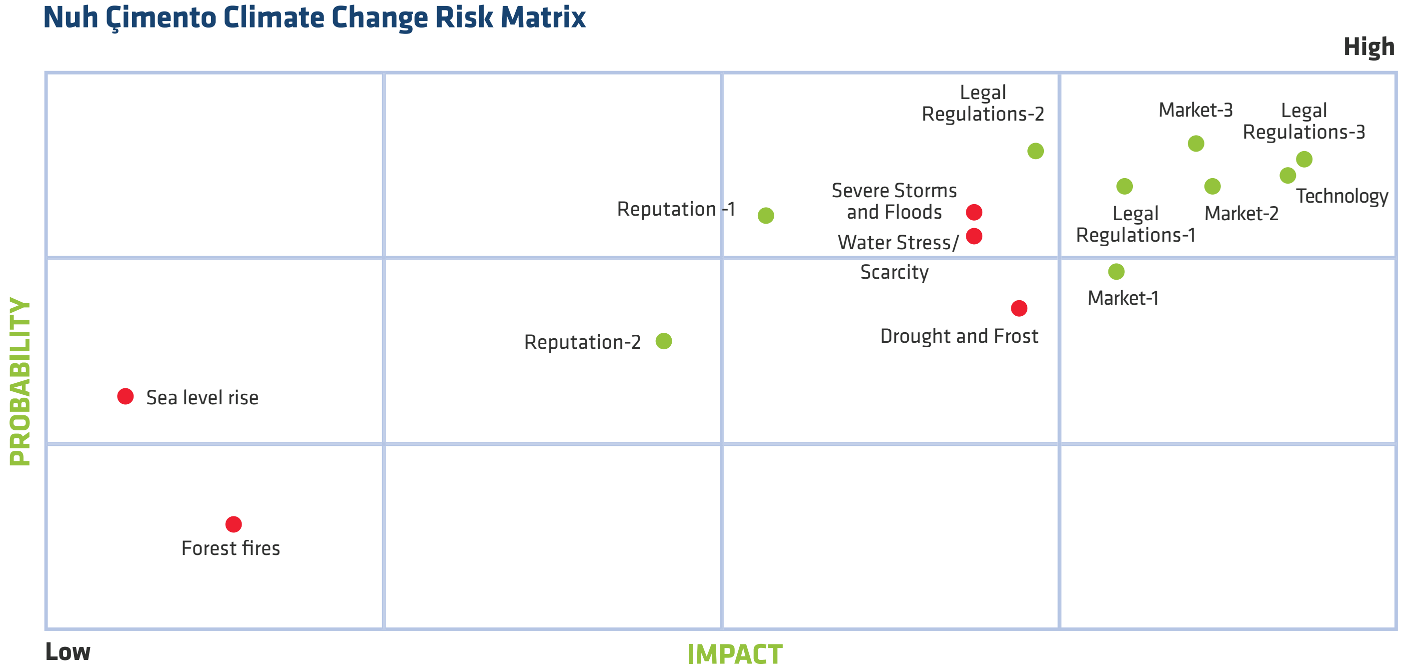
As Nuh Çimento, we included the topic of 'Disaster Preparedness and Response,' including events related to climate change, in our agenda a few months before earthquakes occurred in 2022, placing it among our top priority issues.

In 2023, our consultant prepared a comprehensive risk and opportunities survey in parallel with the TCFD* framework and CDP** Climate Change Program reporting. We conducted an online survey assessing potential physical and transitional risks and opportunities arising from climate change, involving top management representatives as well as managers and executives. Among the 14 risks listed in this study, aligning with the Türkiye Sustainability Reporting Standards TSRS S2 Climate-Related Disclosures standards, nine were identified across all groups as having high impact and probability.

While determining our climate resilience strategy for 2024 and beyond, we will include our explanations on risks and opportunities, which we will review on the basis of current findings, within the scope of our TSRS reporting to be published in the second half of 2025.

**Task Force on Climate Related Financial Disclosures*
***Carbon Disclosure Project*

Nuh Çimento Climate Change Risk Matrix



Among **Physical risks,** 'Severe Storms and Floods' and 'Water Stress/Scarcity' were identified by all groups as the physical risks with the highest impact and probability, respectively.

Regarding **Transition risks,** Legal Regulations 3: Increasing reporting obligations, Technological risks, Market 3: Increase in raw material input costs, Market 2: Market uncertainties, and Legal Regulations 2: Increased carbon pricing - CBAM- Carbon Border Adjustment Mechanism, Legal Regulations 1: Obligations and regulations related to existing products and services or processes were defined as the most important risks by all groups.

Transition Risks Explanations

Legal Regulations 1: Obligations and regulations related to existing products and services or processes (requirement to replace with lower-emission options)
Legal Regulations 2: Carbon pricing mechanisms - Increase in emission pricing
Legal Regulations 3: Increased emission reporting obligations
Technology: Transition to lower-emission technology
Market 1: Adaptation to changes in customer preferences
Market 2: Market uncertainties
Market 3: Increase in raw material/ input costs
Reputation 1: Negative sector perception
Reputation 2: Increased stakeholder concern or exposure to negative stakeholder feedback

Combating Climate Change and Related Opportunities

In the climate survey, our managers, who evaluated global, sectoral, and physical risks, shared their recommendations to turn the challenge into an opportunity.

- To gain a competitive advantage through rapid carbon reduction in production
- To be prepared for the low-carbon economy and potential environmental impacts due to climate change, and develop alternative products/processes that provide solutions
- To invest in initiatives that enhance energy efficiency, such as waste heat recovery
- To focus on clean energy investments, such as solar and wind turbines, to reduce energy dependency
- To increase the use of renewable energy sources
- To utilise calcined clay and cementitious materials
- To develop and introduce low-carbon cement to gain advantages in both domestic and international markets
- To innovate and produce cost-reducing products
- To develop green products for green buildings
- To act in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and create a competitive edge through investments that prevent climate change
- To convert vehicles used in furnaces to electric power
- To make investments in waste incineration and especially in the incineration of biomass-containing wastes with the aim of reducing costs and carbon emissions
- To deploying digitalization

Comparison of the Cement Sector and Nuh Çimento Risk and Opportunity Analysis

The sectoral risk and opportunity analysis prepared by the Cement, Glass, Ceramics, and Soil Products Exporters' Association (ÇÇSİB) in 2023 includes many common issues identified in the corporate risk and opportunity analysis and climate change-related risk and opportunity analysis conducted at Nuh Çimento during the same periods. In the corporate risk and opportunity analysis conducted at Nuh Çimento in 2023, the following risks were identified as the most significant risks. No significant change was identified during the 2024 review.

OHS - Damage to silos and administrative buildings in the potential Istanbul earthquake
QMS - Suspension or cancellation of the Product Certificate
ESG - Formation of CO2 pollution in the atmosphere due to high greenhouse gas emissions
ESG - Natural resource crisis
QMS - Failure of following legal regulations and standards
ESG - Reduction of limits and creation of new sanctions according to draft regulations
ESG: Failure to adapt to climate change - administrative penalties and production losses

In the analysis conducted by ÇÇSİB, the 'Risk of injury, illness, and loss of life that may occur as a result of the company's failure to implement health and safety actions responsibly' was identified as the highest importance risk, while risks of moderate importance are consistent with the outputs of Nuh Çimento's climate change risk and opportunity analysis in terms of both physical and legal risks as well as technological, and market risks.

The risk of fluctuating CO_2 prices and exposure to high financial expenses within the scope of applications such as carbon trading systems, carbon taxes, and future carbon-related legislation is identified as a common risk in all three studies.

Reduced operating costs through increased recycling and transition to renewable energy practices, development of new products or services through R&D and innovation, and opportunities to access new markets through more sustainable products developed through R&D efforts are in line with the opportunities identified by both ÇÇSİB and Nuh Çimento executives.

Nuh Çimento's Actions for Climate Change

You can review the details of these efforts in our report under the heading **Our Strategy and 2050 Net Zero Carbon Roadmap,** and the results of our efforts to date under the heading **Climate Change and Energy Management.**

In 2024, with the approval of senior management, we are presenting the climate change-related risk management process and policy documents we have introduced to our company to our stakeholders on our website.

EU Green Deal Carbon Border Adjustment Mechanism

The Green Deal roadmap, announced by the European Union in 2019, includes actions to be taken to reach zero emission value by 2050. The most effective of these is that a carbon tax will be applied to imported products at the border. The Commission envisages gradually removing the free allocations of carbon-intensive industrial sectors and applying a carbon price at the rate of carbon content to third-country products instead (CBAM-Carbon Border Adjustment Mechanism)

The negotiations between the European Parliament and the European Commission regarding the CBAM, adopted in a vote in the European Parliament on June 22, 2022, have been concluded. The implementation law showing how the CBAM will be applied during the transition phase, published in 2023, covers the period from October 2023 until the end of 2025. The regulation, which covers producers exporting cement, iron and steel, hydrogen, fertilisers, aluminium, and electricity to the EU, currently only imposes a reporting obligation on exporters regarding the carbon content of their products. By 2026, companies that do not reduce their emissions may experience a decline in their sales revenue to the EU, as their products with high emissions may be less preferred by customers who do not wish to be taxed, opting instead for lower-emission products. The impact of this risk can be mitigated by the National Climate Law and the establishment of an Emissions Trading System (ETS), for which preparations are underway, and the conclusion of relevant agreements with the EU.

According to the World Bank's Country Impact Index published in 2023, the carbon intensity of Türkiye's exports under the CBAM is relatively low. However, since our exports are high in various sectors such as iron and steel, aluminium and fertiliser, Türkiye is expected to be highly affected by the carbon fees to be introduced. Finally, considering Türkiye's geographical advantage, it is observed that Türkiye is in an advantageous position in terms of logistics-related emissions.

Nuh Çimento's Actions Towards Global Regulations

As Nuh Çimento, we supported the preparation of the National Emission Trading System Roadmap by taking part in a focus group authorised within the scope of the Turkish Cement Sector 2050 Roadmap Working Group, which was formed under the chairmanship of TÜRKÇİMENTO Board members. In 2022, we completed the Nuh Çimento Carbon Roadmap study, which we initiated in 2021 under the leadership of our CEO and coordination of our Sustainability and Environment Directorate. We conducted risk and cost assessments with alternative methods and prices through different scenarios within the scope of the Emission Trading System (ETS) prepared by the EU Green Deal Border Carbon Tax and our Ministry of Environment and Climate Change. As a result of these assessments, we planned our actions and projects for the upcoming period under five main headings.

You can review the details of these efforts in our report under the heading **Our Strategy and 2050 Net Zero Carbon Roadmap,** and the results of our efforts to date under the heading **Climate Change and Energy Management.**

The Need for Rapid Urbanization and Sustainable Cities

According to UN data, 57 percent of the world's population currently lives in urbanised areas, and this is projected to increase by approximately 10% by 2050. This development will place a significant burden on infrastructure, services, employment and the environment. The building materials industry has responsibilities to support sustainable cities while responding to the needs of a growing population.

Sustainable development requires a significant transformation in the way we build and manage urbanising areas, including low-carbon production processes and construction materials, and buildings that maintain energy efficiency throughout their entire lifecycle. Cement, with its availability and long-term durability properties when converted into concrete, plays an important role in meeting the needs of the rapidly growing population as a low-carbon material considering its life cycle.

Nuh Çimento's Actions Towards Sustainable Products

You can review the positive impacts we have created as Nuh Çimento in response to this trend under the title of **Reducing Our Carbon Footprint with Eco- Friendly Products.**

New Technologies and Innovation

The rapid development of technology is one of the most striking forces of our time, directly affecting all industries around the world. We need to embrace this potential to improve and modernise our processes and trigger innovation. Digitalization and clear data management of cement operations are becoming increasingly important for us to make more informed decisions. New digital applications, with robots and artificial intelligence technologies, provide opportunities to deliver more efficient products with processes that create more value and reduce impacts across our entire value chain.

Nuh Çimento's Technology Development Actions for Sustainability

You can examine the positive effects that we have created Nuh Çimento for this trend under the title **Digital Transformation.**

Information Needs and Risk Considerations of International Investors

Today, companies increasingly exposed to sustainability risks such as dependency on resources, as well as physical and transition risks related to climate change, are also coming under the scrutiny of investors. To provide information to international investors, numerous organizations analyse regional and sectoral risks within the scope of ESG.

The S&P ESG Risk Atlas, which stands out among these, provides global relative positioning of sectors against environmental and social risks and regional analysis of natural disaster risk, social standards and governance standards. Risk Atlas sector and governance scores are ranked between 1 (low exposure) and 6 (high exposure). The Sector and Regional ESG Risk Atlas forms the basis of the S&P ESG Evaluation analysis. The Regional Risk component of the ESG Risk Atlas consists of S&P's views on the relative risk exposure of countries and regions to natural disasters and the relative quality of their corporate governance standards. The Risk Atlas ranks countries and regions on a scale of 1-6 in terms of corporate governance; a score closer to 1 represents relatively stronger standards.

: Türkiye's score in this context is 4. Pressures on Türkiye's regulatory institutions and judiciary, weakened checks and balances and less predictable legal practices have resulted in a significant decline in FDI over the last 10 years. The CMB Corporate Governance Principles (revised in 2014) introduced new and important provisions in areas such as board diversity and related party transactions and made some provisions mandatory. Pyramidal ownership structures are common in Türkiye, and controlled conglomerates holding controlling stakes in most companies. This affects the rights of minority shareholders and often results in boards consisting of a few directors, while adherence to international best practices is more common among large, listed companies.

Environmental (4): Building materials companies assessed within the Materials Sector are highly exposed to greenhouse gas, water, waste and pollution and biodiversity risks. Cement and other heavy industry building materials companies typically need to extract, transport and process raw materials to produce finished products, resulting in greenhouse gases, other air emissions, solid waste and water consumption. Together with steel, ammonia and ethylene, the cement industry produces around half of the total CO2 emissions in the industrial sector. Most of the major cement players, especially in EMEA, are committed to reducing carbon emissions in line with the Paris Climate Agreement, in particular through greater use of alternative fuels and raw materials to reduce the proportion of clinker. Physical climate impacts such as floods, droughts and extreme weather conditions can also affect facilities in the sector.

Social (3): The S&P ESR Risk Atlas assesses social risks in the Materials sectors in the context of consumer behaviour. Consumer demand for more sustainable products and accelerated innovation expectations are increasingly impacting materials companies. Consumers are looking for alternatives to traditional plastic packaging and plastic packaging manufacturers are trying to refocus their product ranges towards more sustainable (biodegradable, recyclable or lightweighted) products.

Actions Taken by Nuh Çimento Regarding Investor Expectations

The targets and actions taken by Nuh Çimento addressing all environmental risks mentioned within the scope of the S&P ESG Risk Atlas are detailed under **Our Strategy and 2050 Net Zero Carbon Roadmap** sections of our report.

Although the social risks mentioned in this context are not directly related to Nuh Çimento activities that do not provide products directly to consumers, our company has nonetheless determined its policies regarding the consideration of environmental criteria in the selection of products, using them sustainably and recycling waste packaging.

Nuh Çimento Packaging Usage Development Policy is available on our website.

OUR STRATEGY AND 2050 NET ZERO CARBON ROADMAP

Our company's sustainability strategy began to form years ago as a result of our need for alternative energy and raw material resources due to rising energy costs all over the world. In this sense, sustainability projects are managed as the daily activities of our company, while our goals are also shaped under this roof.

The fact that we have felt the consequences of climate change intensely in recent years and the developing international regulations have influenced us to start managing our strategy with a climate risk-oriented approach.

As Nuh Çimento, after reaching certain reduction targets, we aim to become a Net Zero Carbon company by 2050 by sequestering the remaining emissions through carbon capture. We have set short, medium, and long-term goals as milestones on this journey.

Our medium and long-term emission reduction and net zero carbon goals are outlined in our report under the headings **Sustainability and Climate Goals (Short-Term)** and **Sustainability and Climate Goals (Medium and Long-term).**

Our strategic actions in five steps to achieve these goals are as follows.

- In line with the targets set based on our 2017 emissions, we aim to reduce emissions by 22% by 2030 and by 35% by 2050,
- By 2030, we aim to increase our alternative fuel usage to 20%, with 25% of this coming from biomass,
- By 2050, we aim to increase our alternative fuel utilisation rate to 40% and provide 50% of this rate from biomass,
- By 2030, we aim to meet 40% of our electricity needs (with investment capacities of 55 GW wind power, 25 GW hydroelectric power, and 150 GW waste heat recovery) from renewable energy sources, and by 2050, we aim to achieve 100% of our electricity from wind and solar energy sources,
- In our product portfolio, we plan a significant change in CEM I production. Currently at 3.8 million tons, we aim to reduce our CEM I production to 1 million tons by 2030, and by 2050, we plan to completely phase out CEM I production and transition to the low-carbon, environmentally friendly CEM II group,

01 Producing Green Cement
- Developing and producing the same amount and quality of cement by using less clinker, new technologies, and more alternative raw materials.

02 Achieving Green Raw Material Transformation
- Developing circular economy (reuse and recycling of waste) and industrial symbiosis (using one sector's waste as raw material in another sector).

03 Achieving Green Fuel Transformation
- Using cheaper and low-carbon fuels compared to primary fuels such as RDF (Refused Derived Fuel), SRF (Solid Recovered Fuel), and TDF (Tire Derived Fuel).
- Conducting studies on biomass and energy farming and increasing the use of renewable energy sources.

04 Generating and Using Green Electricity
- Increasing electricity generation from renewable sources with our Waste Heat Recovery (WHR) Facility and Hydroelectric Power Plant (HEPP)
- Reducing fossil fuel dependency with electrification projects

05 Achieving Green Factory Transformation
- Becoming a factory that consumes less fuel and electricity per unit product through continuous efficiency projects.
- Developing energy efficiency projects.

SUSTAINABILITY MANAGEMENT

At Nuh Çimento, we carry out activities and make investments to fulfill our commitment to achieving a balanced approach to economic, environmental, and social sustainability. In 2024, we continued our efforts without interruption to reach the sub-targets we set within each of our strategic priority areas, supporting our 2050 net zero carbon target established in 2022. We integrate sustainability into all levels of our company as a management approach that is long-term, healthy, profitable, and delivers value to all our stakeholders.

OUR SUSTAINABILITY MILESTONES

2006

- WASTE INCINERATION LICENCE

2007

- ONLINE MONITORING OF EMISSIONS
- SEA WATER TREATMENT REVERSE OSMOSIS (RO) SYSTEM

2008

- BIOLOGICAL PACKAGE TREATMENT PLANT
- THE FIRST INTEGRATED SLUDGE DRYING PLANT
- ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM

2010

- ŞAHABETTİN BİLGİSU ENVIRONMENT AWARDS

2011

- THE PROJECT OF CONVERTING ELECTRO FILTERS INTO BAG FILTERS

2012

- RENEWABLE ENERGY PRODUCTION WITH HEPP
- FULLY AUTOMATED WASTE FEEDING SYSTEMS

2013

- RENEWABLE ENERGY PRODUCTION WITH WASTE HEAT RECOVERY (WHR)
- ICCI ENERGY OSCAR AWARDS

2014

- LOW NO_x SYSTEM WITH SNCR PLANT

2016

- THE FIRST CEMENT PLANT IN TURKIYE TO RECEIVE THE ENVIRONMENTALLY FRIENDLY FACILITY AWARD

2017

- IZMIT BAY RESTOCKING PROJECT

2018

- THE FIRST INTEGRATED ANNUAL REPORT APPROVED BY GRI
- LAUNCH OF LOW-CARBON FOOTPRINT PRODUCTS TO THE MARKET
- THE PROJECT OF CONVERTING CONSTRUCTION MACHINERY TO ELECTRIC VEHICLES
- LOW CARBON HERO AWARD

2019

- INTEGRATED ANNUAL REPORT INTERNATIONAL ACHIEVEMENT AWARD

2020

- CSC CERTIFICATE OF RESPONSIBLE USE OF RESOURCES
- OUR CEO RECOGNIZED AMONG TURKIYE'S SUSTAINABILITY LEADERS

2021

- GOLD MEDAL IN THE COMBINED REPORTS CATEGORY OF THE ARC AWARDS FOR OUR INTEGRATED ANNUAL REPORT
- OUR CEO ONCE AGAIN RECOGNIZED AMONG TURKIYE'S SUSTAINABILITY LEADERS
- AWARD FOR INSPIRING CORPORATE SUSTAINABILITY PRACTICES AT THE SUSZ'21 SOCIAL COMPLIANCE AND SUSTAINABILITY SUMMIT
- GREAT PLACE TO WORK CERTIFICATE

2022

- GREAT PLACE TO WORK AWARDS
- KOCAELİ CHAMBER OF INDUSTRY 28TH ŞAHABETTİN BİLGİSU ENVIRONMENTAL AWARDS "LARGE-SCALE SECTORAL (CONSTRUCTION MATERIALS) ENVIRONMENTAL AWARD"
- "SUSTAINABILITY AWARENESS HONORARY AWARD" AT THE ECONOMIST ANADOLU 500 AWARDS
- TULIP SUSTAINABILITY CENTRE ENVIRONMENTAL AWARDS "AWARENESS-RAISING INSTITUTION AWARD"
- TURKISH EXPORTERS ASSEMBLY AWARDS
  - General Cement Sector "Championship Award" in the Category of "The Company that Performs the Most Exports",
  - Grey Cement Sector "The Company that Performs the Most Exports" Award,
  - Grey Cement Sector "Championship Award" in the Categories of "The Company that Increases Its Exports the Most",
  - 5th Prize in Clinker Sector "Company with the Most Exports" Category.
- KOCAELI CHAMBER OF INDUSTRY AWARDS
  - Award for Adding Value to Kocaeli
  - Kocaeli Chamber of Industry "Sectoral Performance Construction and Building Sector Grand Award".

2023

- OUR CEO ONCE AGAIN RECOGNIZED AMONG TURKIYE'S SUSTAINABILITY LEADERS
- NUH ÇİMENTO RANKS 81ST IN 'TURKIYE'S TOP 1,000 EXPORTERS' LIST
- EXPORT CHAMPIONS AWARDS
  - General Cement Sector's "Top Exporting Company" and "Company with the Highest Export Growth";
  - Grey Cement Sector's "Top Exporting Company" and "Company with the Highest Export Growth";
  - Clinker Sector's "4th Top Exporting Company".
- NUH ÇİMENTO AMONG CAPITAL MAGAZINE'S LIST OF MOST ADMIRED COMPANIES IN THE BUSINESS WORLD
- HAPPY PLACE TO WORK AWARDS
- 50 MOST INNOVATIVE HR LEADERS AWARD
- RECEIVED EPD (ENVIRONMENTAL PRODUCT DECLARATION) CERTIFICATE FOR 12 PRODUCTS
- FORTUNE TURKIYE & CRIF TURKIYE SUSTAINABILITY STUDY COMPANIES LIST
  - We are one of the 88 companies that demonstrate having a shareable and sufficient dataset to measure sustainability performance among 500 companies.
- TOP CHRO AWARDS 2023

2024

BIST SUSTAINABILITY INDEX

We took our place in the BIST Sustainability Index, which features the companies with the best performance in sustainability.

FORTUNE TURKIYE & CRIF TURKIYE SUSTAINABILITY STUDY COMPANIES LIST

As a result of the sustainability research of Fortune 500 companies, we have been awarded the Fortune 2024 Sustainability Award.

THREE AWARDS FROM CEMENT, GLASS, CERAMICS AND SOIL PRODUCTS EXPORTERS' ASSOCIATION

At the 'Champions of Export' awards organized by the Cement, Glass, Ceramic, and Clay Products Exporters Association (ÇCSİB), we were recognized as the 'Top Exporter in the Clinker Sector,' the 'Second Top Exporter in the General Cement Sector (including clinker),' and the 'Second Top Exporter in the Grey Cement Sector.'

500 LARGEST INDUSTRIAL ENTERPRISES OF TURKIYE

We ranked 205th in the 2023 list of 'Türkiye's Top 500 Industrial Enterprises' compiled by the Istanbul Chamber of Industry.

TURKIYE EXPORTERS' ASSEMBLY AWARDS

In the 2023 Turkish Exporters Assembly (TİM) Top 1,000 Exporters List announced in 2024, we ranked 141st overall, and 2nd among cement producers.

TURKIYE'S HAPPIEST WORKPLACE (HAPPY PLACE TO WORK) AWARDS

We were selected as the 'Happiest Workplace in its Sector' in Türkiye's Happiest Workplaces awards.

MOST INNOVATIVE SCIENCE-BASED PROJECT AWARD

Nuh Yapı Ürünleri A.Ş. was awarded the first prize in the 'Most Innovative Science-Based Project' category in 2024 with the project developed by its R&D Centre at the IVth International Research Development and Design Conference (RDCONF 2024) focused on R&D and Design Centres.

SUSTAINABILITY MANAGEMENT STRUCTURE

In order to adapt to the rapidly changing world and the emerging new world order, we redesigned and restructured our sustainability activities with the vision drawn by our CEO, alongside the Sustainability Committee established in 2021, chaired by our General Manager. The previously existing structure, which operated under the General Manager, now works directly under the CEO and Board of Directors through the General Manager, who also serves as the President of the Sustainability Committee.

We established the Monitoring and Reporting Unit under the Sustainability Committee Chair and the Integrated Activity Report Preparation Committee to ensure that our activities are conducted in line with our vision. The Integrated Activity Report Preparation Committee, consisting of managers from the Environment and Sustainability, Human Resources, and Finance departments, along with our Environment and Sustainability Manager responsible for performance monitoring and reporting, leads six working groups that develop projects focused on our key areas. Details regarding these six working groups and their agenda items are provided in the diagram below. As part of monitoring and reporting, we organize regular monthly meetings with the working groups and conduct two annual meetings in the context of the integrated activity report.

All sustainability targets that support our corporate goals, as presented in our report, are tracked by this team, and we report on the progress of our performance to the General Manager regularly, at least twice a year.

SENIOR MANAGEMENT
Board of Directors & CEO

SUSTAINABILITY COMMITTEE
Chairman of the Committee-General Manager

MONITORING AND REPORTING
Environment and Sustainability Manager

INTEGRATED ANNUAL REPORT PREPARATION COMMITTEE
HR Director, Environment and Sustainability Manager, and Finance Manager

CLIMATE CHANGE
- Efficiency and Performance Monitoring
- Products with Low Carbon Footprints
- Alternative Resource Management

ENVIRONMENTAL MANAGEMENT
- Emission Management
- Water Management
- Waste Management
- Regulatory Compliance

CORPORATE DEVELOPMENT
- Ethics Committee
- Nuh Akademi
- OKR Performance Management
- Nuh Competence Model
- Nuh Çimento Foundation Works

FINANCIAL MANAGEMENT
- Financial Risk Management
- Corporate Governance
- Production- Sales Coordination Committee

OHS MANAGEMENT
- OHS Board
- Leadership Programs

DIGITALIZATION
- Digitalization in Business Processes

MATERIALITY ASSESSMENT AND STAKEHOLDER ENGAGEMENT

Our stakeholders are the people and organisations that are affected by our activities today and in the future, as well as those whose decisions have an impact on our corporate objectives. Our shareholders, employees, dealers and other customers are also among key stakeholders as they have legal, financial or operational responsibilities towards our company. We communicate with all our stakeholders, primarily our key stakeholders, at different times and on different platforms and ensure that they have detailed information about our company, our products, our activities and our business results.

Recognizing that different stakeholder groups may have different assessments of our company in relation to their areas of interest, we have been conducting stakeholder engagement activities since 2017, when we prepared our first integrated annual report. We receive their feedback on their expectations from our company through our regular communication platforms.

In the coming periods, we will continue to develop existing platforms, open new communication channels specific to our internal and external stakeholders and regularly listen to our stakeholders' ideas and demands that are directly related to our business within the context of sustainability. We believe that the feedback we receive in this context will play an important role in shaping our goals.

2017
OUR EMPLOYEES, OUR DEALERS / CUSTOMERS

Participation Platform: Sustainability Prioritization Survey- Online
Changes and Results: Occupational Health and Safety, Economic Performance, Energy Management, Materials, Purchasing Applications were the top five priority topics. Water Management, Employment, Training and Development, Compliance with the Laws and Local Community were the main topics of our report.

2018
OUR EMPLOYEES

Participation Platform: Sustainability Performance Evaluation Survey- Online
Changes and Results: There has been no significant change in the matrix.

2019
OUR EMPLOYEES

Participation Platform: With the Academic Support of Kocaeli University- Face-to-Face Survey
Changes and Results: There has been no significant change in the matrix.

2020
SUSTAINABILITY WORKING GROUP and SENIOR MANAGEMENT

Participation Platform: Stakeholder Priorities Workshop - Internal Evaluation, Review Meeting
Changes and Results: At a result of the study, we also added the topics of Digital Transformation and Growth in International Markets, which are increasing in importance every day, to our current strategic topics. Due to the important role of the cement sector in the fight against climate change and the developments within the scope of the European Green Deal, Emission Management, which we previously discussed under waste management, took its place in the matrix as the main topic this year.

2021
SUSTAINABILITY WORKING GROUP

Participation Platform: Review Meeting
Changes and Results: We have collected the topics of Energy Management and Emission Management under one heading as Climate Change and Energy Management in order to increase awareness.

2022
SUSTAINABILITY WORKING GROUP and SENIOR MANAGEMENT

Participation Platform: Review Meeting
Changes and Results: Taking into account the possible physical risks that may arise from climate change, we have added the title of Disaster Preparedness and Response to our priority issues. We have received the final approval of the senior management for all priority issues.

2023
SUSTAINABILITY WORKING GROUP and SENIOR MANAGEMENT

Participation Platform: Stakeholder Priorities Workshop - Internal Assessment and Climate Change Risks and Opportunities Survey

Change and Results: In our 2023 assessment, while a few topics changed places in the priority ranking, this year, Procurement Practices was included in the second group of priorities. Disaster Preparedness and Response, which was in the first group last year, was placed at the top of the second group. We revised the Employment heading as 'Talent Management and Employee Engagement' and thereby expanded the scope of the content of this heading. The Waste Management heading, which was ranked lower in the second group last year, rose to the top ranks of the second group in this year's evaluation. We reflected our updated list of priorities, which has been approved by Senior Management, onto our matrix in this form.

In 2023, we also conducted an online survey in which we evaluated the potential physical and transition risks and opportunities that may arise from climate change, with the participation of senior management representatives as well as managers and executives. We included the results of this survey under the **External Factors and Global Trends / Climate Change** heading of our report.

2024
OUR EMPLOYEES and EXTERNAL STAKEHOLDERS

In 2024, we carried out communication activities with both the first group of key internal stakeholders (our employees) and the second group of key external stakeholders (such as NGOs, sectoral unions and chambers, local administrations, public and regulatory bodies).

We requested the opinions of our internal stakeholders through an online survey and external stakeholders through one-to-one communication.

We have included the feedback we received from these studies, both common views and individual views on our company's activities and role in the sector in the following pages of our report.

Change and Results: Since the feedback we received from our stakeholders this year was within the scope of the issues we are already focussing on, there was no significant change in the matrix.

Our Communication Platforms with Our Stakeholders

At Nuh Çimento, our communication platforms and communication frequency also vary in accordance with our stakeholder priorities. Our employees in our internal stakeholder group, who are among our stakeholders in the first group, are naturally our stakeholders with whom we communicate most. Depending on the subject matter, we communicate, inform and receive their feedback via email, our internal communication platform Pusula, events/meetings, in-office TV screens and employee surveys at daily, weekly, monthly and annual frequencies.
We communicate with our shareholders through one-on-one meetings, general assembly, website, telephone, e-mail, press releases, while we communicate with our Dealers and Customers through dealer portal, telephone, e-mail, social media, online and face-to-face events/ meetings and visits.

In addition to our key stakeholders, all platforms and other details of our communication with our second stakeholder group, suppliers, local community and public and regulatory Institutions, and our third stakeholder group, group companies, investors, press and media, are included in the **Stakeholder Communication Platforms** table in the Annexes section of our report.

In our 2024 report, we also responded to the questions of the BIST Sustainability Index, in which we transparently provide information to investors, who are among our external stakeholders.

Communication with the Local Community

In 2024, we received dust complaints from neighbouring residential areas. Following the complaints, we visited the local headmen and residents of the affected areas to investigate the matter and invited them to our plant for on-site inspections. After providing the necessary explanations and conducting the inspections, we reached a verbal agreement that the dust issue was not originating from our facility and resolved the matter.

Key Stakeholders

1
1st Group
- Stakeholders
- Employees
- Dealers
- Customers

2
2nd Group
- Suppliers
- Trade Unions of Workers and Employers
- Sectoral Associations
- Local Community
- Public and Regulatory Institutions

3
3rd Group
- Group Companies
- Investors
- Press and Media

2024 Internal Stakeholder Communication Studies

In the employee prioritization survey, we conducted online in 2024, we asked our employees to rank the topics that could potentially create an impact through our company's activities based on the severity of their current negative impacts on employees. We also asked the same question in terms of their impacts on society and the environment. In the survey, 27% of the participants were mid-level managers (manager, director) and 73% were first-level managers (supervisor, senior engineer, engineer), and the ranking was determined as shown below. Additionally, our employees also noted that supplier management and gender equality issues should also be taken into consideration.

Impact on Employees	Impact on Employees	Impact on Environment and Society	Impact on Environment and Society
Group 1	**Group 2**	**Group 1**	**Group 2**
Occupational Health and Safety Talent Management and Employee Engagement Compliance with Laws Training and Development Emissions Product Innovation Climate Change and Energy Management Air Quality Water and Wastewater Management	Contribution to the Economy Digital Transformation Waste Management Customer Confidentiality Material Management Growth in International Markets Biodiversity Disaster Preparedness and Response Local Community Right to Organise and Collective Bargaining	Local Community Disaster Preparedness and Response Compliance with Laws Climate Change and Energy Management Air Quality Water and Wastewater Management Emissions Contribution to the Economy Talent Management and Employee Engagement Waste Management	Product Innovation Occupational Health and Safety Biodiversity Material Management Training and Development Customer Confidentiality Growth in International Markets Right to Organise and Collective Bargaining Digital Transformation

2024 External Stakeholder Engagement Activities

In 2024, through one-on-one communication with our external stakeholders, we sought to gather their evaluations regarding the impact of regulations such as the EU Green Deal and the EU CBAM (Carbon Border Adjustment Mechanism) on the Turkish cement sector, as well as their views on Nuh Çimento's position and role within this context.

We listed the common feedback we received from stakeholders, who are familiar with both the cement sector and the broader real economy and who may provide diverse perspectives due to their position and expertise, on the following page. We have included the explanations summarising these, as well as the views specific to Nuh Çimento's position in this context, separately on the following pages of our report.

Summary of Views

The National Climate Law is currently on the agenda of the Turkish Grand National Assembly (TBMM), and it is expected that the draft, which is already under review, will be enacted in the near future.

Acting in accordance with the Green Transformation Action Plan published by Türkiye, which serves as a road map, it will be among the main priorities of our sectors to rapidly adapt to new criteria such as carbon regulation at the border, the transition process of which has started.

Accordingly, the establishment of a National Emission Trading System (ETS), which is at the centre of policies and actions aimed at decarbonizing the cement sector, is important in the context of the Carbon Border Adjustment Mechanism (CBAM) that the European Union has enacted.

While all these legal regulations make transformation compulsory for the cement sector, support mechanisms are also put into effect to facilitate this transformation. Different public institutions and organisations, especially ministries, create financing opportunities and support mechanisms for the use of sector companies through state support, grants and loans.

Within the scope of the project carried out by the Ministry of Industry and Technology, with financial support from the EBRD and the Cement, Glass, Ceramic, and Clay Products Exporters' Association serving on the Steering Committee, the "Low Carbon Roadmap for the Turkish Cement Sector" has been developed. According to this, decarbonizing the cement sector requires a multifaceted transformation, including the transformation of supply and production processes, the use of different technologies, and more investment.

The roadmap outlines seven leverage points for decarbonizing the sector:
- Thermal efficiency
- Use of new and alternative fuels
- Reducing the clinker/cement ratio
- Decarbonizing electricity
- Material efficiency in concrete, design, and construction
- Recarbonation
- Carbon capture, utilization, and storage (CCUS)

In the following section, the views of our stakeholders are presented in alphabetical order based on the names of their institutions.

Kocaeli Metropolitan Municipality

" Binding regulations at national and international level to reduce carbon emissions in the fight against climate change impose restrictions or additional costs in imports and exports, while also positively impacting carbon emission trade. As the cement sector is among the driving industries of our country's exports and significantly contributes to carbon emissions due to its high energy demand, the failure of sector members to take necessary measures will result in negative impacts.

However, if the cement sector implements the necessary precautions and regulations before these regulations come into force, it will be able to get ahead of its global competitors. Moreover, if it becomes possible for companies to transform into carbon-negative operations, they will be able to market the carbon credits they own as high-margin products in the international market.

Given its significant position in the cement sector, if Nuh Çimento takes the necessary measures and invests accordingly, it can turn the decisions already taken and to be taken into an opportunity. Thus, we believe that Nuh Çimento, which already has a national and international presence, will increase its competitive strength accordingly."

Kocaeli Provincial Directorate of Environment and Urbanization

"As one of Türkiye's largest cement producers, Nuh Çimento holds a key role in the decarbonization transition. The company can stand out through projects such as waste heat recovery for energy production, the use of alternative fuels, and the development of innovative types of cement within the scope of its sustainability strategies.

At the same time, it can lead the sector through investments in carbon-reducing technologies and production methods compliant with international standards. Nuh Çimento is expected to invest in carbon reduction technologies to align with regulations such as the Green Deal and the ETS. This would both enhance the company's environmental responsibilities and help it maintain its competitive strength in the export market.

By increasing energy efficiency in its production processes, the company can mitigate the financial burdens imposed by the CBAM. Adopting early adaptation strategies during these transformation processes will enable Nuh Çimento not only to achieve its sustainability goals but also to lead the Turkish cement sector."

Kocaeli Chamber of Industry

"Nuh Çimento Sanayi A.Ş., a member of our Chamber since its establishment in 1989, is among the well-established companies of our province. Ranked 205th on the ISO 500 list announced in 2023, the company has also been recognized with awards in our annual Şahabettin Bilgisu Environmental Awards and Sustainable Performance Evaluation Organizations, thus certifying its efforts in this field.

As part of the Kocaeli Chamber of Industry's 28th Şahabettin Bilgisu Environmental Awards, Nuh Çimento Sanayi A.Ş. received the Environmental Project Incentive Award in 2010, the Jury Special Award in 2014, the Sector Award in the Mixed Sector Category for Large-Scale Enterprises in 2017, and the Environmental Award for the Stone-Soil Sector for Large-Scale Enterprises Category in 2022.

During the on-site evaluations of these award organizations, it was determined that Nuh Çimento Sanayi A.Ş. has good practices that could serve as examples for other companies in the sector in terms of decarbonization efforts to combat climate change."

Central Anatolian Exporters' Associations

"Decarbonization projections made for Türkiye's cement sector primarily reveal the need to develop financing mechanisms. In energy- and resource-intensive sectors, transitioning from fossil resources to renewable energy and low-carbon alternative raw materials requires both time and significant financing. Considering the total investment needs, cooperation among sector stakeholders, policymakers, and financial institutions, the establishment of incentive mechanisms, and the increase of financing resources are of critical importance.

Another crucial factor in achieving emission reduction targets is the supply and accessibility of alternative materials (particularly for clinker). It would be beneficial to implement regulatory arrangements to facilitate the supply and continuity of such materials and to develop incentive practices aimed at strengthening industrial symbiosis between sectors/facilities that produce these materials as waste and the cement sector."

Sustainable Development Association (SKD Türkiye)

"The European Green Deal, the Emissions Trading System (ETS), and the Carbon Border Adjustment Mechanism (CBAM) bring significant transformation opportunities and challenges to Türkiye's cement sector. These regulations have prioritised energy efficiency and circular economy in the sector while encouraging the adoption of low-carbon production technologies.

Nuh Çimento, a valued member of SKD Türkiye since 2021, sets an example in this transformation process with its leading role in the sector. The company's pioneering steps in developing low-carbon production processes and innovative solutions play a critical role both in achieving the sector's sustainability goals and in strengthening its competitive power in the global market. As SKD Türkiye, we believe that this transformation will create a positive impact for all stakeholders."

Turkish Cement Manufacturers' Association

"The Climate Law is expected to be approved soon by the Grand National Assembly of Türkiye. Within the scope of the National Emissions Trading System (ETS) to be established subsequently, energy-intensive industrial sectors and the electricity generation sector will be expected to carry out emission reduction activities. Similarly, within the scope of the EU Carbon Border Adjustment Mechanism (CBAM), the financial obligation of which will start in 2026, it will be especially important for producers exporting to the EU to reduce their direct and indirect emissions.

In this framework, as an exporting producer, Nuh Çimento's compliance with national and international regulations will create a competitive advantage. Nuh Çimento and other players should be expected to work on energy efficiency, increasing the use of alternative fuels including biomass and reducing the clinker ratio in the short and medium term, and to follow new technology implementation projects in the long term as a road map.'

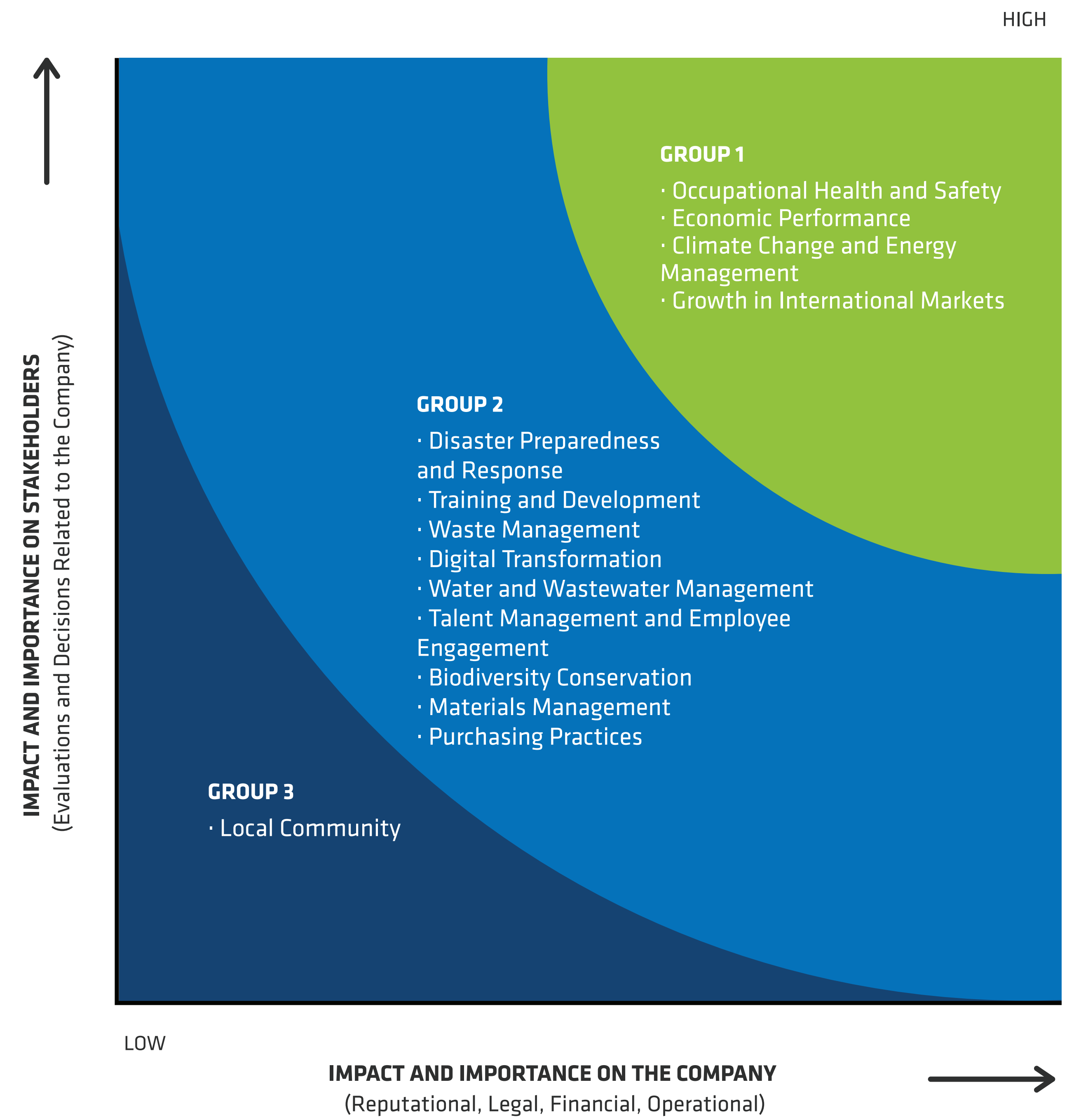
OUR SUSTAINABILITY PRIORITIES

We have updated our material sustainability issues in the light of the sector analyses, stakeholder materiality surveys and senior management strategy studies we conducted in previous years, through a review meeting held with our Sustainability Committee in the fourth quarter of 2024.

Our priority issues, which constitute the main headings of our report, were approved by our senior management, consisting of our Board of Directors and CEO, in parallel with our 2030-2050 sustainability goals.

In our report, we mainly report our performance on the issues in the first group, while we have outlined the less important issues in the second group, considering that they may be included in the first group in the coming years.

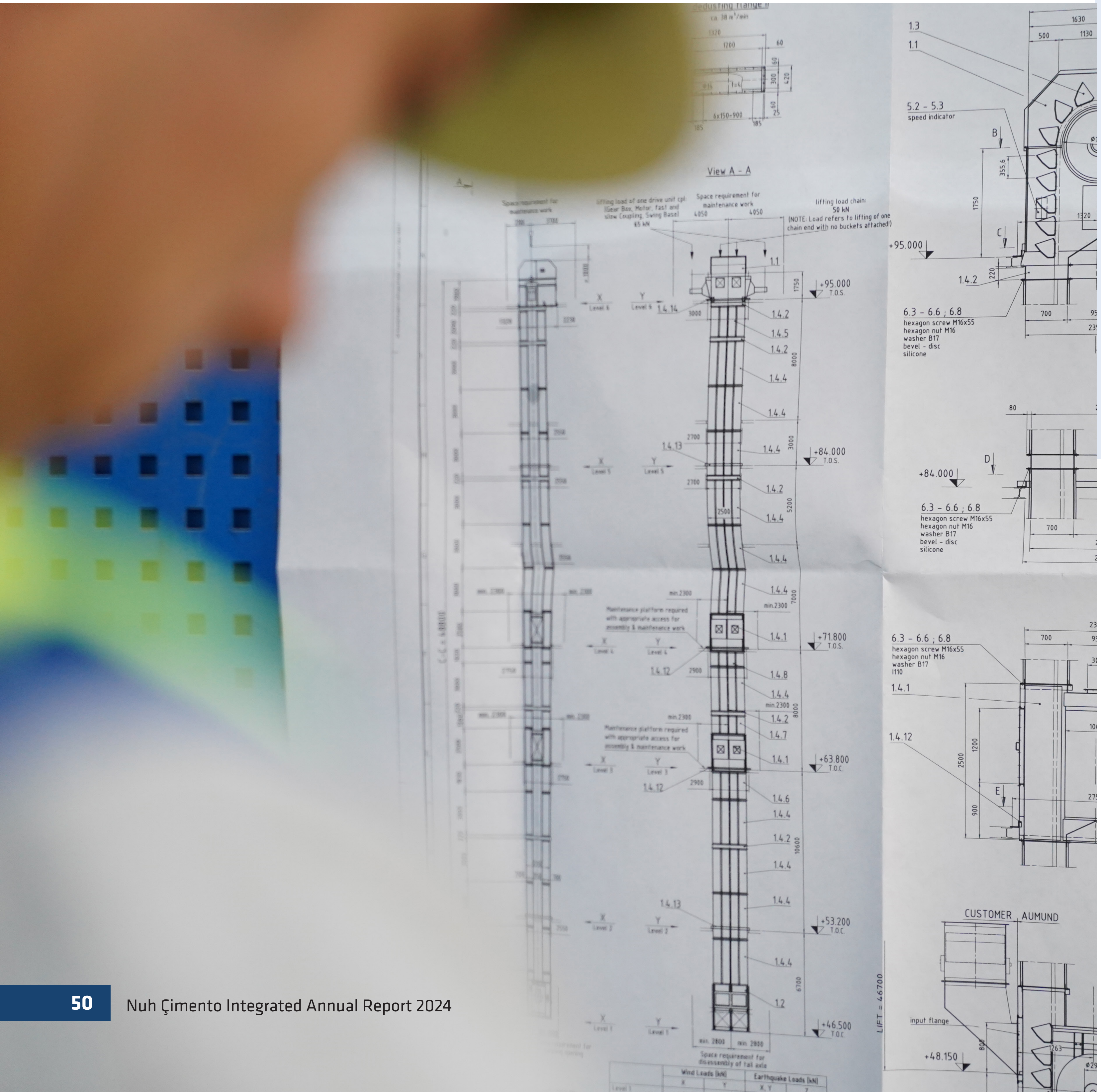
Strategic Sustainability Issues Matrix

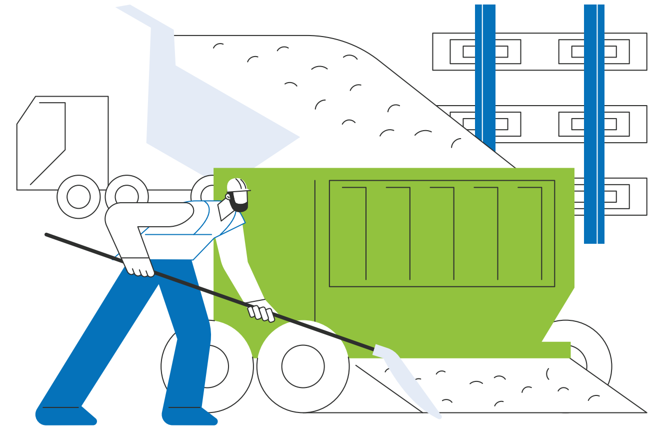


SUSTAINABILITY IMPACTS AND CLIMATE CHANGE RISKS ALONG NUH ÇİMENTO'S VALUE CHAIN

At Nuh Çimento, we convey all our sustainability impacts in the processes from raw material production to the use of our products by our customers in the diagram on the next page. We analyse our sustainability impacts, which we have identified in two priority groups, in two categories as direct and indirect effects in this value chain. Direct and indirect effects can be related to both nature/environment and social stakeholders depending on their content.

While direct effects refer to issues that are 100% under the control of Nuh Çimento and at the same time may have a high probability and severity, indirect effects are issues that are not 100% under the control of Nuh Çimento and/or have a lower probability and severity in that process.





RAW MATERIAL PRODUCTION
(MINING SITES)

Operation
- Drilling
- Blasting
- Transportation of raw materials

Raw Materials
- Limestone
- Marn
- Clay

Sustainability Impacts:
Direct Impacts
- Materials Management
- Biodiversity Conservation

Indirect Impacts
- **Occupational Health and Safety**
- **Climate Change and Energy Management**
- Disaster Preparedness and Response

Climate Risks (Transition)
- Market Risks (Raw Material Price)

CLINKER AND CEMENT PRODUCTION

Operation
- Crushing
- Homogenizing
- Grinding
- Cooking
- Cooling

Byproduct
- Clinker

Operation
- Grinding
- Stocking
- Packaging

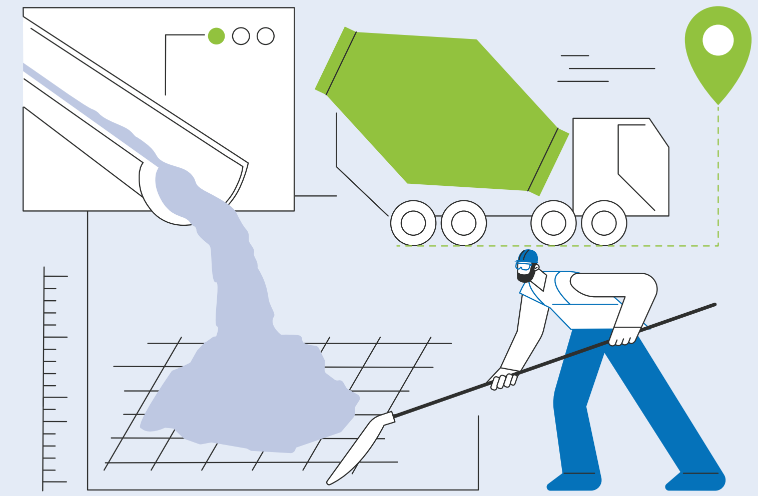
Product
- Cement

Sustainability Impacts:
Direct Impacts
- **Occupational Health and Safety**
- **Climate Change and Energy Management**
- Disaster Preparedness and Response
- Materials Management
- Waste Management

Indirect Impacts
- Training and Development
- Talent Management and Employee Engagement
- Digital Transformation
- Water and Wastewater Management

Climate Risks (Physical)
- Severe Storms and Floods
- Water Stress/Scarcity

Climate Risks (Transition)
- Legal Risk (Production Processes)
- Legal Risk (Reporting)



CUSTOMERS

MARKETING AND SALES

Sustainability Impacts:
Direct Impacts
- **Economic Performance**

Indirect Impacts
- **Growth in the International Market**

Climate Risks (Transition)
- Legal Arrangements (CBAM)
- Market Risks (Uncertainty, Carbon Price)

Customer Groups
- Dealers
- Ready-Mixed Concrete Manufacturers
- Industrial Manufacturers
- Construction Companies
- Contractors
- Export Customers

OPERATION TRANSPORTATION OF PRODUCTS

Sustainability Impacts:
Direct Impacts
- **Occupational Health and Safety**

Indirect Impacts
- **Climate Change and Energy Management**
- Digital Transformation

Our Issues in Group 1 in terms of Impact on the Environment, Society and the Company

SUSTAINABILITY AND CLIMATE GOALS (SHORT TERM)

Since last year, we have largely achieved the sustainability goals we set. Taking into account new projects and studies going forward, we have also raised many of our goals. Explanations regarding the goals we have not achieved are provided under the relevant goal.

ECONOMIC TARGETS

Economic Performance	Performance Criteria	Base Year (2017 Value)	Target (2024)	Realised (2024)	Target (2025)
Increasing the value, we offer to our shareholders	Net profit ratio (%)	15	(Minimum) 15	12*	(Minimum) 15
Preferring local suppliers to foreign suppliers in purchases	Domestic purchase rate (%)	73	(Minimum) 75	86	(Minimum) 80
Growth in the International Market	**Performance Criteria**	**Base Year (2017 Value)**	**Target (2024)**	**Realized (2024)**	**Target (2025)**
Increasing our exports	Export rate (%)	16	(Minimum) 69	63**	(Minimum) 62
Digital Transformation	**Performance Criteria**	**Base Year (2017 Value)**	**Target (2024)**	**Realized (2024)**	**Target (2025)**
Realising digital transformation in our process operations	Ratio of our operations where we initiated digital transformation (%)	25	(Minimum) 75	76	(Minimum) 80

**The continuation of tight monetary policies implemented to ensure a permanent decline in inflation in 2024 led to a deviation in our target rate.*
***We were unable to meet our 2024 target due to the postponement of several shipments to 2025 by our customers as a result of severe weather conditions.*

SOCIAL TARGETS

Occupational Health and Safety	Performance Criteria	Base Year (2017 Value)	Target (2024)	Realized (2024)	Target (2025)
Preventing work accidents that result in loss of life	Number of fatal accidents	0	0	0	0
Reducing the frequency of occupational accidents	Number of accidents (1 million work hours and with lost days)	23	0	32	0
Preventing accidents that result in loss of working day	Lost business day (Lost day as a result of an accident*person)	741	0	483	0
Talent Management and Employee Engagement	**Performance Criteria**	**Base Year (2017 Value)**	**Target (2024)**	**Realized (2024)**	**Target (2025)**
Preventing the employee turnover rate from rising	Employee turnover rate (%)	7	(Maximum) 7	7	(Maximum) 7
Training and Development	**Performance Criteria**	**Base Year (2017 Value)**	**Target (2024)**	**Realized (2024)**	**Target (2025)**
Increasing the training time provided per employee	Duration of training per person (Hours)	29	(Minimum) 44	51	(Minimum) 48
Disaster Preparedness and Response	**Performance Criteria**	**Base Year (2017 Value)**	**Target (2024)**	**Realized (2024)**	**Target (2025)**
Conducting regular disaster drills every year	Number of annual drills	1	(Minimum) 1	6	(Minimum) 3

ENVIRONMENTAL TARGETS

Energy	Performance Criteria	Base Year (2017 Value)	Target (2024)	Realized (2024)	Target (2025)
Ensuring the efficient use of electrical energy	Electrical energy used per ton of product (cement) (kWh/ton of cement)	109	(Maximum) 106	112*	(Maximum) 112
Ensuring the efficient use of heat energy	Thermal energy used for the production of one ton of clinker (Kiln 1) (kcal/kg of clinker)	840	(Maximum) 765	780**	(Maximum) 779
	Thermal energy used for the production of one ton of clinker (Kiln 2) (kcal/kg of clinker)	777	(Maximum) 764	789**	(Maximum) 774
	Thermal energy used for the production of one ton of clinker (Kiln k3) (kcal/kg of	725	(Maximum) 735	735	(Maximum) 740
Increasing the use of waste as an alternative fuel instead of fossil fuels	Alternative fuel use to total fuel consumption in energy terms (%)	1.7	(Minimum) 0.5	1.2	(Minimum) 0.8
Proportion of electricity generated from renewable sources	Ratio of the sum of WHR plant generation and HEPP generation to the total amount of electricity used (%)	15	(Minimum) 28	30	(Minimum) 29

**Production stoppages at the mills due to sales and the increase in the electricity load from clinker due to the use of petroleum coke caused the value to increase.*
***Unit targets were not met as the transition from coal to petroleum coke caused an increase in calories and a decrease in tonnage.*

Emissions	Performance Criteria	Base Year (2017 Value)	Target (2024)	Realized (2024)	Target (2025)
Reducing dust emissions caused by production	Annual average value of dust emission from main emission stack of Kiln 1 (mg/Nm^3)	18	(Maximum) 15	8	(Maximum) 10
	Annual average value of dust emission from main emission stack of Kiln 2 (mg/Nm^3)	8	(Maximum) 12	12	(Maximum) 12
	Annual average value of dust emission from main emission stack of Kiln 3 (mg/Nm^3)	14	(Maximum) 15	15	(Maximum) 15
Reducing Scope 1 emissions	Clinker (kg CO_2/ton Clinker)	857	(Maximum) 864	872*	(Maximum) 874
	Cement (kg CO_2/ton Cement)	747	(Maximum) 770	769	(Maximum) 770
	Cementitious (kg CO_2/ton Cementitious)	781	(Maximum) 760	785*	(Maximum) 770
	Reduction rate compared to 2017 (%)	-	2	0*	0
Reducing Scope 1 + 2 emissions	Clinker (kg CO_2/ton Clinker)	920	(Maximum) 910	913*	(Maximum) 915
	Cement (kg CO_2/ton Cement)	802	(Maximum) 795	805*	(Maximum) 805
	Cementitious (kg CO_2/ton Cementitious)	838	(Maximum) 800	822*	(Maximum) 805
	Reduction rate compared to 2017 (%)	-	4	2*	1
	Reduction rate compared to 2017 (including carbon capture) (%)	-	4	2*	1

**Unit targets were not met as the transition from coal to petroleum coke caused an increase in calories and a decrease in tonnage.*

Materials	Performance Criteria	Base Year (2017 Value)	Target (2024)	Realized (2024)	Target (2025)
Increasing the use of wastes as alternative raw materials instead of natural resources	The amount of alternative raw material usage (the amount declared within the scope of Environmental Legislation, excluding excavation) (tons / year)	426,701	(Minimum) 250,000	400,105	(Minimum) 350,000
Waste	**Performance Criteria**	**Base Year (2017 Value)**	**Target (2024)**	**Realized (2024)**	**Target (2025)**
Ensuring that the resulting waste is sent to recycling instead of disposal	Ratio of waste sent to recycling to total waste discharged (%)	88	(Minimum) 90	91	(Minimum) 90
Water and Wastewater	**Performance Criteria**	**Base Year (2017 Value)**	**Target (2024)**	**Realized (2024)**	**Target (2025)**
Keeping the total amount of water used below a certain level	The annual amount of water consumed (m^3)	1,387,863	2,100,000	1,978,867	2,100,000
	Amount of wastewater recovered based on total wastewater (%)	0	50	62	60
Ensuring the reuse of wastewater at the outlet of the treatment plant	Amount of water recovered in the physical treatment plant (%)	0	75	99	80
	Amount of water recovered in biological treatment plant (%)	0	0	0	0
Biodiversity Conservation	**Performance Criteria**	**Base Year (2017 Value)**	**Target (2024)**	**Realized (2024)**	**Target (2025)**
Not operating in areas where special species are cultivated and live in terms of biological diversity and in other protected areas	The number of activities conducted in protected areas in terms of biodiversity conservation	0	0	0	0
Preparing nature restoration (rehabilitation) projects and obtaining approval from the relevant authorities	Proportion of mining sites approved for nature restoration projects (%)	100	100	100	100

SUSTAINABILITY AND CLIMATE GOALS (MEDIUM AND LONG TERM)

NUH CIMENTO WATER EFFICIENCY TARGETS	2024 (Realized)	2024 (Realized)	2030 Target	2030 Target	2050 Target	2050 Target
	Discharge to Sea	Recycling Rate	Discharge to Sea	Recycling Rate	Discharge to Sea	Recycling Rate
Biological Treatment	100%	0%	50%	50%	0%	100%
Physical Treatment	1%	99%	0%	100%	0%	100%
Total Waste Water	**38%**	**62%**	**25%**	**75%**	**0%**	**100%**

NUH ÇİMENTO ENERGY EFFICIENCY GOALS (%)	2024 (Realized)	2030 Target	2050 Target
Ratio of electricity generated from renewable sources	30%	40%	100%
Ratio of providing heat energy from alternative sources (waste)	1.2%	20%	40%

NUH CIMENTO CARBON REDUCTION TARGETS			2024 (Realized)	2030 Target	2050 Target
Scope 1	Clinker	kg CO_2/ton Clinker	872	739	696
	Cement	kg CO_2/ton Cement	769	680	640
	Cementitious	kg CO_2/ton Cementitious	785	618	561
	Reduction rate compared to 2017	%	0%	21%	30%
Scope 1 + 2	Clinker	kg CO_2/ton Clinker	913	783	696
	Cement	kg CO_2/ton Cement	805	720	640
	Cementitious	kg CO_2/ton Cementitious	822	655	561
	Reduction rate compared to 2017	%	2%	22%	35%
	Reduction rate compared to 2017 (including carbon capture)	%	2%	22%	100%

**In 2050, we will realize our carbon net zero emission target by sequestering the remaining emissions with carbon capture.*

COMPLIANCE WITH INTERNATIONAL SUSTAINABILITY STANDARDS

Our Compliance with SASB Sustainability Accounting Standards Board Indicators

SASB Titles	SASB Construction Materials Standard Performance Indicators *(Performance Results for All Indicators are included in our* ***Sustainability and Climate Goals*** *Section.)*	Corresponding Section of the Report for Nuh Çimento's Efforts
Workforce Health and Safety	Total recordable accident rate	**Occupational Health and Safety**
Greenhouse Gas Emissions	Scope 1 Emissions	**Climate Change and Energy Management**
Air Quality	Air pollutants such as NOx and SOx	**Climate Change and Energy Management**
Energy Management	Total energy consumed; electricity, alternative sources and renewable sources	**Climate Change and Energy Management**
Product Innovation	Products that save energy, water and materials during production and use	**Climate Change and Energy Management**
Water Management	Total water withdrawal and the proportion of recycled and reused water in it	**Water and Wastewater Management**
Waste Management	Ratios of hazardous waste and recycled waste in waste generated from operations	**Water and Wastewater Management**
Biodiversity Impacts	Environmental management policies related to active work areas; impacted and restored areas	**Biodiversity Conservation**

Our Compliance with UNPRI Principles for Responsible Investment

As Nuh Çimento, although we are not a signatory to the UN Principles for Responsible Investment **(UNPRI)**, we adhere to all six principles of UNPRI in all our investment decisions.

UNPRI Principles	What do we do at Nuh Çimento?
We integrate ESG (Environmental, Social, Governance) issues into investment analysis and decision-making processes.	We make our investment decisions in compliance with all our policies within the scope of ESG.
We actively own this issue and integrate ESG issues into our ownership policies and practices.	We disclose shareholder resolutions on long-term ESG issues and related investments on our public communication platforms.
We will seek appropriate disclosure on ESG issues by the entities in which we invest.	In our integrated annual reports covering all our companies and facilities, we include detailed information on progress towards our ESG sustainability targets.
We promote acceptance and implementation of the Principles within the investment industry.	We expect our service providers to meet our ESG expectations and develop processes to review our relationships with those that fail to meet our expectations.
We work together to enhance our effectiveness in implementing the Principles.	We participate in platforms such as BIST LSEG* to share tools, pool resources and use investor reporting as a learning resource.
Each of us reports on our activities and progress in implementing the Principles.	Using a 'Comply or Explain' approach, we report annually on progress and/or achievements linked to the principles and use integrated reporting to raise awareness among a wider group of stakeholders.

** Refinitiv has been renamed LSEG.*

Compliance with the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct

In 2024, we conducted a gap analysis within the scope of the OECD Guidelines to identify areas in which our company could further develop its practices in line with these principles of responsible business conduct.

Our OECD Guidelines Compliance Report, which includes the results of this analysis, is available on our website.

Our Support for the United Nations Sustainable Development Goals

We included our projects and practices that contribute to all 17 **UN Sustainable Development Goals** in our report. We are committed to always following these global goals and prioritizing activities that support them.

SDG Ikons	Description of the Sustainable Development Goal	Our Approach and Practices in Nuh Çimento According to This Goal	Corresponding Section of the Report for Nuh Çimento's Efforts
1 NO POVERTY	**SDG 1:** End poverty in all its forms everywhere	Nuh Çimento Education and Health Foundation **Impact:** Supporting vulnerable groups at the regional level Izmit Bay Restocking Project **Impact:** The development of fisheries in the region and the revitalization of the economy	**Social Responsibility at Nuh Çimento** **Biodiversity Conservation**
2 ZERO HUNGER	**SDG 2:** End hunger, achieve food security and improved nutrition, and promote sustainable agriculture	Izmit Bay Restocking Project **Impact:** Increased employment opportunities for small-scale food producers (anglers) in the region	**Biodiversity Conservation**
3 GOOD HEALTH AND WELL-BEING	**SDG 3:** Ensure healthy lives and promote well-being for all at all ages	Awareness raising and vocational trainings on health: Women's Health, Importance of Cancer Screening, HPV Vaccination, OHS Engineers Project **Impact:** Awareness of infectious diseases and occupational accidents that threaten the public	**Occupational Health and Safety**
4 QUALITY EDUCATION	**SDG 4:** Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	Nuh Academy Platform, Nuh Campus Programme ÇEİS OHS Leadership Programme **Impact:** Promoting lifelong learning opportunities	**Training and Development**
5 GENDER EQUALITY	**SDG 5:** Achieve gender equality and empower all women and girls	We carry out processes based on the principles of inclusion, diversity and equal opportunity at every stage of recruitment and employment. **Impact:** Increasing women employment	**Talent Management and Employee Engagement**
6 CLEAN WATER AND SANITATION	**SDG 6:** Ensure availability and sustainable management of water and sanitation for all	Sustainable Water Project Treatment and Reuse of Waste Site Water Meeting the need for water in possible disasters **Impact:** Reducing water consumption and making clean water accessible	**Water and Wastewater Management**
7 AFFORDABLE AND CLEAN ENERGY	**SDG 7:** Ensure access to affordable, reliable, sustainable and modern energy for all	Energy Efficiency Projects and Investments Clean Energy Production (WHR and HEPP) **Impact:** Reducing energy consumption and making energy accessible	**Climate Change and Energy Management**
8 DECENT WORK AND ECONOMIC GROWTH	**SDG 8:** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Nuh Academy Platform, Nuh Campus Program, ÇEİS İSG (OHS) Leadership Program **Impact:** Supporting decent work environment through stable and inclusive growth	**Talent Management and Employee Engagement**
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**SDG 9:** Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	E-Dump Truck Retrofit Project, Koca Yusuf Multiple Air Shocking System **Impact:** Extending the economic life of end-of-life construction machinery and promoting the use of more environmentally friendly equipment by converting them to electric	**Climate Change and Energy Management**

SDG Ikons	Description of the Sustainable Development Goal	Our Approach and Practices in Nuh Çimento According to This Goal	Corresponding Section of the Report for Nuh Çimento's Efforts
10 REDUCED INEQUALITIES	**SDG 10:** Reduce inequality within and among countries	Nuh Çimento Education and Health Foundation **Impact:** Supporting vulnerable groups at regional level	**Social Responsibility at Nuh Çimento**
11 SUSTAINABLE CITIES AND COMMUNITIES	**SDG 11:** Make cities and human settlements inclusive, safe, resilient and sustainable	Production of low clinker green products, use of alternative fuels and alternative raw materials **Impact:** Reducing the carbon footprint of buildings with environmentally friendly products	**Climate Change and Energy Management**
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**SDG 12:** Ensure sustainable consumption and production patterns	Renewable energy production and consumption with WHR and HEPP Facilities, Sustainable Water Project, use of alternative fuels and alternative raw materials, Zero Waste Policy, sustainable waste management **Impact:** Use of clean energy within the facility, efficient use of natural resources, prevention of waste generation	**Material Management**
13 CLIMATE ACTION	**SDG 13:** Take urgent action to combat climate change and its impacts	Low clinker green product production, Renewable Energy Generation with WHR and HEPP Plants, E-Dump Truck Retrofit Project **Impact:** Reducing product carbon footprint with environmentally friendly products	**Climate Change and Energy Management**
14 LIFE BELOW WATER	**SDG 14:** Conserve and sustainably use the oceans, seas and marine resources for sustainable development	Izmit Bay Restocking Project Treatment and Reuse of Waste Site Water, Sustainable Water Project **Impact:** Protecting our seas and marine resources	**Biodiversity Conservation** **Water and Wastewater Management**
15 LIFE ON LAND	**SDG 15:** Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Use of Alternative Fuels and Alternative Raw Materials, Zero Waste Policy and Sustainable Waste Management **Impact:** Solving the waste problem of municipalities and organised industrial zones	**Waste Management**
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	**SDG 16:** Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	Adopting the principles of fairness, transparency, responsibility and accountability of Corporate Governance. **Impact:** Demonstrating a peaceful and inclusive attitude in the light of these principles in the sectoral associations and non-governmental organisations of which we are members	**Corporate Governance, Ethics and Compliance** **Our Corporate Memberships**
17 PARTNERSHIPS FOR THE GOALS	**SDG 17:** Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development	In the Izmit Bay Restocking Project with Kocaeli Metropolitan Municipality and in the Occupational Health and Safety Leadership Project with ÇEİS **Impact:** Cooperation for Regional / Local Purposes	**Conservation of Biological Diversity** **Occupational Health and Safety**

The *Nuh Cement Sustainable Development Goals Report*, in which we include the practices in more detail, is available on our website.

OUR SUSTAINABILITY PRACTICES AND COLLABORATIONS

In 2024, while developing and executing projects that serve our sustainability and related goals through collaborations, we continued to focus on efficiency projects within the company. The table below provides a summary of the projects that we have started in previous years and continued in 2024, as well as new projects, which we have detailed in the relevant sections of our report.

Projects Conducted with External Stakeholder Collaborations

Project Name	Collaborating Institution	Corresponding Section in the Report
OHS Engineers Project	ÇEİS	**Occupational Health and Safety**
Occupational Health and Safety Leadership Program (ÇEİSLİP)	ÇEİS	**Occupational Health and Safety**
Nuh Campus Program	Kocaeli University	**Training and Development**
E-Dump Truck Retrofit Project	ABB	**Climate Change and Energy Management**
Izmit Bay Restocking Project	Ministry of Food, Agriculture and Livestock and Trabzon Aquaculture Research Institute (SUMAE) affiliated with TAGEM (General Directorate of Agricultural Research and Policies)	**Biodiversity Conservation**

Projects Conducted Within the Company

Project Name	Corresponding Section in the Report
Sustainable Water Project	**Water and Wastewater Management**
Alternative Fuel and Alternative Raw Material Usage	**Material Management**
Koca Yusuf Multiple Air Shocking System	**Climate Change and Energy Management**
Opti Mix Project Optimum Raw Material Management	**Material Management**
Aggregate and 40-90 Production	**Material Management**

OUR ECONOMIC PERFORMANCE

As Nuh Çimento, we carry out significant economic activities through our supply and dealer/customer networks, as well as our employment, production, and exports, contributing to the economy of our country. In 2024, we invested 798 million TL to increase resource and production efficiency. In 2024, our customer satisfaction rate reached 95%. In 2024, the management time of the third production line with artificial intelligence reached 63% of the total production time.

OUR CONTRIBUTIONS TO THE ECONOMY

Our Goal
Increasing the value we offer to our shareholders
Realized in 2024
12%
Goal in 2025
Minimum 15%

At Nuh Çimento, our sustainable growth is based on the fact that we always consider the interests of our stakeholders. While conducting profitability-oriented commercial activities, we work not only for the benefit of our investors and shareholders but also with the aim of delivering value to our employees, customers, suppliers, government, and all members of the local community we live in.

All departments, particularly our Board of Directors, CEO, and General Manager, are responsible for managing economic performance. The actions we take to improve our performance include new investments, benchmarking studies, and cost-cutting efforts. We continue to contribute to employment and the development of our country with the investments we have made and the export opportunities we have created. As Nuh Çimento, the most important indirect economic impact of our group is tax payments. We have been among the highest taxpayers in Türkiye and Kocaeli for years. According to the 2023 data, Nuh Çimento is the 9th highest corporate taxpayer in the Kocaeli Tax Office.

Our high-quality products are in demand in international markets and have gained customer loyalty. Our export activities contribute positively to the Turkish economy while enabling us to represent our country in the global cement market.

We create the necessary investment, market, and strategy plans to ensure the continuity of profitability for our shareholders and investors. To ensure customer satisfaction and create value for them, we record every complaint about products and services and work in coordination with the Domestic Sales Directorate and After Sales Quality Monitoring Department to resolve customer demands and complaints as quickly as possible.

Customer Satisfaction, Health, and Safety

Within the organization, all employees, including top management, domestic and international sales departments, and the post-sales quality follow-up department, work in coordination to enhance customer satisfaction by meeting customer requests and needs in a timely and continuous manner. As part of our customer satisfaction efforts, we undertake the following activities:

- We analyse issues such as compatibility with corporate identity and continuity for the customers we plan to work with, taking necessary actions.
- We engage with customers through specific platforms or by conducting customer visits.
- We receive customer suggestions and complaints either verbally or via email. Complaints are processed through the Quality Management Document System (QDMS) by opening Corrective and Preventive Action (CAPA) reports, evaluating the complaints, and notifying relevant departments (production, port, procurement, etc.).
- We communicate with customers verbally and via email regarding complaints and conduct customer visits related to those complaints.
- We prepare and send out an annual Customer Satisfaction Survey to our customers.
- We evaluate ourselves based on customer satisfaction survey results, considering factors such as product quality, customer relations, timely order fulfilment, and the sustainability of our sales.

Customer Complaints

In 2024, we received a total of 9 complaints from our customers and responded to them within an average of one day. The issues raised were resolved within 16 days. All complaints were evaluated, and the problems were addressed to ensure customer satisfaction.
In 2024, 63% of our sales were exports. Our customer satisfaction rate for 2024 was 95%.

Responsible Marketing

In line with Nuh Çimento's marketing strategy, we take the utmost care to sell products that are environmentally friendly, respectful of nature and humanity, and beneficial to consumer health and safety. We prioritize customer privacy in all our sales processes, ensuring that customer information is never shared with third parties outside of legal authorities. As a company, we consistently uphold a stance in favour of fair trade.

Our Purchasing Systems and Supplier Selection

We have implemented international standard procurement processes with the latest SAP Supplier Evaluation software and applications such as the Procurement Portal Project. This allows us to ensure control over standards in areas such as legal compliance, occupational health and safety, cost advantage, environmental compliance, energy efficiency, quality, and sustainability.

Our Purchasing Procedure, applicable to all companies within our group, is approved by our Board of Directors. Critical material group suppliers, including raw materials, energy, mechanical maintenance, etc., undergo effective pre-evaluation. Supplier performance is scored through user surveys conducted at the end of the year.

Supplier Monitoring and Evaluation System

At Nuh Çimento, we regularly monitor our on-site suppliers through quality systems.

- We begin the review process by providing general information on site visits. These details are crucial in terms of Scope 3 emissions due to the type of raw material we source and the distance of transportation to the factory.
- By examining the existing management system or product documents, we analyse the product we procure in subsequent stages. Through these analyses, we test the suitability of the product for our production.
- Finally, we prepare a report on the matter and share the results with the supplier company.

In this process, we evaluate our critical suppliers on our supplier list annually, while we assess the other suppliers every two years. Our supplier assessment involves questions covering leadership, planning, support, operations, performance evaluation, improvement, and more, as outlined in the 'Nuh Çimento Supplier List and Evaluation Form.' Based on the scores obtained in the evaluation results, we continue to collaborate with suppliers suitable for our company.

Our main goal at Nuh Çimento Sanayi A.Ş. is to purchase the needed goods and services from suppliers providing them under the most favourable conditions and identify areas for improvement in our suppliers to enhance the quality of our services.

We do not have suppliers operating in countries or regions where there is a risk to the collective bargaining rights of their employees or where these risks are high.

Supporting the Local Economy with Our Procurement Practices

As the Nuh Çimento Group, from the preparation of our products that have reached record sales levels to their release on the market, we generate a significant economy through the procurement of raw materials, products, and services.

By the end of 2024, we had a total of 2,243 suppliers, out of these 259 provide services to more than one company within our group.

In 2024, 85.79% of the total procurement expenditures of 11 billion TL for Nuh Çimento, Nuh Yapı, Nuh Beton, and Çim-Nak were allocated to goods and services obtained from our local suppliers within the country. Nuh Çimento's share in this total is approximately 49%.

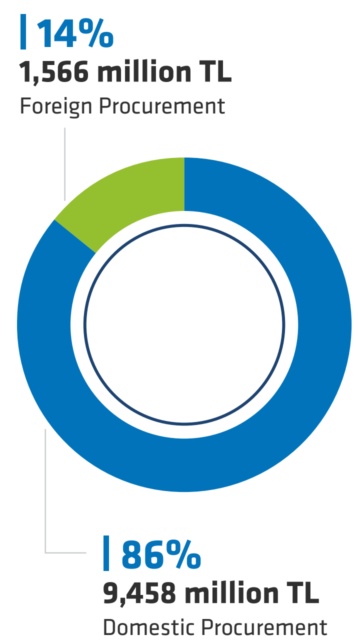
8 DECENT WORK AND ECONOMIC GROWTH

Ongoing Investments in 2024

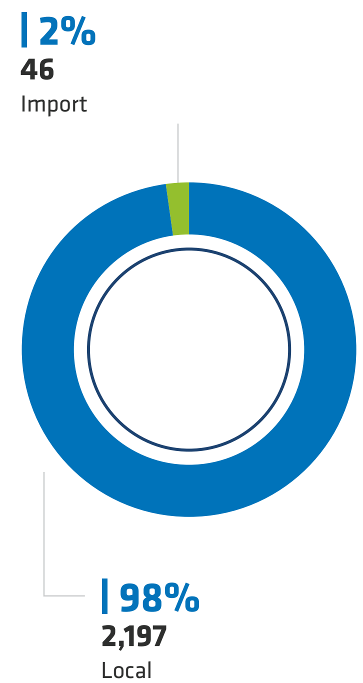
At Nuh Çimento, we continued our repair and modernization investments in 2024, aiming to improve resource and production efficiency. In addition to energy and material efficiency, we allocated approximately 798 million TL in financing to these investments, which are also important for preserving the health and safety of our employees.

- Kiln 1-2 Modernization Investment
- Pneumatic Dispatch Line Investment
- Bilge Boiler Investment
- WHR 12 MW Turbine Construction Investment
- Port connection line investment

Distribution of Our Procurement Costs



Number of Our Suppliers



Nuh Çimento's Purchasing Policy is available on our website.

GROWTH IN INTERNATIONAL MARKETS

Our Goal
Increasing our exports

Realized in 2024
63%

Goal in 2025
Minimum 62%

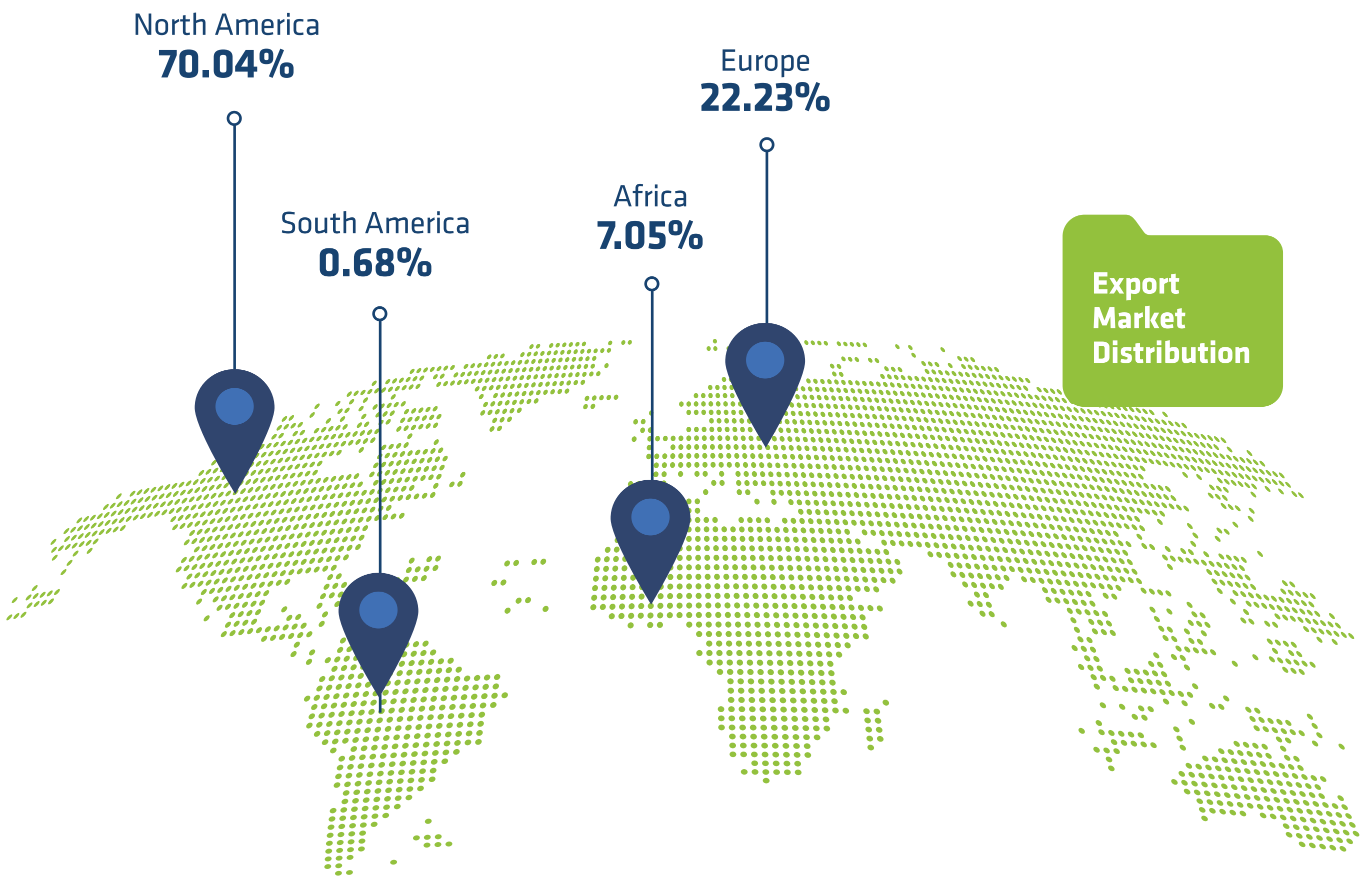
In the first ten months of 2024, the total cement production of the members of the Turkish Cement Manufacturers Association (TÜRKÇİMENTO) increased by 5.4% compared to the same period last year, reaching 71 million 256 thousand tons. According to the association's statistical data, the total export volume of the members in the January-October 2024 period decreased by 16.9% compared to the same period last year, dropping to 10 million 959 thousand tons.

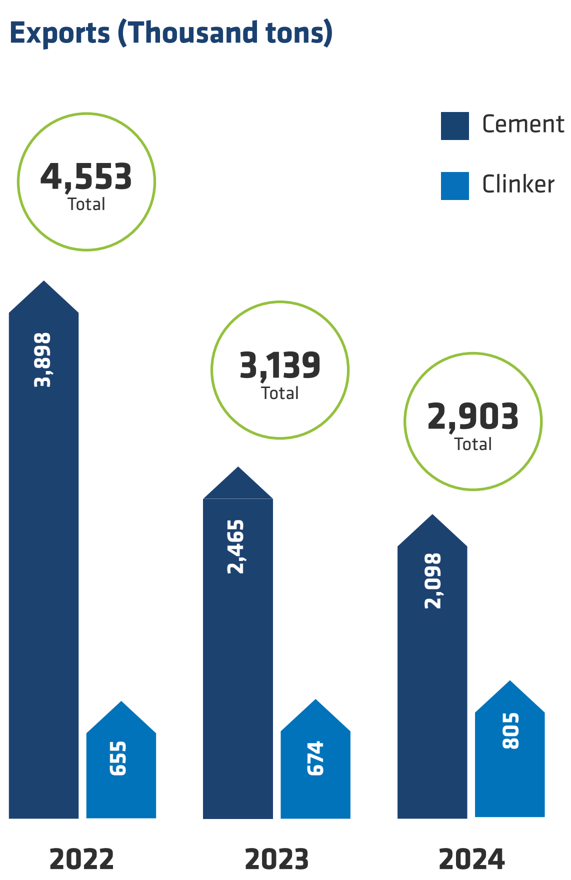
As of the end of 2024, Nuh Çimento accounted for 17% of the total cement export of the Turkish Cement Sector, and 20% of the cement exports from Türkiye by sea. Additionally, in 2024, our share of cement exports from Türkiye to the USA was 34%.

At the 2024 Champions of Export Award Ceremony organized by the Cement, Glass, Ceramics, and Soil Products Exporters' Association (ÇCSİB), we won the "The Company Achieving the Most Export" award in the clinker sector, the second-place awards in the general cement sector (including clinker) and the grey cement sector for "The Company Achieving the Most Export". We continued to lead not only in our sector but also in Türkiye's export performance. In 2024, we ranked 141st in the 2023 Türkiye Exporters Assembly (TİM) Top 1,000 Exporters List and 2nd among cement producers.

We export our products to more than 50 countries in North America, Africa, and Europe. In 2024, our exports declined by 23.5% in dollar terms, totalling $148 million, mainly due to a 16% decrease in our exports to North and South America compared to 2023. However, our exports to Europe and Africa increased.

8 DECENT WORK AND ECONOMIC GROWTH





DIGITAL TRANSFORMATION

Our Goal
Achieving digital transformation in our process operations

Realized in 2024
76%

Goal in 2025
Minimum 80%

Nuh Çimento's journey of digital transformation within our business processes began in 1995 when we equipped our company with IBM AS 400 computer systems. In 2000, we started using Enterprise Resource Planning (ERP) software. The digitalization journey continued with the placement of automation systems, databases, quality management systems, followed by the establishment of fibre infrastructure, document management system, and the opening of dealer and intranet portals. The existing infrastructure and systems were periodically updated as needed.

These investments resulted in a general performance increase throughout the company. Sales processes became more controlled and faster with the renewed automation systems, and customers gained faster access to their data through the Dealer-Customer Portal. Updates and improvements in technical infrastructure and software processes minimised support and effort costs.

To reduce the environmental impact of the computer and other devices used in the IT infrastructure, we implemented electronic document transformation. We identified requirements for power sources and climate control in the server room and conducted improvement works in these areas.

By closely following emerging technologies, we renewed outdated computers and improved the network infrastructure. We renewed the components for more efficient server resources and faster software use. With the increased use of e-documents, the use of software and hardware assets was minimized. With the ERP system innovations we started in 2022, we aimed for more efficient and innovative solutions in terms of the integrity, confidentiality, and accessibility of information. We continue to improve the Document Management System to minimize paper waste in invoices and important documents.

Our company provides reliable, secure, and durable internet access to all employees. We offer opportunities to encourage open communication, including freedom of expression, peaceful online meetings, and freedom of assembly, both for internal and external communication.

Digital Transformation Activities

Our efforts during the reporting period include updates, improvements, and renewals. We continued our investments in virtualization, automation systems, end-user computers, and application licences in 2024, building upon the initiatives that began in 2022.

Updates:

- Weighing Automation System
- Control Systems for Server Rooms
- Document Management System
- Personnel Attendance Control System
- Occupational Health and Safety Application
- Corporate Websites
- Fiber Infrastructure
- Endpoint Security
- Backup Application

Other Improvements:

- Email and Workflow Security Enhancements
- Training Management System
- E-Document Application Improvements
- PDKS Hardware Renewals
- Increased Use of Online Meetings
- Order Management System
- Firewall Hardware Renewals
- Backup Unit Hardware Renewals
- DLP Application

Data Security

At Nuh Çimento, we perform data classification through the data classification policy and DLP software created within the framework of ISO/IEC 27001 audits. Compliance control requirements determined within the framework of ISO/IEC 27001 ISMS, the Personal Data Protection Law No. 6698, the Law on Legal Log Management No. 5651, the E-Signature Law, Company Policies, and Ethical Rules are carefully monitored by the Legal Department, Human Resources, and process owners. E-document processes designed according to the record control criteria ensure the secure storage of data using cryptographic methods.

Automatic Operator System for Production Lines

Our efforts, which started in 2014 with the commissioning of smart process control systems on the third production line, continued with the installation of a factory production and maintenance reporting tracking system in the same year. Driver modernizations in 2015, followed by PLC (Programmable Logic Controller) and SCADA (energy tracking) system modernizations in subsequent years, improvements in gas analysis systems, weighing systems, and raw material analysis systems, and the installation of new raw material analysis systems in the crusher area, were significant steps in the transformation.

The smart process control systems commissioned in the first production line, condition monitoring systems commissioned in farin mills and cement mills, energy tracking systems, the digitization of shift reports, the update of automation network infrastructure, and cybersecurity efforts continued without slowing down in our production processes.

2024 Period Activities

The year 2024 was a period in which our company made significant progress in productivity and digitalization processes. During this year, we increased the utilization rate of the Kiln 3 Expert System (Advanced Process Control System), ensuring a more efficient kiln operation. Additionally, we successfully ensured the use and stability of the Expert System in the Cement 4 and Roller Press units. We initiated the commissioning of the Expert System in the Kiln 1 and Cement 1-2 units, and we aim to complete these projects in 2025.

We had started our Operational Technology (OT) cybersecurity efforts in 2023, and within this scope, we continued the firewall updates of the OT systems in 2024. Through these efforts, we aim to enhance the security of our critical infrastructures and to create an uninterrupted operational environment in our processes.

In 2024, we completed the modernization of the Raw Meal 1 (Farin 1) PLC and panels, thereby strengthening the performance of this system with a modern infrastructure. We plan to carry out the modernization of the Kiln 1 PLC and panels in 2025. Additionally, by continuing the modernization of some local PLC control systems and panels in the field, we are working towards making our entire infrastructure more efficient and resilient.

In our port operations, we took significant steps toward unifying the Coastal Belt Conveyors, Ameco Crane, and Pipe Conveyor Transfer PLC systems under a single structure. In this context, we have started writing process-specific SCADA and PLC programs, and we aim to complete the Port DCS project in the third quarter of 2025.

All these efforts represent important steps we are taking to make our processes safer, more efficient, and more modern.

Use of Artificial Intelligence in Production

The year 2024 was a year in which significant progress was made in the integration of artificial intelligence into production. In particular, there was a notable increase in the rate of AI-based management on Production Line No. 3. The Kiln 3 Expert Optimizer System was commissioned following the final update carried out in July 2024 and began operating in full integration with the connected units. During this process, AI-based management came to cover 63% of the total operating time. This rate had been 51% in the previous year, and this increase was an important indicator of the success achieved in process optimization.

Thanks to AI systems, operational efficiency in Kiln 3 and the connected units was increased, energy consumption was optimized, and stability in processes was strengthened. With the development of the system, more precise and accurate decisions could be made in critical processes such as kiln combustion control, production speed, energy consumption, and emission control. With the update, AI algorithms were able to utilize a broader data pool, enabling the system to adapt more quickly to changing production conditions.

The integration of AI into production processes not only improved operational performance but also minimized error rates by reducing the need for human intervention. The results achieved in 2024 once again demonstrated how significant a role AI will play in future production processes.

Digital Transformation and Risk Management

Our digital transformation efforts have also provided advantages in the context of risk management. We transformed the inefficiency risk of systems losing their currency at the infrastructure and application layers into an opportunity through upgrade projects. The impact: Risk = Probability * Confidentiality, Integrity, Accessibility values were calculated, methods were defined before and after taking action on risks determined by risk acceptance criteria, and the probability of converting risks into opportunities was evaluated. A goal/target plan was created based on the entire assessment results and is being monitored by process owners.

OUR SOCIAL PERFORMANCE

At Nuh Çimento, the most important elements of our social performance are the health and safety of our employees, their development, and the long-term employment of talented employees. In 2024, we continued to support the development of our employees through the Nuh Academy platform. Our employee satisfaction rate reached 85%. We received the **Excellent Employee Experience Certificate and Award** and were selected as **Türkiye's Happiest Workplace in the Cement Sector for 2024.**

OCCUPATIONAL HEALTH AND SAFETY

Our Goal
Reducing the frequency of occupational accidents

Realized in 2024
32

Goal in 2025
Maximum 0

As Nuh Çimento, we operate in an industry where the risk of occupational accidents is high. In all our clinker and cement production activities, our foremost responsibility and priority is to protect the health of our employees and ensure their safety. Approximately 60% of our field team of around 500 blue-collar workers at our facilities work in confined spaces, with hot work, at heights, and in excavation works.

Our Occupational Health and Safety (OHS) policy, which guides our management in OHS, is our OHS Policy prepared within the scope of our integrated management systems and approved by our General Manager. With the TS-45001 Occupational Health and Safety Management System, our aim is to carry out activities towards internationally recognized infrastructure, certification, and practices, to ensure that our employees internalize the principle of "The Safety of My Work Starts with Me!" and to eliminate unsafe conditions in the work environment to achieve our zero-accident target. The Occupational Health and Safety Management System covers 100% of the activities carried out at Nuh Çimento, including the production and sale of clinker, cement, and ground granulated blast furnace slag.

At our sites, we have a formal Work Permit Control System for specific tasks defined as potentially hazardous in terms of occupational health and safety and process safety. We implement practices to ensure communication and mutual agreement regarding the hazards and necessary precautions between the personnel performing the work (company and/or contractor personnel) and the factory personnel responsible for the job.

During the reporting period, no fatalities or occupational diseases were recorded at our facilities.

OHS Committees

One of the most emphasized parts of the TS-45001 management system is employee participation.

Through the system established for reporting non-conformities, all employees feel they are part of occupational safety by reporting dangerous situations in the field. We notify them of the actions taken and track these together. Employees can participate in committees such as Emergency Committees, Risk Analysis Teams, and OHS Coaches, and can communicate their thoughts and suggestions to senior management without hierarchical limitations, playing an active role in decision-making processes. The procedures that reflect our safety approach are prepared with employee participation as part of production, maintenance, and all field activities.

Our agreements with unions also cover OHS topics such as the use of personal protective equipment and the right not to work in risky situations. We conduct our performance evaluations through external audits and benchmarking studies with the Cement Industry Employers' Association (ÇEİS).

OHS Risk Management

Both under the TS-45001 Management System and the Occupational Health and Safety Law No. 6331, we work with teams that include trained workers, representatives, and unit managers to identify routine and non-routine risks in detail according to our Risk Assessment Procedure. In line with the hierarchy of risk control, we systematically review all measures, from eliminating risks at the source, opting for less risky alternatives, to engineering controls and the use of personal protective equipment. We continuously improve the system with insights gained from incidents, near misses, risk notifications, and audits.

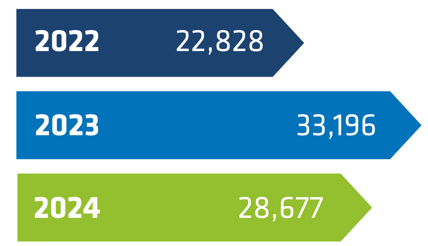
Minimizing OHS risks is of critical importance for organizations. Psychosocial risks are increasingly recognized as significant challenges for workplace health, safety, and well-being. Additionally, psychosocial risks have economic costs for organizations and society. Issues arising from psychosocial risks lead to increased absenteeism and staff turnover in workplaces, while for employees, they result in reduced motivation, job satisfaction, and creativity, as well as higher turnover rates. Work-related stress stemming from psychosocial risks and inadequate psychosocial risk management is known to increase the risk of occupational accidents. The main goals of good prevention design and effective psychosocial risk management are to create safe working systems/environments and to ensure appropriate communication and behaviour in the workplace. For this reason, we place importance on Psychological Health and Safety Awareness training.

Occupational Health and Safety Trainings

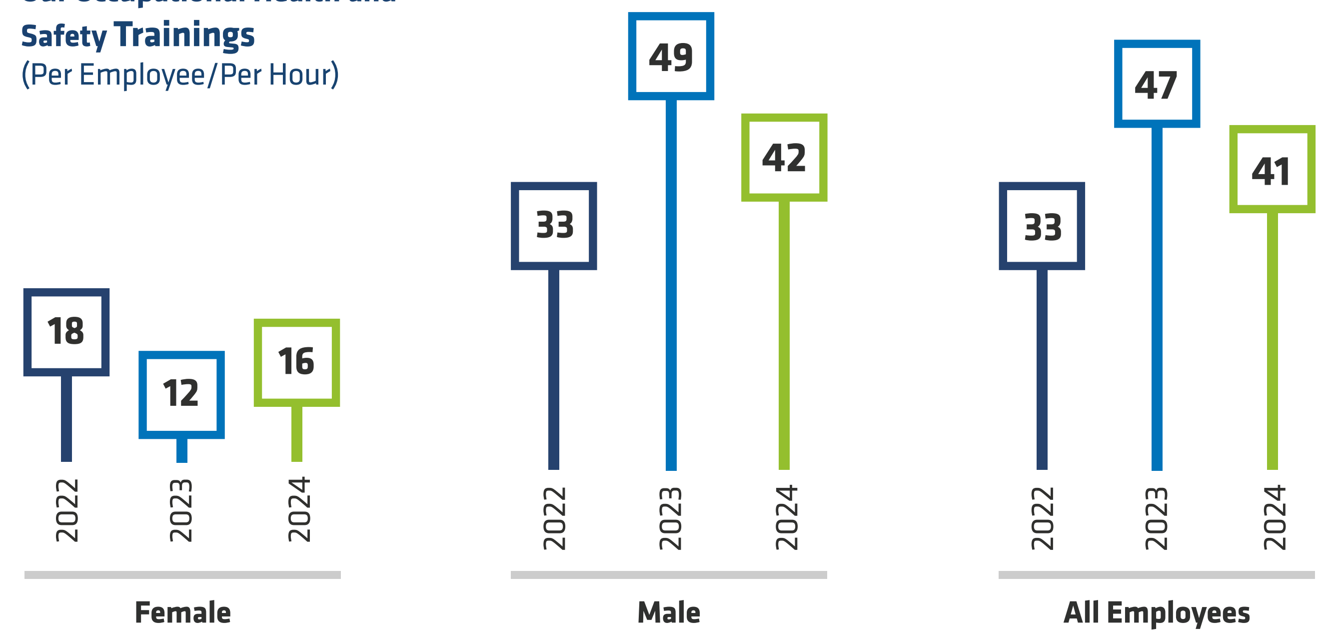
The fundamental starting point for protecting our employees is to raise their awareness. We deliver mandatory OHS training at the ÇEİS training centre, using advanced technology to provide hands-on education. We offer various training topics, primarily working in confined spaces, Lockout-Tagout (LOTO), accident investigation, emergency response, and employee representative training. We monitor the effectiveness of these trainings through measurements. Toolbox talks and tea-time chats are other continuous awareness and reminder activities we provide.

In 2024, we continued the training program we initiated in 2022 with the aim of emphasizing the importance of teamwork, strengthening collaboration and commitment within teams, contributing individual strengths to team success, increasing individual and team motivation, enabling individuals to recognize their importance, talents, and competencies, anticipating the potential risks posed by vulnerabilities, and achieving higher group performance than the sum of individual performances through team synergy. We delivered our mandatory 16-hour OHS training through our renewed content via the OHS Online Training System.

OHS Yearly Training Hours



Our Occupational Health and Safety Trainings
(Per Employee/Per Hour)



Occupational Health Services

The core of our occupational health function is our workplace health unit. This unit is responsible for risk assessments, work plans, and the instructions and procedures of the system. It conducts periodic examinations after accident investigations and upon return to work, continuously monitoring employees' physical fitness. Our health unit operates 24/7. It also plays an essential role in emergency situations and first aid.

Detailed Occupational Health and Safety data is available in the **Social Indicators** section. *Our Occupational Health and Safety Policy is published on our website.*

OHS Engineers Project

In collaboration with the Cement Industry Employers' Association (ÇEİS), we developed a special training program to enable groups of occupational health and safety engineers to:

- Understand the root causes of accidents and incidents and proactively develop analytical solutions targeting these root causes,
- Reinforce their contributions and practices in the field of OHS through activities and implementations,
- Gain the skills to become leaders and future managers in the field of OHS.

Results and Benefits
As a result of implementing OHS practices with an engineering perspective in the field, we achieved a significant reduction in occupational accidents. The number of lost workdays and equipment losses due to accidents also decreased.

ÇEİS Occupational Health and Safety Leadership Program (ÇEİSLİP)

As Nuh Çimento, we launched the ÇEİS OHS Leadership Program (ÇEİSLİP) in 2020 to enhance the competencies of our middle managers in the field of OHS and to ensure their more active participation in OHS processes. This program continues for our newly hired engineers and other managers.

The ÇEİS OHS Leadership Program (ÇEİSLİP) is a development program designed based on local and international references, considering Turkish dynamics, production habits, and specific solution models. The program aims to improve the managerial and technical skills of technicians, engineers, supervisors, and managers at all levels, as well as OHS professionals who act as a bridge between blue-collar workers and top management, regardless of the department and position they work in. The program consists of four main modules:

Module 1 - Introduction to Safe Management (4 days)
Module 2 - Management of High-Risk Jobs (4 days)
Module 3 - How OHS Management Should Be (4 days)
Module 4 - Program Completion Project

In the first module of the program, elements of safe management, OHS leadership, measurement of OHS performance, and reasons why employees behave unsafely are emphasised. The second module focuses on how risks can be managed and introduces the fundamentals of the work permit system, drawing attention to technical aspects. The third module covers subcontractor and contractor management, selection of Personal Protective Equipment (PPE), OHS audit with incident root cause analysis, and providing feedback. The fourth module consists of a Completion Project, where participants, considering the knowledge and skills acquired in the program, develop solutions to a problem related to OHS encountered in their workplace, with the coaching/support of the OHS professional at the workplace.

DISASTER PREPAREDNESS AND RESPONSE

Our Goal
Conducting regular disaster drills every year

Realized in 2024
6

Goal in 2025
3

In addition to our detailed procedures for ensuring Occupational Health and Safety at Nuh Çimento, we have plans and preparations in place for actions related to fire, explosion, hazardous chemical substance leakage, poisoning, epidemics, radioactive leakage, sabotage, and natural disasters (earthquakes, floods, storms, waterlogging, lightning strikes).

As part of these preparations, we have Emergency Action Plans under the titles of Sabotage Protection Plan, Civil Defence Plan, Emergency Plan, Protection and Security Plan, and Port Facility Security Plan (LTGP).

We updated our Protection and Security Plan in 2018, our Civil Defence Plan in 2021, and our other plans in 2022. In 2023, we reviewed all our plans. There were no updates in 2024, and we carried out the 6 drills we planned.

As part of the Port Facility Security Plan (LTGP), we conduct a practical emergency evacuation, assembly, and firefighting drill, in cooperation with the Port Manager and the Coast Guard, with the participation of all units at least once a year and provide training to emergency response teams.

In occupational health and safety refresher training, we cover evacuation, search and rescue, explosion, fire and fire protection, and earthquake topics. We also conduct the necessary annual checks for lightning protection systems, carry out periodic control and maintenance of fire extinguishing systems, and regularly clean drains to prevent flooding and waterlogging.

Our Emergency Plan outlines the communication principles for emergencies, and it includes contact information for emergency response teams. Our plans contain communication numbers for general law enforcement and factory emergency units.

We Are Ready to Meet Water Needs in Possible Disasters!

The Nuh Çimento facilities are surrounded by forests. In the event of a fire, the company's construction machines, and water tankers can be quickly deployed if the fire sprinkler systems are insufficient.

According to State Hydraulic Works (DSI) data, the annual per capita water availability in Türkiye is approximately 1,350 m3. Our reverse osmosis facility with a capacity of 2,700 m3/day has the production capacity to provide clean water for approximately 730 people annually. Having such a facility in the region has societal advantages. In case of a natural disaster or similar situation in the earthquake-prone region, our facility's full-capacity operation allows us to provide a significant amount of drinking and utility water to the region.

In 2024, with the approval of top management, we reviewed and republished our policies in this area. Our Crisis Management System and *Nuclear Security and Emergency Preparedness Policies* are available on our website.

TALENT MANAGEMENT AND EMPLOYEE ENGAGEMENT

Our Goal
Preventing an increase in employee turnover rate

Realized in 2024
7%

Goal in 2025
Maximum 7%

At Nuh Çimento, we regard our human resources as our most strategic asset, focusing on the development and motivation of our employees for sustainable success. We adopt inclusive policies to increase female employment, strengthen talent management, and improve employee experience.

In our recruitment and employment processes, we base our principles on "Inclusivity," "Diversity," "Transparency," and "Equal Opportunity," offering a fair, ethical, and non-discriminatory approach to our employees and candidates. We aim to create a work environment where everyone has equal opportunities, regardless of race, language, religion, gender, age, disability, social status, or any other differences. We view diversity not only as a value but also as a critical factor that fuels innovation and corporate success.

All of our employees work full-time. Those covered by the collective labour agreement make up 66% of our total workforce. In this context, we adopt a transparent and sustainable business model that ensures both human and labour rights. No employee at our company earns less than the minimum wage, and our compensation policy is managed with a fair and competitive system according to responsibility levels. We continue to support equal opportunity in our recruitment, career management, and rotation processes by structuring our wage and benefits policy in an objective and balanced manner. Employees in the same positions, regardless of gender, are paid equally. Salaries are determined based on performance, competence, and experience, without any gender-based discrimination.

Additionally, we offer training and development programs that support our employees' continuous development, allowing them to enhance their individual and professional skills. Through leadership development programs, technical training, and talent development processes, we support our employees' career journeys. We foster a culture of internal feedback, listen to our employees' views and expectations, and develop innovative practices that strengthen our employer brand. Our social responsibility projects and health and wellness-oriented programs, aimed at increasing employee engagement, also support work-life balance and contribute to employees creating value in all aspects of their lives.

Talent Acquisition and Retention

At Nuh Çimento, we see talent management as a strategic priority and focus on developing existing competencies while acquiring qualified employees for our organization. Through innovative human resources practices, we keep our organization dynamic and agile, contributing to sustainable growth by increasing employee engagement. In 2023, we reduced our employee turnover rate from 8% to 7% in 2024, reflecting our commitment to employee engagement. Additionally, as of 2024, the average tenure of our employees is 9 years, which reflects the strength of our long-term employment policy.

Our transparent and objective recruitment processes ensure that the right talents are placed in the right positions. This approach supports not only the recruitment process but also employees' long-term career planning and development. We view each employee's training and development as a core managerial responsibility, thus enabling them to shape their career journey in the best way possible.

Through the processes we support with performance evaluations, we give our employees the opportunity to maximize their potential. We encourage them to gain experience in different areas by exploring both horizontal and vertical career opportunities. By offering internal promotion and rotation options, we support our employees' development while providing opportunities to identify leadership potential at early stages.

At Nuh Çimento, we focus on nurturing internal leaders and continuously strengthening our organizational structure. We prioritize evaluating our own employees for open positions, supporting their career development and increasing internal loyalty. We continue to strengthen our employer brand and develop best practices that serve as examples in the industry by continuously improving the employee experience.

In terms of values based on talent, experience and commitment to the institution, we bring our employees within the scope of EYT together with new generation talents by keeping our knowledge in our organization. This approach ensures both knowledge transfer and continuity of institutionality. The strong corporate culture and healthy business climate of our work environment enable our employees to stay in our institution for many years and create value.

Employee Satisfaction and Loyalty

At Nuh Çimento, we prioritize creating a positive experience for both candidates and employees, constantly improving our work processes by adopting digital methods. We develop human-centered approaches to ensure our employees feel safe, valued, and motivated in the workplace. We believe it is crucial to provide a comfortable, secure, and supportive working environment for our employees to fully realize their potential.

With a strong sense of our responsibilities as an employer, we develop innovative practices to support our employees' personal and professional development, offering opportunities to enhance their skills. Through our training and career development programs, we help our employees achieve their long-term goals.

We share our common goals with all our employees based on transparent communication and encourage a culture of cooperation. To continuously measure and improve employee engagement, we regularly conduct surveys, polls, and feedback mechanisms. We implement systems that directly involve our employees to make their contributions more visible and ensure a more participatory organizational structure.

In this context, with the Employee Suggestion System we launched in 2024 and continue to develop, we strengthen the culture of idea-sharing and feedback within the company. Through this system, we take our employees' suggestions into account and encourage the integration of innovative ideas into our business processes. With these initiatives, which focus on sustainable success and employee engagement, we enhance our employees' motivation and further strengthen our corporate culture.

To objectively assess employee satisfaction, we regularly conduct internal surveys to continuously analyse our work environment and focus on understanding our employees' expectations. These surveys allow us to measure employee satisfaction levels while also evaluating the performance of internal stakeholders and taking actions to improve the employee experience.

Thanks to our people-focused management approach and the importance we place on employee satisfaction, Nuh Çimento is a leader in the industry. As a result of the successful work carried out by our Human Resources team, in the "Happiest Workplaces in Türkiye" evaluation, conducted in collaboration with Happy Place to Work and Capital Magazine, we were selected as the Happiest Workplace in Türkiye in the Cement Sector for 2024. Additionally, following an independent evaluation by Happy Place to Work, we earned the Excellent Employee Experience Certificate and Award. This achievement is one of the strongest proofs of the inclusive, supportive, and highly engaged work environment at our company.

We support not only the professional development of our employees but also encourage them to act with social responsibility awareness. Our social and environmental responsibility projects, carried out with our employees, not only create value for society but also enhance employee engagement and internal motivation. At Nuh Çimento, we view social responsibility not just as a corporate value but as a bond that unites our employees around a common purpose.

Happy Workplace® TÜRKİYE 2024

Happy Workplaces® Mükemmel Çalışan Deneyimi Çalışan Sayısı: 100-500 2024

Employee Health and Well-being

At Nuh Çimento, we consider the physical, mental, and emotional health of our employees to be one of our top priorities. To provide a healthy and sustainable work environment, we implement comprehensive health and well-being programs and introduce supportive practices to improve the quality of life for our employees.

Under our **"Eat Healthy, Stay Healthy"** initiative, we offer nutrition counselling on-site and provide dietician services at all our locations to support healthy eating habits. Our meal menus are prepared according to balanced nutrition criteria determined by expert dietitians based on nutritional values and calorie calculations, ensuring all employees have access to meals produced under hygienic conditions and healthy processes. We continuously update our menus to ensure balanced nutrition and conduct awareness activities aimed at improving eating habits.

Through our **"On-site Health Checkups, Health at Work"** program, we carry out laboratory tests for our employees on-site under the guidance of occupational doctors, integrating health checks into our work processes. To support the well-being of our employees holistically, we offer mini check-up services in addition to dietitian and health consulting services within the company.

To boost employee motivation and support internal well-being, we give meaningful gifts on special occasions and develop practices that enhance work-life balance. We continue to introduce next-generation wellness programs that support our employees' physical and mental health.

As part of Nuh Çimento Group, we aim to provide the highest level of health insurance for our employees. We offer private health insurance and complementary health insurance across all our group companies and provide additional security through employer liability insurance against possible work accidents.

In addition, in line with our **"Zero Work Accident"** goal, we implement new-generation practices in Occupational Health and Safety and conduct regular training sessions. We raise awareness about occupational health and safety (OHS), creating a safe work environment and strengthening preventive health and safety measures with proactive risk management. Details regarding **Occupational Health and Safety** are addressed in the relevant section.

Our Goals

At Nuh Çimento, in 2024, we carried out active social initiatives, increased our employee numbers, and continued to contribute to employment. In line with our mission to support women's employment, we aim to increase the number of female office staff in 2025.

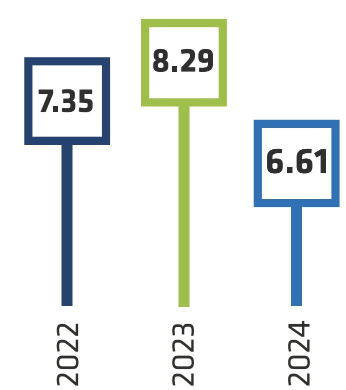
To enhance employee engagement and foster interaction, we organize various events at our company's social facilities and social spaces. In 2025, we aim to increase social interactions by organizing wellness (physical, mental, and social well-being) events, team sports tournaments, and cultural activities that support work-life balance.

To increase diversity and inclusion, we continue to develop projects that support women's employment and offer equal opportunities through women's leadership programs. We also encourage the active participation of our employees in volunteer projects and social responsibility campaigns to enable them to contribute positively to society. Through environment, education, and social benefit-focused projects, we lead our employees' individual contributions to positively impact society.

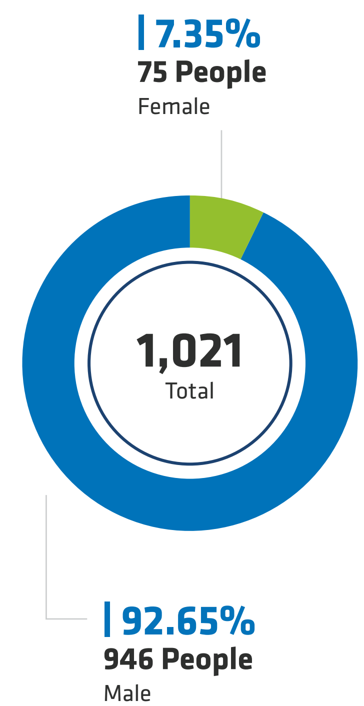
With the activities and workshops planned for 2025, we aim to increase social awareness and strengthen team spirit. In this process, we plan events tailored to our employees' interests and expectations by collecting feedback through surveys, supporting a participatory organizational culture.

In 2024, with the approval of the Board of Directors, we introduced three new policies directly related to our human resources. While preparing the Nuh Çimento Group Human Rights Policy, Diversity and Inclusion Policy, and Freedom of Association Policy, we took into account the International Labour Organization (ILO), UN Business and Human Rights Principles, and OECD Guidelines for Multinational Enterprises on Responsible Business Conduct.

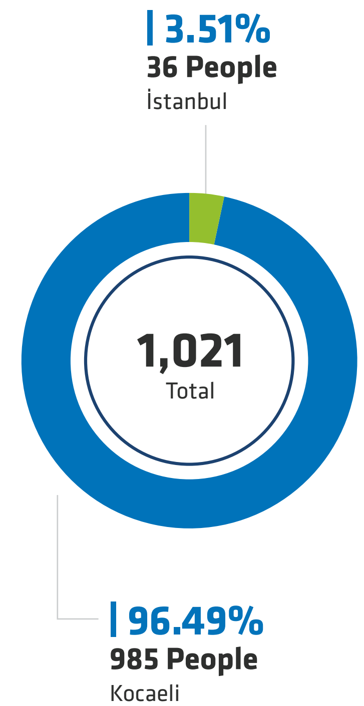
Employee Turnover (%)



Employees by Gender



Employees by Region



TRAINING AND DEVELOPMENT

Our Goal
Increasing the training duration provided per employee

Realized in 2024
51 Hours

Goal in 2025
48 Hours

As Nuh Çimento Group, in 2024, we aimed to enhance our employees' competencies through training and development activities, making a stronger contribution to our corporate objectives.

We supported our employees' career journeys with comprehensive training programs, including industry-specific technical education, managerial skills workshops, and MBA programs, directly influencing our business strategies. These training programs not only strengthened individual performances but also contributed to the sustainable growth of our company.

In line with our vision of investing in the future, we continue to support our employees in adopting a culture of continuous learning and expanding development opportunities.

Nuh Academy

At Nuh Academy, we continuously renew our training and development programs to ensure our employees are ready for both today's and the future's business world. By combining our sectoral knowledge with modern learning methods, we enable our employees to deepen their competencies and explore new horizons in their careers.

By designing technical training in-house, we transfer corporate knowledge and experience, reinforcing our sustainable leadership in the industry. Our training programs aim not only to optimize business processes but also to develop our employees' creative thinking, analytical skills, and strategic decision-making abilities.

The "Assessment Centre" implemented in our group companies introduced a new vision in talent management. Through this system, our employees underwent detailed analyses of their strengths and development areas, allowing for personalized development plans based on individual competencies.

With the Assessment Centre, we not only support individual career development but also make our company's human resources strategies more data-driven and proactive. This system helps direct the right talent to the right positions, boosting organizational success while enabling our employees to discover themselves and progress towards their career goals with stronger steps.

Nuh Academy continues to deepen our corporate learning culture, preparing talents for the future and making our company stronger each day.

Personal and Corporate Trainings

We organize various internal and external training programs to enhance our employees' behavioural competencies and contribute to their career development.

In 2024, we held various sessions open to all employees, covering personal development, professional development, and occupational health and safety (OHS). We partnered with external stakeholders such as Management Centre Türkiye, Turkish Cement, Yön HSE, Turkish Human Resources Management Association, YTÜSEM (Yeardız Technical University Continuing Education Center), TÜV AUSTRIA, Kocaeli University, Ara Group, Artı Health, Arden, Bilici System, Business School Istanbul (BMI), Dale Carnegie, Engage & Grow, Franklin Covey, House of Human (HoH), İzgören Academy to organize various training programs. These included the Internal Trainer Program, the JEST Program supporting the orientation process for new engineers in the cement sector, the Field Leadership Development Program, Disaster and Emergency Management, Leadership Onboarding for Managers "First 90 Days", The Power of Effective Feedback, Intergenerational Communication, Professional Coaching, as well as sectoral training programs for various groups such as law, sales, marketing, finance, and human resources to enhance sectoral knowledge and develop technical and behavioural competencies.

We also organized health awareness programs, inviting expert speakers to discuss topics such as Women's Health, the Importance of Cancer Screening and HPV Vaccinations, and Neck and Back Pain. These seminars aimed to guide our employees in making informed decisions about health and family life.

In line with our continuous development and learning organization objectives, we always prioritize providing our employees with educational and development opportunities. To strengthen inter-team collaboration and work efficiency, and make our teams more effective in feedback processes, we organized a special training program titled "The Power of Feedback."

Professional Development Trainings

In 2024, we continued to raise sectoral knowledge and skills standards by applying professional qualification training and assessment tools to employees working in technical fields. We also organized industry-specific training programs to keep our team updated on the latest technological developments in cement production. Through these programs, our employees closely followed the latest technological advancements, further strengthening our company's competitive advantage. Our trainings not only supported individual talents but also promoted team harmony, helping us maintain our leadership in the sector. By encouraging our employees' continuous learning and specialization processes, we contribute to the realization of our company's vision more effectively.

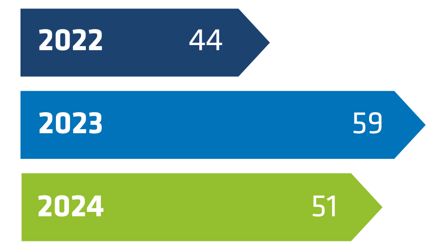
We measure the effectiveness of the training provided through evaluation surveys involving managers, trainers, and employees participating in training programs. Additionally, Integrated Management Systems managers follow up on training effectiveness through activities such as internal audits, observations, and data analysis results. Based on these monitoring and measurement activities, we identify feedback for improving performance or productivity and take necessary actions, considering development opportunities. For future training plans, we consider the training subject, training methods, participants, and trainers' qualifications.

Technical Competencies

Based on job description reviews in 2023 and feedback from our managers, we continued to explore different development and learning opportunities in technical and professional areas as part of the Nuh Çimento Competency Model Project, which identifies employees' strengths and development areas.

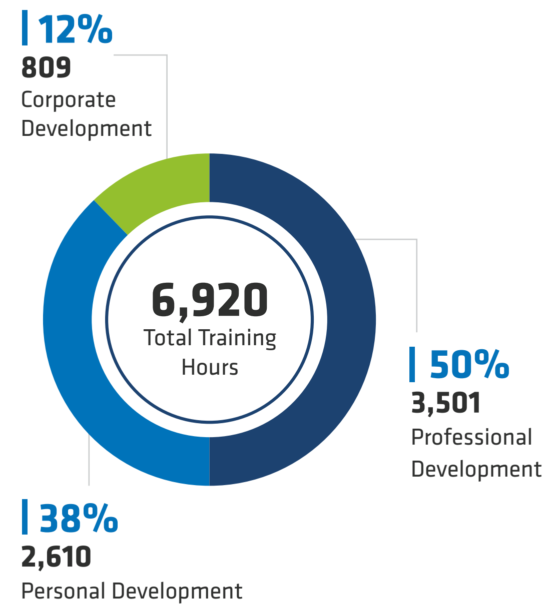
This transformation, initiated through this project, not only ensures the achievement of the right competencies in recruitment processes but also continues to improve efficiency in career planning and determining training needs. By integrating the identified competencies with the OKR Goal Management System, we continue to strengthen a goal-oriented organizational culture, bringing more objectivity to our evaluation process.

Average Training Duration* (Hours)



*For all employees

Trainings by Duration (Hours)



Nuh Campus: Master's Degree in the Field

Objectives:

Support Employees' Academic Development: Provide on-site training opportunities for employees who couldn't complete their master's education for various reasons, supporting their academic growth.

Increase Knowledge and Competency Levels Within the Company: Develop employees' knowledge in economics and management sciences through master's programs, integrating academic perspectives into business processes.

Strengthen University-Industry Collaboration: Through the Nuh Campus partnership with Kocaeli University, enhance the university-industry partnership and create an exemplary model in the sector.

Facilitate Work and Education Balance: Create an academic calendar suited to employees' work rhythms to allow them to continue their education within a work-life balance.

Results and Benefits:

Launch of Academic Programs: As of 2024, the Economics Master's program has started, and we will expand our educational options with the MBA program.

Accessible Education for Employees: By offering training at Nuh Çimento locations, we saved employees time and supported their academic development.

Integration of Work and Academic Knowledge: The training programs contributed to employees' individual development and allowed them to make more informed, analytical decisions in business processes.

Inspiration for Corporate Companies: This model strengthened the culture of a learning organization within our company while also serving as an inspiration for other corporate companies.

Future Plans:

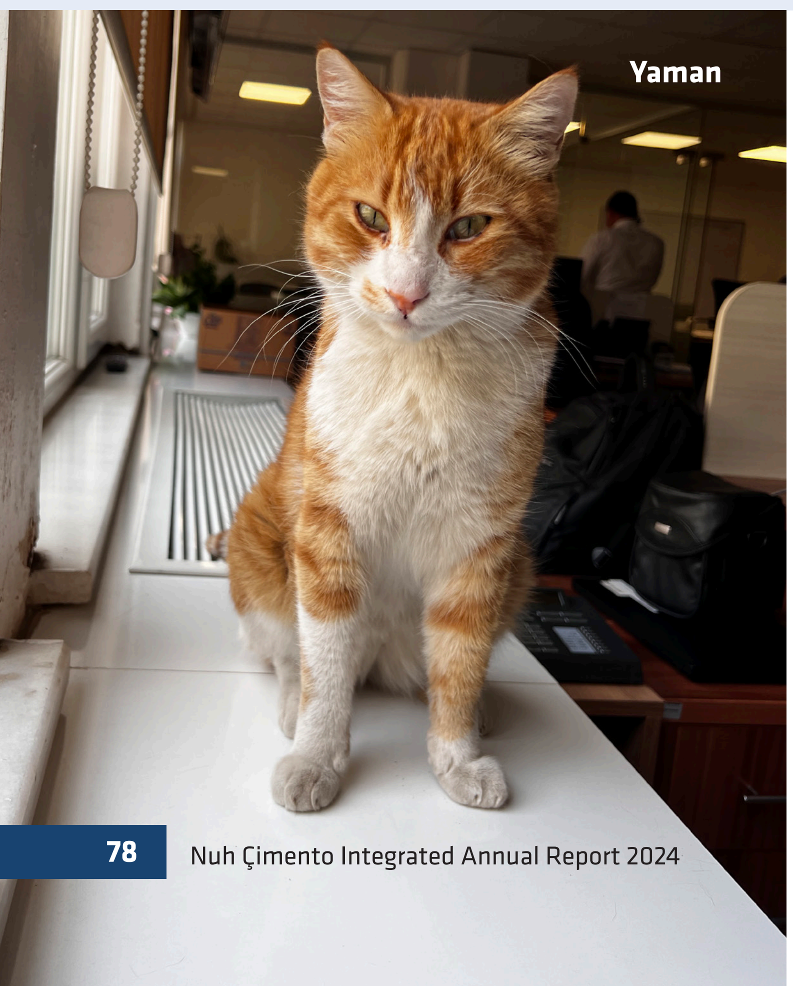
Diversification of Master's Programs: Expand the current programs to include specific fields such as engineering, finance, and human resources management.

Use of Technology in Education: Develop hybrid and online course models to provide academic development opportunities for employees outside of the field.

Certification Programs and Short-Term Trainings: In addition to master's programs, offer certificate programs and short-term courses to contribute to employee development.

Strengthen University-Industry Collaboration: Extend the collaboration with Kocaeli University to include other academic institutions, enhancing training options.

4 QUALITY EDUCATION
8 DECENT WORK AND ECONOMIC GROWTH



Our cute friends Pati, Kaju, Yaman

Our work environment is not only shared by us, but also by our dear friends. Their presence adds warmth to our workplace and helps us create a more peaceful and balanced work environment.

Sustainability, respect for all areas of life and the awareness of coexistence have an important place in our corporate culture.

In line with this understanding, we work in harmony with our furry friends as a reflection of our responsibility towards nature and all living things.

They are also a part of this big family like us and the best representatives of the sharing culture in our workplace.

Earthquake Region Women's Cooperatives Support on Women's Day and Ramadan Solidarity Project

Objectives:

Support Women's Cooperatives: Visit women's cooperatives in Hatay to promote local production, contribute to economic development, and support women entrepreneurship.

Enhance Social Solidarity: Combine Women's Day with a meaningful social responsibility project to build a strong solidarity bridge between our employees and cooperative members.

Increase Social Impact: Create a broad solidarity movement by distributing products sourced from women's cooperatives to employees and their social networks before Ramadan.

Engage Employees in Social Responsibility: Enable our employees to actively participate in social responsibility projects, providing them with opportunities to contribute to projects that benefit the community.

Results and Benefits:

Economic Support: By placing bulk orders from women's cooperatives in Hatay, we contributed to the local economy and supported women entrepreneurs in generating sustainable income.

Strong Partnerships: Visits to the cooperatives resulted in the establishment of lasting relationships, creating a foundation for future similar projects.

Employee Engagement and Corporate Affiliation: This project allowed our employees to contribute directly to social causes, enhancing our corporate culture of social responsibility.

Raising Social Awareness: The solidarity efforts during Ramadan raised awareness both within our company and in the social networks of our employees, highlighting the importance of local production.

Future Plans:

Sustainable Support Models: Develop long-term collaborations with women's cooperatives to provide ongoing support and repeat similar projects periodically.

Expand Volunteering Programs: Create volunteer projects where employees can individually collaborate with women's cooperatives.

Wider Ramadan Aid Model: Distribute Ramadan packages not only to employees but also to families in need, sourced from women's cooperatives.

Encourage Local Women Entrepreneurship: Develop joint projects with women entrepreneurs to expand the reach of their products to wider markets (e-commerce platforms, in-company sales points).

SOCIAL RESPONSIBILITY AT NUH ÇİMENTO

As Nuh Çimento Group, we act with the awareness that well-being is part of the whole, placing sensitivity at the forefront of our corporate culture. We conduct activities to raise individuals who are conscious of the world we live in. Our sensitivity to the environment and society is an integral part of our corporate climate and is among our values. In this context, we view the events we organize not as acts of assistance but as efforts to share and develop together. With our activities in areas such as education, nature, and the environment, we aim to contribute to the construction of our common future and the development of our country.

We plan all these activities under the roof of Nuh Çimento Group and **Nuh Çimento Education and Health Foundation.**

Nuh Çimento Education and Health Foundation

Establishment and Philosophy

The foundation, originally registered as Nuh Çimento Sanayi Vakfı, changed its name to Nuh Çimento Education and Health Foundation in 2003. It was established in 1994 with the registration decision of the Körfez Civil Court of First Instance.

Founded with the awareness that supporting education and healthcare for the state is of great importance, Nuh Çimento Education and Health Foundation has been actively involved in its mission since its establishment. Our work in the fields of education and health continues each year, providing more services and implementing larger projects.

Purpose and Services of the Foundation

In line with its purpose, in addition to donations to schools and healthcare institutions, the foundation has also implemented projects aimed at leaving lasting legacies. In the field of health, our most significant lasting work is the Nuh Çimento Oral and Dental Health Centre, which is affiliated with İzmit State Hospital and includes an emergency unit (112). This centre was built by our foundation in 1998 in Uzunçiftlik and was donated to the Ministry of Health. Other significant works include the Burn Unit, which was built by our foundation to address a major need in the industrial area of Kocaeli and donated to Kocaeli University Medical Faculty Hospital in 2009, and the Hemodialysis Centre donated in 2015. In addition to the permanent works we have made in healthcare, the foundation also meets the needs of individuals and healthcare institutions as much as possible. In the field of education, many permanent works have been built by the foundation and donated to the Ministry of National Education and relevant institutions.

In addition to these, the foundation also meets the needs of other schools in the region as much as possible. Since its establishment, Nuh Çimento Education and Health Foundation has provided scholarships to an average of 1,200 university students each academic year and continues to support students as well as institutions.

In 2023 and 2024, the foundation made a total cash and in-kind donation of 25,345,000 TL to the construction of Kocaeli University Hereke Campus. In 2024, the foundation provided scholarships to a total of 1,209 students amounting to 19,887,000 TL and spent a total of 29,255,763 TL on educational and healthcare-related activities.

Nuh Çimento Foundation Facilities

1988	Nuh Çimento Technical, Industrial Vocational High School, and Maritime Anatolian Vocational High School	Kocaeli / Hereke	The school, which has 36 classrooms, 12 laboratories, and 8 workshops, was commissioned by Nuh Çimento in 1988.
1990	Çerkeşli Nuh Çimento Primary School	Kocaeli / Dilovası	The school consists of 8 classrooms. Additionally, a dormitory was built.
1997	Çerkeşli Culture Centre	Kocaeli / Dilovası	It is currently still in use and has a capacity of 250 people.
1998	Nuh Çimento Oral and Dental Health Centre	Kocaeli / Uzunçiftlik	Oral and Dental Health Centre
1998	Tavşancıl Nursing Home	Kocaeli / Dilovası	Established in 2008 due to the 1999 earthquake, the institution is currently in operation with a capacity to accommodate 30 guests.
2003	Nuh Çimento Vatan Primary School	Kocaeli / Hereke	The school consists of 11 classrooms.
2003	80. Year Nuh Çimento High School	İstanbul / Pendik	The school consists of 24 classrooms.
2007	Nuh Çimento İmam Hatip Middle School	Kocaeli / İzmit	The school consists of 32 classrooms.
2007	Hereke Police Office	Kocaeli / Hereke	Used actively
2009	Prof. Dr. Baki Komsuoğlu Vocational School	Kocaeli / Uzunçiftlik	Offers education in Mechanical and Metal Technologies, Electrical and Energy Departments.
2009	Kocaeli University Faculty of Medicine	Kocaeli / Umuttepe	Burn Treatment Unit
2011	Izmit Nuh Çimento Vocational School (Private Education Vocational Training Centre-School)	Kocaeli / İzmit	This school, serving special education students, has 16 classrooms.
2012	Hereke Nuh Çimento Primary School	Kocaeli / Hereke	The school, built in 1973, was renovated and its capacity was increased to 26 classrooms.
2014	Ataşehir Neşet Ertaş Culture Centre	İstanbul / Ataşehir	Used actively
2015	Kocaeli University Faculty of Medicine	Kocaeli / Umuttepe	Hemodialysis Centre
2018	İzmit Nuh Çimento Education Campus	Kocaeli / İzmit	In 2018, a 24-classroom girls' vocational high school, a practice kindergarten, an indoor sports hall, workshops, and a 40-classroom high school were built. In 2019, a cafeteria was also constructed.

OUR ENVIRONMENTAL PERFORMANCE

Achieving environmental sustainability is a core element of Nuh Çimento's daily operations and decisions. While compliance with environmental regulations is our priority, energy efficiency and recovery, alternative raw material and fuel usage, as well as water, waste, and biodiversity management, are of strategic importance to our company. In 2023, clinker-low cement production, which accounted for 35% of total production, reached 41% in 2024. For 2024, our total green product ratio was 46%. In 2024, we achieved our highest-ever recovery rate of wastewater, at 62%, and our highest-ever renewable energy usage rate, at 24%.

Our Investments

At Nuh Çimento, we manage all our environmental priorities under the ISO 14001 Environmental Management System and Policy, starting with relevant legislation. In 2023, our budget for environmental activities, operating expenses, and other environmental protection investments was approximately 83.1 million TL. Our total environmental expenditures increased by about 71% compared to the previous year, with the largest share of investments, 53%, directed towards emission reduction efforts.

Environmental Compliance

During the reporting period, there were no penalties or lawsuits resulting from non-compliance with environmental laws and regulations.

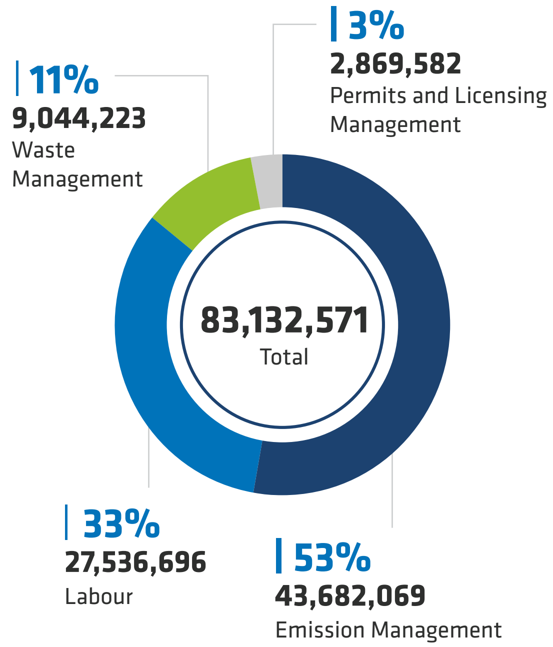
Nuh Çimento Group's Environmental Policy is available on our website.

Field Audit Reports on Environmental Impacts

At Nuh Çimento, it is our priority to take necessary measures to prevent or minimize any potential serious or irreversible environmental damage arising from the activities at our facilities, in a cost-effective manner.

As in previous years, we continued to monitor the environmental impacts of our activities in 2024. A total of 81 field audits were conducted regarding the identification and management of environmental impacts across units at our factory, and actions related to the reported areas for improvement were completed during the reporting period.

Our Environmental Expenditures (TL)



We Continued Our Investments in the Fight Against Climate Change in 2024!

Energy-Focused Investments We Started in 2024

Kiln 1-2 Modernization Investment
Pneumatic Conveyor Line Investment
Bilge Boiler Investment
WHR New Turbine Investment
Port Connection Line Investment

CLIMATE CHANGE AND ENERGY MANAGEMENT

Our Goal
To reduce greenhouse gas emissions resulting from production.
Goal in 2050
Carbon Net Zero

At Nuh Çimento, we are shifting to energy sources that produce lower carbon emissions, aiming for cleaner air and a cleaner environment in the fight against climate change. In 2024, 24% of the electricity we used was sourced from renewable energy.

Greenhouse Gas Sources in Cement

In the cement industry, reducing greenhouse gas emissions across all activities, from quarries to the packaging and transportation of products, is part of our environmental goals. Of the greenhouse gases emitted during production, 50% is due to the decarbonization of raw materials (firing), 40% is from the burning of fossil fuels, and 10% comes from electricity consumption and transportation.

As Nuh Çimento, we began setting greenhouse gas reduction targets and taking action even during a period when national strategies on greenhouse gases were not yet finalized.
The most important of these efforts include:

- Production of low-clinker content products
- Renewable energy production and use through the Waste Heat Recovery (WHR) Plant and Hydroelectric Power Plant (HEPP)
- Reducing specific energy consumption through efficiency projects.

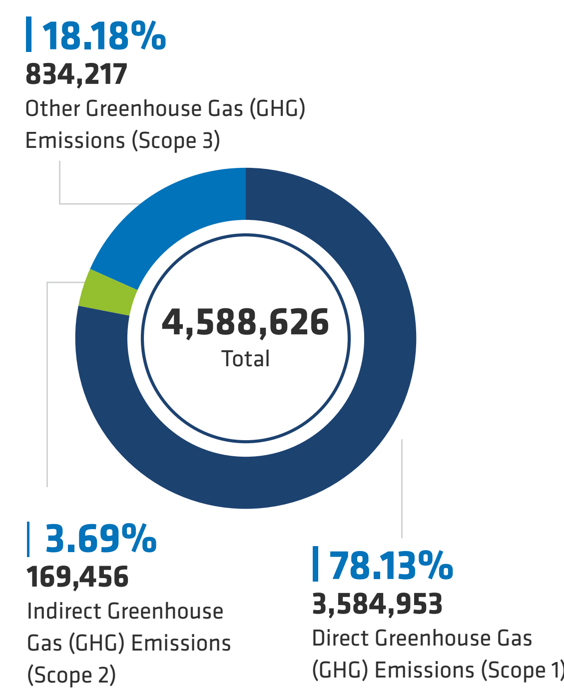
Greenhouse Gas Monitoring and Verification

We calculate our emissions in accordance with the Regulation on Monitoring Greenhouse Gas Emissions and the Communiqué on Monitoring and Reporting Greenhouse Gas Emissions. In 2024, all our emissions were calculated according to ISO 14064-1:2018 Standard, and our emission data was verified by an accredited organization.

The data from the three main process stacks at our plant is continuously monitored by an online measurement system connected to the Ministry of Environment, Urbanization, and Climate Change, and is subject to control by legal authorities. These stacks operate with an average emission of 10-15 mg/Nm^3, well below the 50 mg/Nm^3 upper limit. Data on stack emissions is included in the **Tables of Performance Indicators** of our report. Our Emission Policy is available on our website.

At Nuh Çimento, in addition to carbon analyses of all fuels and raw materials, emission factor analyses of fuels are carried out by accredited organizations such as the Turkish Cement Manufacturers' Association (TÜRKÇİMENTO) R&D Laboratory. Scale data and emission calculations are also verified by accredited institutions.

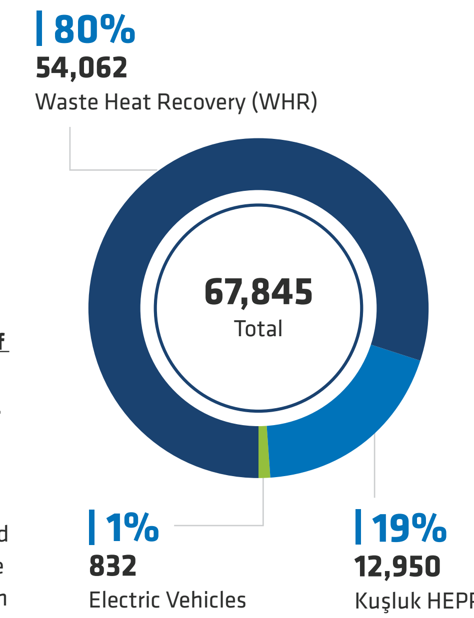
Greenhouse Gas Emissions from Our Operations (t CO_2e)*



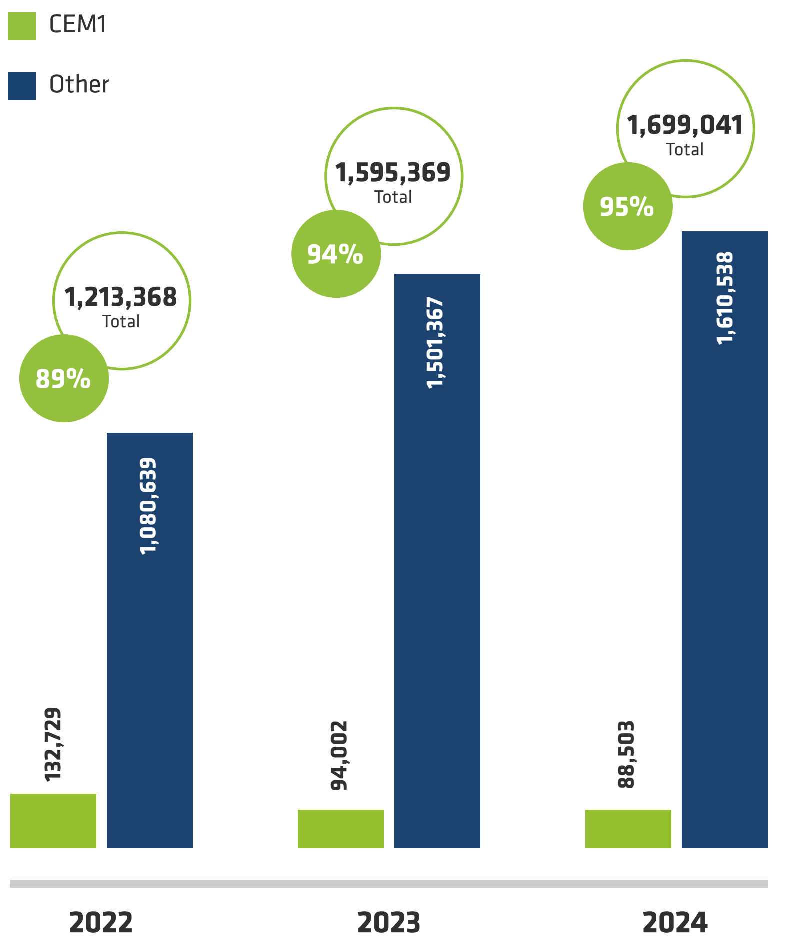
The carbon footprint of the products sold, in compliance with the "Regulation on Monitoring Greenhouse Gas Emissions" (MRV), is verified to be 3,573,278 t CO_2e for Scope 1 emissions.
**Emissions verified according to ISO 14064-1:2018 Standard.*

Details on our Scope 3 emissions can be found in the **Environmental Indicators** section.

Greenhouse Gas Emissions Prevented by Our Activities (t CO_2e)



Eco-Friendly Products

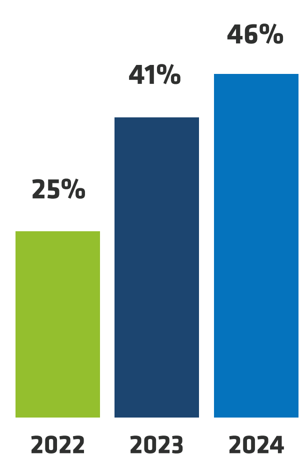


As Nuh Çimento, we aim to shift from high-carbon CEM1 type cement to CEM2 type cement, which has a lower carbon emission factor. In this context, we are increasing the share of blended cement sales in the domestic market each year.

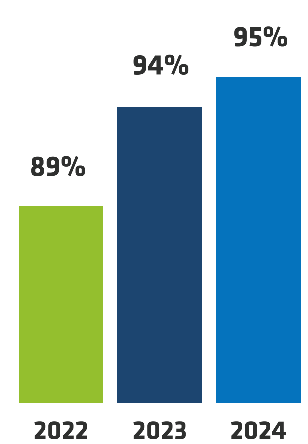
Green Product Share

In 2024, we produced 4,100,000 tons of semi-finished products (clinker) and 4,021,280 tons of products (cement and ground granulated blast-furnace slag). Of these products, 1,834,764 tons were designated as green products (low emissions). While clinker content low cement production accounted for 35% of total production last year, this rate increased to 41% in 2024. Our total green product share for 2024 was 46%.

Green Product Share in Total Sales



Green Product Share in Domestic Sales



Reducing Our Carbon Footprint with Eco-Friendly Products

As part of our sustainability strategy, Nuh Çimento is a company committed to carbon reduction goals and high environmental sensitivity, while also adopting a zero-waste approach.

Greenhouse gases are the largest contributor to emissions in cement production. As a result of R&D and product development work that began in 2018 and continued into 2019, we developed eco-friendly products with a lower carbon footprint and higher durability due to their lower clinker content.

In 2024, through sales of blended cement and ground granulated blast-furnace slag (GGBFS) in both domestic and international markets, we saved a total of 121,608 tons of clinker and reduced our carbon footprint by 106,042 tons.

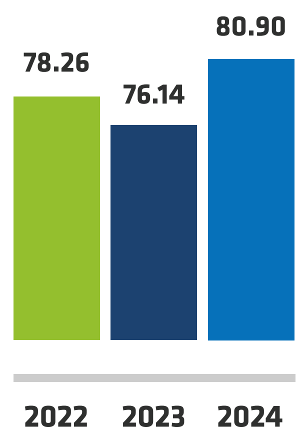
In 2024, the share of eco-friendly, low-clinker cement in total sales rose from 35% in the previous year to 41%. Within this percentage, our domestic market sales, where we managed product sales preferences more effectively, accounted for a large share, with the eco-friendly new generation cement sales in the domestic market reaching 95%.

Commitment to Phasing Out High Carbon Footprint Productions	2023	2024	2025	2026	2027	2028	2029	2030
High Clinker Content Cement (CEM I Group)	59%	54%	55*%	25%	15%	10%	5%	0%
Low Clinker Content Cement	35%	41%	40%	70%	80%	85%	90%	95%
Cementitious Other Materials (Blast Furnace Slag)	6%	5%	5%	5%	5%	5%	5%	5%

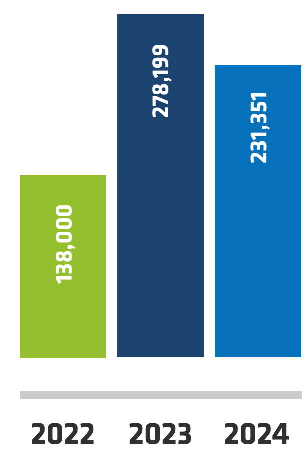
*We achieved our 2025 target in 2024.

Carbon Footprint Reduction Performance in Türkiye Sales

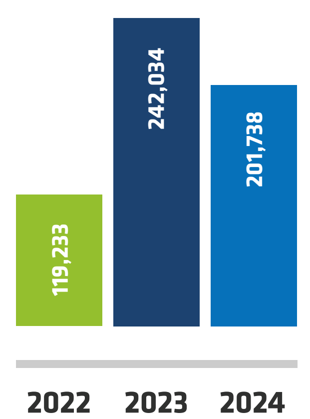
Cement Clinker Ratio (%)



Clinker Saved (tons/year)

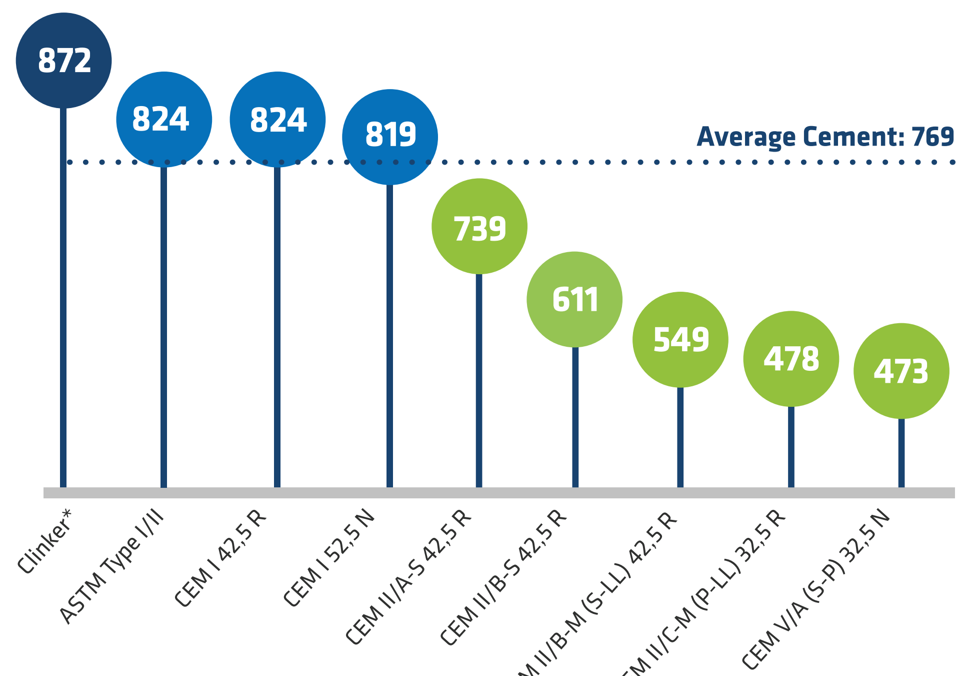


Reduced Carbon Footprint (tons/year)



Greenhouse Gas Emissions per Product Produced (kg CO_2/ton)

The most important step in carbon reduction efforts is measuring and monitoring. We continue this work across our entire product range, as shown in the following chart.



*Ordinary, Low Chrome (VI), Low Alkali, SR, Oil Well Clinker

Greenhouse Gas Emissions per Cementitious Product	(kg CO_2/ton product)
Cementitious (Scope 1)	785
Cementitious (Scope 1+2)	822

Energy Management

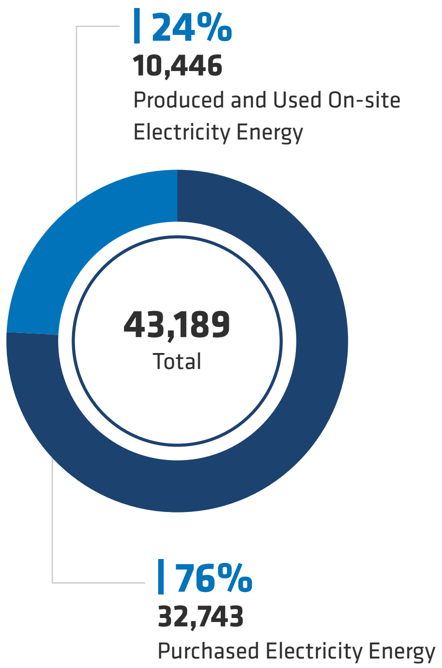
As Nuh Çimento, we operate in an energy-intensive industry and in a country where over 70% of energy needs are met from external sources. Energy is the largest cost item in the cement industry, representing about 60% of operating costs. Producing one ton of cement requires approximately 110 kWh of electricity and 3-4 GJ of fuel energy. Our priority is to use energy efficiently and from environmentally friendly sources, without compromising production quality, quantity, or, most importantly, workplace safety.

Our Energy Efficiency Policy, covering all products, services, and activities related to environmental management systems (from raw material quarries to loading the final product onto customer vehicles), includes the following objectives:

- Ensure compliance with applicable laws,
- Prioritize the use of alternative and renewable energy sources,
- Use energy-efficient technologies,
- Use energy and natural resources efficiently,
- Establish systems for energy efficiency, and
- Raise energy awareness among our employees.

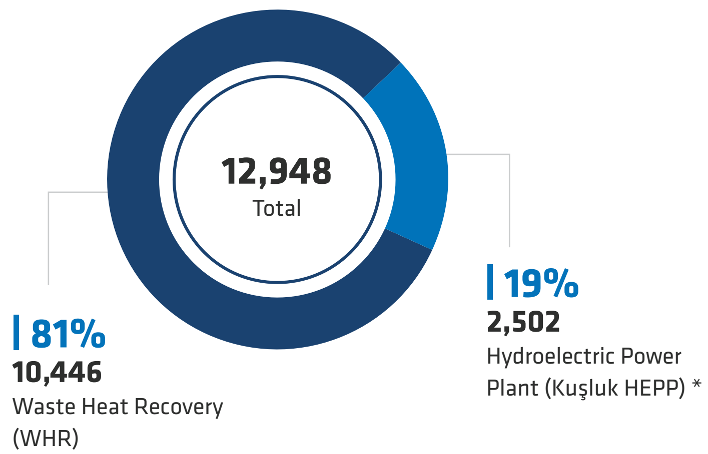
In 2024, our total energy consumption, including fuels and electricity, was 16,566,018 GJ.

Electricity Consumption (TEP)



The value for purchased renewable electricity is zero.

Renewable Energy Production Distribution (TEP)



**The HEPP production is carried out in a different province, and the produced renewable energy is not used within Nuh Çimento. The generated energy is fed into the electricity grid.*

Renewable Energy Production Information	2024
Electricity (kWh) (WHR & HPP)	150,589,924
Prevented Greenhouse Gas Amount (tons CO_2e) (WHR & HEPP)	67,013

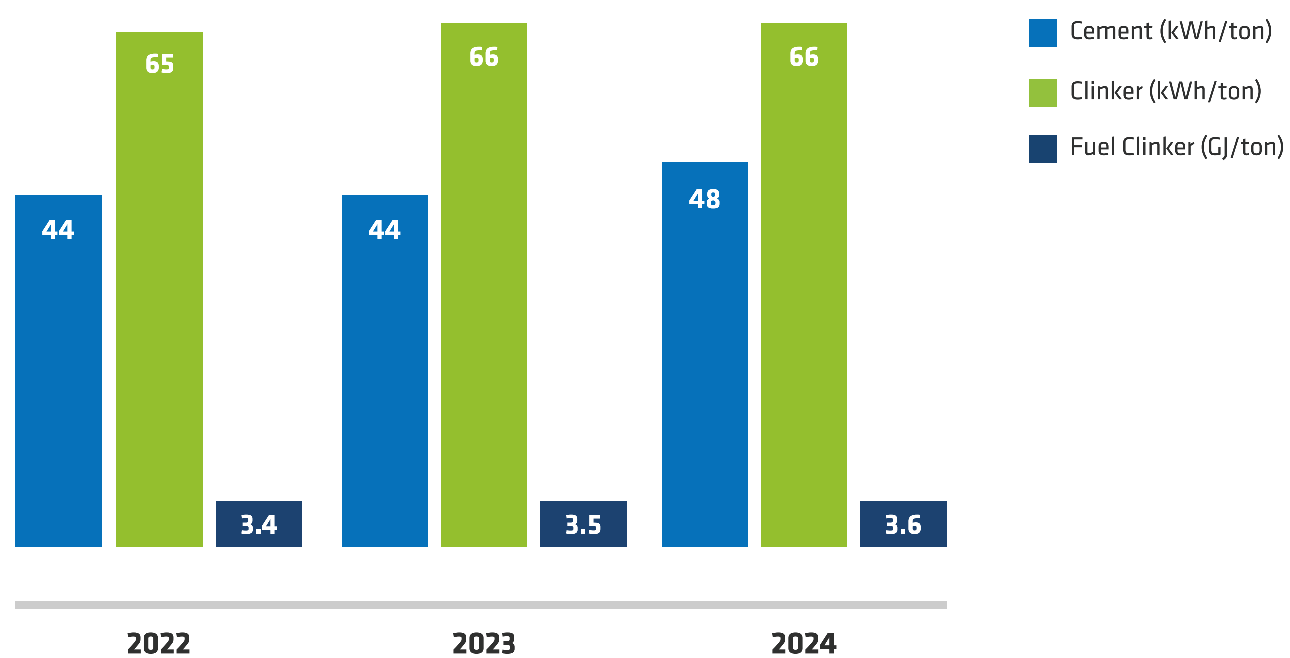
The highest monthly WHR energy production in 2024 occurred in May, reaching 12,568,313 kWh. The electricity produced per ton of clinker in 2024 reached a record-breaking 29.6 kWh/ton.

Renewable Energy Production Savings	2024
Cost of Non Purchased Electricity (TL Savings) (WHR)	252,694,674

I-REC Credits Generated	Credit Amount (Units)
Kuşluk Hydroelectric Power Plant (HEPP)	28,666
WHR	114,711
Total I-REC Credits	143,377

**The renewable energy produced at our Waste Heat Recovery Power Plant and Kuşluk Hydroelectric Power Plant is registered in the IREC (International Renewable Energy Certificate) system, and a total of 143,377 IREC credits were created in 2024 in line with the renewable energy production.*

Energy Intensity



E-Dump Truck Retrofit Project

As part of the project, we have been developing since 2020, and following the agreement signed with the headquarters of ABB in 2022, we initiated engineering studies from the first months of the year with the goal of fully converting a total of 10 rock trucks, each with a carrying capacity of 85–100 tons, from diesel to battery electric. These are eight Euclid and two Hitachi branded vehicles previously operating on diesel in the quarry areas.

At Nuh Çimento, we are targeting to eliminate carbon emissions from raw material transport by 2030, thereby preventing air pollution. To this end, we collaborated with ABB Türkiye and Global teams, as well as with Çim-Nak, Devimsel, and Rota Teknik, and completed the first prototype vehicle in 2023. In 2024, we increased the number of electric vehicles to 11.

Our objectives in this project:

- Ensuring that the electric, unloaded dump truck completes the route from the unloading site to the loading site in the same duration as its diesel counterpart,
- Ensuring that the electric, loaded dump truck completes the route from the loading site to the unloading site using regenerative braking, also in the same duration as the diesel vehicle,
- Fully converting all rock trucks to electric and achieving zero carbon emissions in our quarry operations.

Project Benefits:

This project has attracted the attention of many companies and stakeholders engaged in domestic and international mining operations, serving as a pioneering example. As the first project of its kind globally, it has been closely followed both in Türkiye and internationally. It is also of great significance that this project is hosted and led by a Turkish company.

With this project, we have achieved approximately a fivefold energy saving compared to diesel engines. Moreover, we have eliminated the high maintenance costs associated with diesel engines and transmissions. After ensuring favourable economic conditions and efficiency, we plan to include all rock trucks at our site in this project. As of the end of 2024, with our fleet of 11 battery-powered rock trucks, we have achieved an annual emission reduction of 832 tons in line with our zero-carbon goal.

Looking ahead, the stakeholders with whom we have collaborated and who have contributed to the project will be able to move forward with the mass production of these tested and approved rock trucks, thereby providing significant profitability and value for their companies.

8 DECENT WORK AND ECONOMIC GROWTH

13 CLIMATE ACTION

Koca Yusuf Multi-Air Blasting System

Due to the need for constant cleaning caused by existing air blasters failing to prevent coating formation in the cooler's third zone, and frequent malfunctions arising from the harsh operating conditions of the air blasters located in high-temperature areas, we implemented the Koca Yusuf Multi-Air Blasting System Project.

With this project, we aimed not only to prevent coating formation and clinker adhesion on cyclone surfaces but also to avoid purchasing a new air blasting system by manufacturing our own components. We set out with the goals of reducing the project cost by 70–80%, using one-third fewer components compared to the previous system, and minimizing the occurrence of coating formation. The steps we undertook include:

- Using 200- and 300-liter air tanks,
- Installing an air supply line to the tanks,
- Creating a multi-air blasting system with a minimum of two and a maximum of seven outlets from the tanks,
- Installing rapid-reaction valves on the tanks to enable the multi-air blasting system to operate at separate, timed intervals.

Results and Benefits:

Environmental:

- With the transition to the Koca Yusuf Multi-Air Blasting System in the cooler's third zone, we reduced air consumption by 48.95 m^3/h, achieving approximately 300 kWh of energy savings. Our total annual energy saving reached 2.4 million kWh.
- By consuming less energy, we have also reduced our greenhouse gas emissions.

Economic:

- The cost of implementing the Koca Yusuf Multi-Air Blasting System was approximately TRY 850,000, which is one-fifth of the cost of the previous system.
- Thanks to the energy savings, we achieved an economic gain of TRY 7.2 million.

Future Plans:

- The Koca Yusuf Multi-Air Blasting System, which has been operating in the cooler's third zone for one year, has now been integrated into the cooler's first and second zones as well. We will continue to monitor the operation of the systems in all three zones and work on further improvements.

MATERIALS MANAGEMENT

Our Goal
Increasing the use of waste as an alternative raw material

Realized in 2024
400,105 tons/year

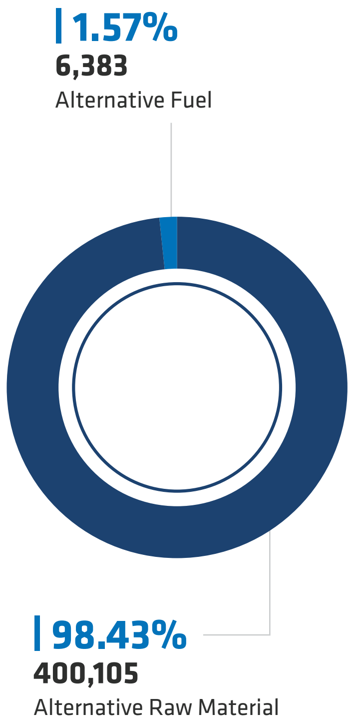
Goal in 2025
Minimum 350,000 tons/year

Raw Materials and Auxiliary Materials

We continuously evaluate alternative raw material sources from various sectors to reduce the use of natural raw materials in our company. We value careful and reliable mining management, conducting drilling operations to use our quarry reserves in an optimal way. To secure our future operations, we explore and commission alternative quarries. We monitor our performance with indicators such as the rate and distribution of alternative raw material usage, CO_2 emissions, and quarry reserve lifespans.

As Nuh Çimento, we are part of a sector that relies on mining activities and natural resources to obtain raw materials and uses high energy in production. In the cement industry, the materials used in production inputs are grouped into raw materials, auxiliary materials, and fuels.

Our Waste Usage (tons)



Alternative Fuel and Alternative Raw Material Usage

We use waste instead of primary raw materials and fuels to reduce the use of natural resources and greenhouse gases from fuels, as well as to reduce associated fuel and raw material costs. In 2024, we obtained 1.2% of our total energy from waste in the context of alternative fuel usage. Our goal is to obtain 0.8% of the annual heat energy from waste and use at least 350,000 tons of waste as raw materials. To this end, we hold discussions with companies, follow legal procedures, and obtain the necessary permits. We analyse incoming materials and prepare waste usage recipes. By using suitable waste during the production process, we both reduce the amount of waste that can potentially pollute the environment and decrease our fuel and raw material costs. In the coming period, we aim to increase the amount of waste used by making investments in new waste incineration and feeding systems.

Results and Benefits

Economic:

The net savings achieved by using alternative raw materials and alternative fuels amounted to 112 million TRY in 2024.

Social:

We became a solution partner for municipalities and organized industrial zones facing waste problems.

Environmental:

We reduced greenhouse gas emissions and natural resource consumption by using waste instead of natural resources. In 2024, we returned 400,105 tons of waste to the economy, preventing CO_2 formation equivalent to the reduction of carbon dioxide by approximately 18.2 million trees.

Opti Mix Project Optimum Raw Material Management

Through the Optimum Raw Material Management project, we aimed to reduce our dependence on external sources such as bauxite and iron and to reduce raw material costs and use resources efficiently. In the project, we conducted geological research, integrated the geochemical properties of red nodular limestone into raw material production, and found suitable raw material management for red nodular limestone. The main challenge we faced was using red nodular limestone with high chemical content alkaline values in the clinker without exceeding the limit values.

Results and Benefits:

Economic:

- Without additional investments or expenses, we achieved savings of over 100 million TRY parallel to the reduction of natural bauxite and iron usage.
- Transportation, excavation movements, and stock costs were reduced.

Environmental:

- Parallel to the reduction of bauxite and iron usage, we reduced intermediate transportation activities and our carbon footprint.
- The use of marl, the primary raw material for clinker, decreased by 40%. This reduced the movement of 1,000,000 tons of rock trucks annually. We preserved our reserves.

Future Plans:

We are continuing geological studies to reduce bauxite and iron usage further by using red limestone.

Aggregate and 40-90 Production

Since the high magnesium dolomitic limestone found in Nuh Çimento quarries is not preferred for cement production, we started this project in 2024 under the umbrella of Nuh Çimento, Nuh Beton, and Nuh Yapı to produce it as aggregate and convert 65% of the bypass generated in Nuh Yapı's 40-90 production into aggregate to obtain value. The project aimed to meet Nuh Yapı's annual production, reduce Nuh Beton's dependency on external sources, reduce the annual bypass amount to below 20%, create added value from dolomitic limestone, and prevent pollution in aggregates while maintaining methylene values below 1.5.

Results and Benefits:

Economic:

- Since the establishment of the aggregate facility, it has reached its highest efficiency, meeting 95% of Nuh Yapı's annual needs and 23% of Nuh Beton's annual needs, with 360,000 tons of bypass generated at Nuh Çimento.
- High magnesium dolomitic limestone found in the quarries was converted into aggregate, and work areas at the stages were opened, providing added value.
- Nuh Çimento saved costs on bypass fees, transportation, and loading fees.

Alternative Fuel and Alternative Raw Material Usage

Waste Used Instead of Raw Material	Replaced Natural Material	2024 Replacement Rate
Iron Slag (Fe_2O_3)	Fe_2O_3 (instead of iron ore)	100%
Grit (Fe_2O_3)		
Plaster Waste (SO_3)	SO_3 (instead of plaster)	0.57%
Concrete Waste	CaO (instead of marl ore)	2.78%
Waste Brick		
Bleaching Soil		
Drilling Mud		
Calcite	CaO (instead of limestone ore)	0.42%
Lime Waste		
Bottom Ash	Substitute for bauxite ore	23.34%
Aluminium-containing Mud		
Fly Ash		
Vitrified Scraps		

Fuels

In our industry, a significant portion of costs is made up of fuels and electricity. Therefore, this issue is critical both in terms of profitability and stock costs, as well as production continuity and emission control. We monitor our performance using indicators such as the rate of alternative fuel usage, specific electricity consumption, and specific calorie consumption. Our goal is to contribute to the economy and the environment by using energy and natural resources efficiently.

WATER AND WASTEWATER MANAGEMENT

Our Goal

To keep the total amount of water used below a certain level.

Realized 2024

1,978,867 m³/year

Goal in 2025

Maximum 2,100,000 m³/year

Water in the cement industry is primarily used for cooling purposes in the kiln process and mills. Additionally, it is consumed in crushers, to control dust across the site, and for human needs. With our seawater treatment plant equipped with ultra-filtration (filtering) and reverse osmosis systems, we bring seawater to drinking water quality.

In 2024, approximately 66.3% of the water we used was sourced from Ulupınar Creek, which is not used for fishing or agricultural purposes and directly discharges into the sea. Thanks to our Seawater Treatment Facility, 22% of the total water usage was recovered and reused. We do not have any water source significantly affected by water extraction.

Our Water Footprint	
Blue Water	1,544,739.04 m³
Green Water	11,225.5 m³
Grey Water	33,359.18 m³
Total	**1,589,323.72 m³**

Water Withdrawal (m³/year)	2024
Surface Water (Ulupınar Creek)	1,311,785
Groundwater (Deep Wells)	231,407
Seawater (Sea of Marmara)	296,369
Total Water Withdrawal for Production Purposes	**1,839,561**

Water Usage (m³/year)	2024
Total Water Withdrawal for Production Purposes	1,839,561
Purchased Drinking Water	1,547
Water Recovered from Treatment Plants*	138,140
Total Water Usage **	**1,979,248**

**The amount of water recovered from our seawater treatment plant using ultrafiltration and reverse osmosis systems.*
*** 63% of the total water usage was used in cement production, with the remainder used in auxiliary facilities.*

Direct Water Footprint			
Water Sources	**Amount (m3)**	**Unit Water Footprint (m³/ton clinker)**	**Description**
Total Direct Water Footprint	1,589,323.72	0.3876	Produced Clinker: 4,100,000 tons/year

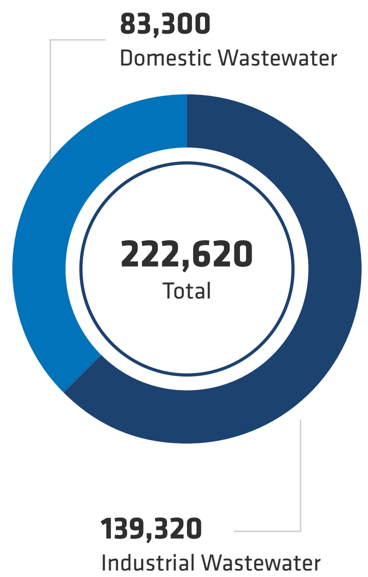
Energy Indirect Water Footprint			
Energy Usage Sources	**Amount**	**Unit Water Footprint (m³/ton clinker)**	**Description**
Electricity (kWh)	380,801,030		Energy Source: Grid
Total Water Consumed from the Grid (m³)	10,713,723.69	2.6131	

Wastewater Discharge

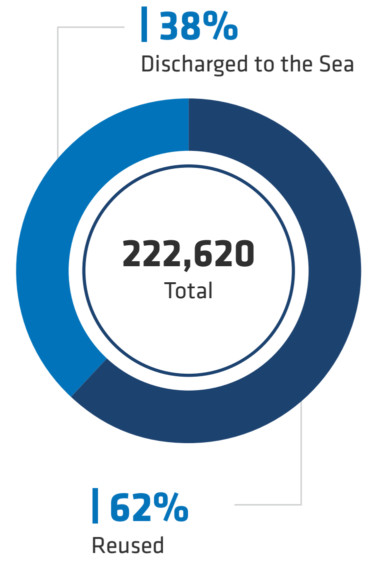
The only water source and natural habitat potentially impacted by wastewater discharge around the facility is the Sea of Marmara. This area is not within a national or international protected zone. We do not have process wastewater. We discharge some of the site water, surface water and sewage water into the sea after treatment.

The Department of Biology at Kocaeli University conducted analyses to assess the impact of water intake and wastewater discharge on biodiversity and marine life during our operations. In studies repeated over three consecutive years, divers collected samples and images from the seabed, conducting observations during all four seasons of the year. The results of the surface water quality management and ecological status biological monitoring parameter analyses identified a total of 127 different species. The report revealed that the point where we take, and discharge seawater showed no difference from other points.

Wastewater Treatment Facility Discharge Water Sources (m³/year)

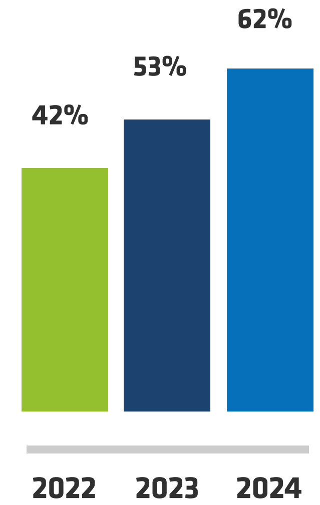


Wastewater Treatment Facility Discharge and Reuse



Ratio of Water Discharged and Recovered from the Treatment Facility

Recovery and Reuse Rate (%)



Sustainable Water Project!

After managing our carbon emissions, the second biggest environmental priority at Nuh Çimento is the use of clean water resources. In our water usage choices, we prioritize the water recovered from our wastewater treatment facilities.

Using Waste Site Waters in Processes

In 2021, we advanced this initiative by collecting large volumes of wastewater across the factory, treating it, and reusing it in dust suppression, irrigation, and chlorination systems. This project aims to achieve both water and energy savings.

The Sustainable Water Project is an internal R&D effort jointly led by Nuh Çimento's environmental and maintenance teams. Through this project, we first determined the characteristics of the water we need and then made improvements to our physical treatment facility. We also aimed to expand the processes where we could use the treated wastewater.

In 2022, we recovered 62,632 tons of water, resulting in savings of 632,752 TL. In 2023, we recovered 107,476 tons of water, saving a total of 3,106,056 TL based on the cost per cubic meter of water. In 2024, we recovered 138,140 tons of water, saving 5,962,122 TL.

In the coming years, we aim to increase this ratio by using treated water as feed for kilns.

Direct Contribution to SDG 6 Targets!

With our sustainable water approach, we directly support the following SDG 6 targets:

6.3: Improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally

6.4: Significantly increase water use efficiency across all sectors and ensure supply of freshwater to address water scarcity

Future Plans:

At Nuh Çimento, we aim to increase the reuse of wastewater, reaching 75% by 2030 and 100% by 2050. Afterward, we plan to acquire a corporate academic report and convert discharge exemptions, positioning Nuh Çimento as a zero-wastewater company. This project will be easily integrated into our Sustainable Water Management approach, further minimizing the use of clean water resources in processes.

WASTE MANAGEMENT

Our Goal
Ensuring that the resulting waste is sent to recycling instead of disposal

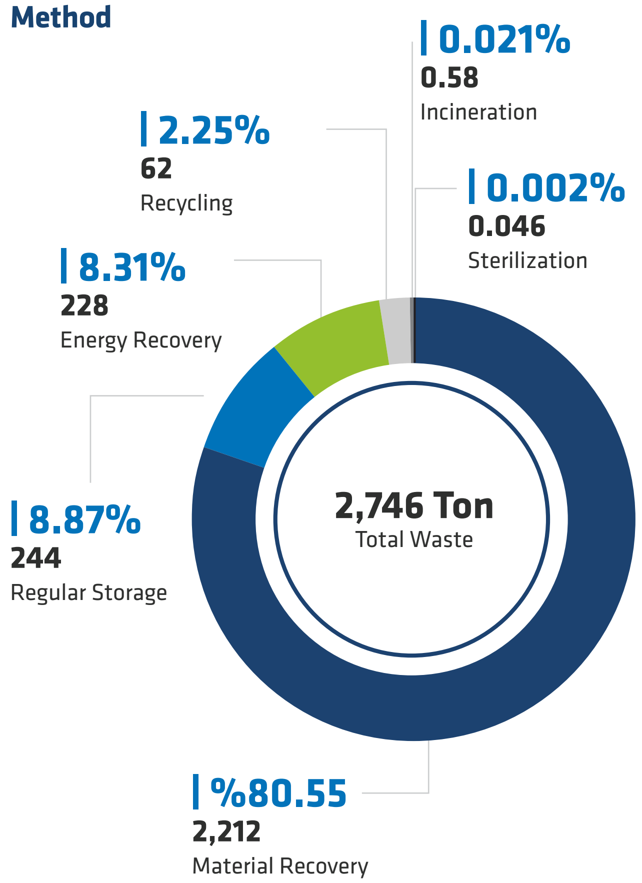
Realized in 2024
91%

Goal in 2025
Minimum 90%

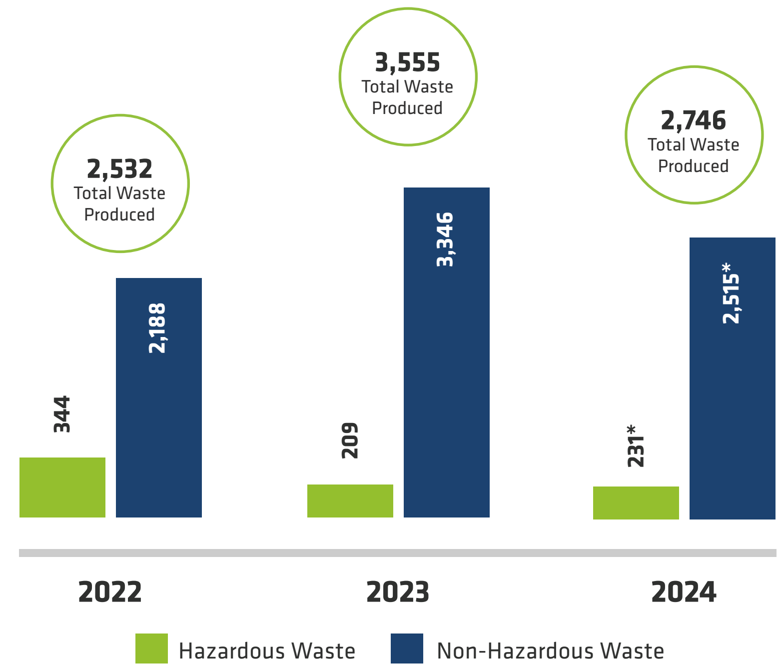
In the cement industry, dust waste is one of the most significant types of waste produced in almost every phase of production, following greenhouse gas emissions. Liquid waste, which primarily consists of water evaporated in the process and released through the chimney, is less critical. Other solid and liquid wastes arise from maintenance activities, workshops, cafeterias, and collection areas. Only waste oils are collected during maintenance by oil management personnel.

A unique feature of the cement industry is that the waste produced in one stage of the process can often be added to the product in the next stage, which helps minimize waste generation. At Nuh Çimento facilities, we manage waste through energy recovery, material recovery, recycling, and regular disposal. As part of our zero-waste policy, we aim to eliminate all waste without harming the environment. We ensure the sustainability of 91% of our waste through material/energy recovery and recycling methods, while the remaining 9% is disposed of in compliance with relevant regulations.

Total Waste by Disposal Method



Total Waste by Type (Tons)



**Increased hazardous waste during revisions and major maintenance, while there was a decrease in metal scrap due to low investment levels.*

Zero Waste Policy and Sustainable Waste Management

To ensure that the waste generated across both the factory and administrative areas is managed and that the amount sent for regular disposal is kept below 10%, we have implemented a waste separation system. Under the coordination of the Sustainability and Environment Directorate, we carried out the following activities:

1. Set up waste separation systematics.
2. Increased the number of waste separation containers.
3. Provided training to employees to raise awareness.
4. Conducted regular inspections and controls.
5. Sent waste to recycling and recovery facilities.

Despite challenges such as improper waste separation, we overcame this issue with regular inspections and training.

BIODIVERSITY CONSERVATION

Our Goal
Not operating in areas where special species are cultivated and live in terms of biological diversity and in other protected areas

Realized in 2024
0%

Goal in 2025
0%

In the cement industry, the extraction of raw materials through quarry operations can impact natural habitats. To minimize this impact, we do not carry out mining activities in areas protected for biodiversity.

Our open pit quarrying activities take place in areas under the jurisdiction of the Sakarya Forest Directorate, İzmit Forest Management Directorate, and Dilovası Forest Management Sub-Directorate, within the Bozuk Koru Forest. These areas mostly consist of open land with some macchia vegetation and do not contain economically valuable tree species. In 2024, no negative impact on biodiversity was observed from our activities

İzmit Bay Restocking Project

In the eighth year of the Izmit Bay Restocking project, we continued to be the sole sponsor. Fishing activities in Izmit Bay are crucial for the economy and social aspects in Hereke, where we operate. As Nuh Çimento, we have been contributing to the restocking project led by Kocaeli Metropolitan Municipality since the beginning of 2017. Our goal is to contribute to the preservation and enrichment of biological diversity, thereby promoting economic development in the region and enabling people to benefit more from the sea.

Within the framework of the protocol signed on December 20, 2016, with the Ministry of Food, Agriculture and Livestock (General Directorate of Agricultural Research and Policies), and in collaboration with the Trabzon Aquatic Products Centre Research Institute (SUMAE) affiliated to TAGEM (General Directorate of Agricultural Research and Policies), studies were conducted to determine the existing fish species and diversity and stock status. In this context, sampling studies were carried out in Izmit Bay in 2017 and 2018.

The Izmit Bay Restocking project, one aspect of the conservation efforts for Izmit Bay, a closed basin of the Sea of Marmara, aims to increase the numbers of native fish species in Izmit Bay, reduce the effects of adverse environmental conditions on fish species, and protect the species. Within this scope, brood fish are caught in Izmit Bay, bred at the Trabzon Aquatic Products Centre Research Institute, and the offspring of native fish are released into Izmit Bay to balance the local population.

While the Trabzon Aquatic Products Centre Research Institute provides support in the collection and reproduction of fish, the Ministry of Food, Agriculture and Livestock and the General Directorate of Agricultural Research and Policies provide information support. We sponsored the project in terms of vehicles, organisation, and ceremonies; we continue to support meetings and evaluation studies as the sole sponsor. The Izmit Bay Restocking Project, which is an exemplary project for biodiversity in Türkiye, is also the first fish stocking project in the seas.

In 2024, within the framework of the Izmit Bay Fishery Project carried out by Kocaeli Metropolitan Municipality, the General Directorate of Agricultural Research and Policies and the Central Research Institute of Fisheries, six thousand baby sea bream, sea bass and turbot were released into the sea. Thus, in the eighth year of the project, a total of 48 thousand fish were released into the bay waters.

Results and Benefits

Economic	Social	Environmental
The fishing industry thrived, contributing to the local economy. The project directly serves the first Sustainable Development Goal, 'No Poverty.'	The local community reconnected with the sea through recreational fishing. The project directly serves the second Sustainable Development Goal, 'Zero Hunger.'	With the decrease in marine pollution, biological diversity, fish species, and numbers have increased. The project directly serves the fourteenth Sustainable Development Goal, 'Life Below Water.'

Total 48,000 Fish Fry
Were released into the sea from İzmit Bay

In 2024
(Eskihisar Coast - GEBZE)
6,000 Fish Fry

In 2023
(Tavşancıl Coast - DİLOVASI)
6,000 Fish Fry

In 2022
(Ereğli Coast - KARAMÜRSEL) / (Değirmendere Coast - GÖLCÜK)
12,000 Fish Fry

In 2021
(Hereke Coast - KÖRFEZ)
6,000 Fish Fry

In 2000
(Darıca Coast - KOCAELİ)
6,000 Fish Fry

In 2018
(Ereğli Coast - KARAMÜRSEL)
6,000 Fish Fry

In 2017
(Değirmendere Coast - GÖLCÜK)
6,000 Fish Fry

ANNEXES

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OUR CORPORATE MEMBERSHIPS

AHK Turkey - German-Turkish Industry and Trade Chamber
CEIS - Cement Industry Employers' Association
GIF - Global Relations Forum
IAV - Economic Research Foundation
IMMIB - Istanbul Mineral and Metal Exporters' Association General Secretariat
ITO - Istanbul Chamber of Commerce
KALDER - Turkey Quality Association
KOSAİD - Kocaeli Industrialists and Businessmen Association
KSO - Kocaeli Chamber of Industry
KTO - Gulf Chamber of Commerce
OAİB - General Secretariat of Central Anatolian Exporters' Associations
PERYÖN – Personnel Management Association
SKD - Sustainable Development Association
TÜRKÇİMENTO - Turkish Cement Manufacturers' Association
TÜGİAD - Young Businessmen's Association of Türkiye
TBCCI - Turkey British Chamber of Commerce and Industry

INTEGRATED MANAGEMENT SYSTEMS

We conduct our management system activities, which started with the occupational health and safety management system in 2005 and continued with quality, environmental, and energy management systems, under the Integrated Management Systems Standards approved by the British Standards Institution (BSI). Our ISO 27001 Information Security Management System activities are audited by Proks Certification and Private Training Services.

Our Integrated Management Systems Standards Certificates	Date of Issue	Validity Date
ISO 9001 Quality Management System	13.02.2008	5.09.2025
ISO 14001 Environmental Management System	13.02.2008	5.09.2025
ISO 50001 Energy Management System	17.12.2013	5.09.2025
ISO 45001 Occupational Health and Safety Management System	7.07.2005	5.09.2025
ISO 27001 Information Security Management System	2.01.2019	1.01.2026
CSC Responsible Sourcing Certificate	8.04.2020	6.06.2026

Our website contains policies that support our Integrated Management Systems.

OUR EPD CERTIFICATES

Environmental Product Declaration (EPD) certificates are as follows.

Document Title	Date of Issue	Validity Date
Cement Klinker	20.12.2023	19.12.2028
ASTM Type I/II	20.12.2023	19.12.2028
ASTM Type III	20.12.2023	19.12.2028
ASTM Type IL	20.12.2023	19.12.2028
CEM I 42,5 R	20.12.2023	19.12.2028
CEM I 42,5 R SR5	20.12.2023	19.12.2028
CEM I 52,5 N	20.12.2023	19.12.2028
CEM II/A-S 42,5 R	20.12.2023	19.12.2028
CEM II/B-S 42,5 R	20.12.2023	19.12.2028
CEM II/A-LL 42,5 R	20.12.2023	19.12.2028
CEM V/A (S-P) 32,5 N	20.12.2023	19.12.2028
Oil Well Cement	20.12.2023	19.12.2028

STAKEHOLDER COMMUNICATION PLATFORMS

STAKEHOLDER COMMUNICATION PLATFORMS			
	Key Stakeholders	Communication Platform	Communication Frequency
Group 1	Employees	Email	As needed
		Pusula (Internal Communication Platform)	Constant
		Social media	As needed
		Online and face-to-face events/meetings	As needed
		In-office TV screens	Constant
		Employee survey	Once a year
		Integrated Annual Report	Once a year
	Shareholders	One-on-One Meetings	On demand
		General Assembly	Once a year
		Web site	Constant
		Phone	As needed
		Email	As needed
		Press Releases	As needed
		Social media	As needed
		Integrated Annual Report	Once a year
		KAP	As needed
	Dealers	Dealer Portal	As needed
		Phone	As needed
		Email	Constant
		Social media	As needed
		Online and face-to-face events/meetings	As needed
		Integrated Annual Report	Once a year
	Customers	Visits	As needed
		Brochures	Constant
		Phone	As needed
		Email	As needed
		Social media	As needed
		Integrated Annual Report	Once a year

STAKEHOLDER COMMUNICATION PLATFORMS			
	Key Stakeholders	Communication Platform	Communication Frequency
Group 2	Suppliers	Supplier evaluations	Once a year
		Feedback	Once a year
		Phone	As needed
		Email	As needed
		Social media	Constant
		Integrated Annual Report	Once a year
	Workers' and Employers' Unions	Phone	As needed
		Email	As needed
		Meetings	Once a month
		Integrated Annual Report	Once a year
	Sectoral Associations	Meetings	As needed
		Seminars	As needed
		Feedback	As needed
		Phone	As needed
		Email	As needed
		Integrated Annual Report	Once a year
	Local Community	Trainings and seminars	As needed
		Social responsibility projects	As needed
		Integrated Annual Report	Once a year
	Public and Regulatory Institutions	Phone	As needed
		Email	As needed
		Online and face-to-face events/meetings	As needed
		Integrated Annual Report	Once a year
Group 3	Group Companies	Phone	As needed
		Email	As needed
		Online and face-to-face events/meetings	As needed
		Integrated Annual Report	Once a year
	Investors	Phone	As needed
		Email	As needed
		KAP	As needed
		Social media	Constant
		Integrated Annual Report	Once a year
	Press and Media	Phone	As needed
		Email	As needed
		Social media	Constant
		Interviews, Talks	As needed
		Press releases	As needed
		Integrated Annual Report	Once a year

SUMMARY OF FINANCIAL PERFORMANCE

Key Indicators

(Thousand TL)	2020	2021	2022	2023*	2024*
Assets	2,518,122	3,473,236	16,377,474	27,286,363	24,250,425
Net Sales	1,706,337	2,493,229	14,669,844	19,341,714	15,483,295
Operating Profit	394,058	536,244	2,241,277	3,335,770	2,778,145
Net Profit	570,249	642,432	2,148,953	2,780,598	1,834,502
EBITDA	476,742	627,788	2,913,457	4,324,030	3,956,722
Equity Resources	1,798,886	2,171,850	11,533,725	19,246,002	19,471,931
Dividend Payouts	**2020**	**2021**	**2022**	**2023***	**2024***
Gross Dividends Paid	225,320	322,959	690,983	1,051,495	1,952,777
Profit Per Share	3.80	4.28	14.31	18.51	12.21
Dividends Paid Per Share (Gross)	1.5	2.15	4.6	7.00	13.00

In accordance with the announcement of the Public Oversight Authority dated 23 November 2023 and within the scope of TAS 29 Financial Reporting in Hyperinflationary Economies, the consolidated financial statements as of 31 December 2024 and 31 December 2023 have been prepared by applying inflation adjustment.

Basic Rates

Liquidity Ratios	2020	2021	2022	2023*	2024*
Current Ratio	1.93	1.95	1.86	2.74	3.59
Cash Ratio	0.93	0.66	0.60	1.35	2.25
Profitability Ratios	**2020**	**2021**	**2022**	**2023***	**2024***
Net Profit / Equity	33%	30%	15%	14%	9%
Gross Profit / Net Sales Revenue	23%	22%	20%	24%	27%
Financial Structure Ratios	**2020**	**2021**	**2022**	**2023***	**2024***
Equity / Total Assets	71%	63%	70%	71%	80%
Foreign Resources Ratio / Equity	3%	2%	42%	42%	25%

In accordance with the announcement of the Public Oversight Authority dated 23 November 2023 and within the scope of TAS 29 Financial Reporting in Hyperinflationary Economies, the consolidated financial statements as of 31 December 2024 and 31 December 2023 have been prepared by applying inflation adjustment.

TABLES OF PERFORMANCE INDICATORS

Economic Indicators

Value Data Distributed to Stakeholders

Economic Value Generated and Distributed (Consolidated) (Thousand TL)	2020	2021	2022	2023**	2024**
Economic Value Generated (Revenues)	1,706,337	2,493,229	14,669,844	19,341,714	15,483,295
Economic Value Distributed to Stakeholders	**2020**	**2021**	**2022**	**2023****	**2024****
Benefits to **Suppliers**	1,345,005	2,500,502	7,408,895	10,508,034	11,024,920
Benefits to the **State**	90,216	159,735	311,009	868,319	665,228
Benefits provided to **Capital Providers** (Dividends)	225,320	322,959	690,983	1,051,495	1,952,777
Benefits to **Society***	8,734	11,090	9,910	41,676	39,518
Undistributed Economic Value (Profit)	**344,929**	**319,473**	**1,457,970**	**962,751**	**0**

** It is the total amount of donations made to the Nuh Çimento Education and Health Foundation, public institutions and organizations, and other associations and foundations.*
***In accordance with the announcement of the Public Oversight Authority dated 23 November 2023 and within the scope of TAS 29 Financial Reporting in Hyperinflationary Economies, the consolidated financial statements as of 31 December 2024 and 31 December 2023 have been prepared by applying inflation adjustment.*

Benefits Provided to Society* (Thousand TL)	2020	2021	2022	2023**	2024**
Nuh Çimento Education and Health Foundation	2,955	8,480	8,943	39,033	34,694
Public Institutions and Organizations	4,061	1,847	159	2,184	25
Other Associations and Foundations	1,718	763	807	460	4,799
Total	**8,734**	**11,090**	**9,910**	**41,676**	**39,518**

** It is the total amount of donations made to the Nuh Çimento Education and Health Foundation, public institutions and organizations, and other associations and foundations.*
***In accordance with the announcement of the Public Oversight Authority dated 23 November 2023 and within the scope of TAS 29 Financial Reporting in Hyperinflationary Economies, the consolidated financial statements as of 31 December 2024 and 31 December 2023 have been prepared by applying inflation adjustment.*

Social Indicators

Occupational Health and Safety Management Data

Health and Safety	Unit	2020	2021	2022	2023	2024
Total Number of Accidents (Nuh & Subcontractor)	**Count**	**-**	**66**	**69**	**83**	**109**
Number of Accidents (Nuh)	Count	-	54	54	72	90
Accidents with Lost Time (Nuh)	Count	-	30	31	24	32
Accidents with No Lost Time (Nuh)	Count	-	24	23	48	58
Number of Accidents (Subcontractor)	Count	-	12	15	11	19
Accidents with Lost Time (Subcontractor)	Count	-	0	0	0	0
Accidents with No Lost Time (Subcontractor)	Count	-	12	15	11	19
Employee Fatalities (Nuh)	Count	0	0	0	0	0
Contractor Fatalities (Subcontractor)	Count	-	0	0	0	0
Lost Workdays (Nuh & Subcontractor)	**Count**	**-**	**400**	**970**	**338**	**483**
Lost Workdays (Nuh)	Count	-	400	970	338	483
Lost Workdays (Subcontractor)	Count	-	0	0	0	0
Occupational Diseases (Nuh)	Count	-	0	0	0	0
Total Injury Rate (Nuh & Subcontractor) *	**Rate**	**-**	**22.78**	**22.92**	**23.78**	**37.85**
Total Injury Rate (Nuh)*	Rate	-	40.18	40.42	51.36	64.29
Total Injury Rate (Subcontractor) *	Rate	-	11.63	8.96	5.27	12.84
Lost Time Injury Rate (Nuh & Subcontractor) **	**Rate**	**-**	**12.63**	**10.30**	**6.88**	**11.11**
Lost Time Injury Rate (Nuh)**	Rate	-	22.32	23.20	17.12	22.86
Lost Time Injury Rate (Subcontractor) **	Rate	-	0	0	0	0
Total Lost Days Rate (LDR) (Nuh & Subcontractor) ***	**Rate**	**-**	**168.35**	**322.26**	**96.85**	**167.71**
Lost Day Rate (LDR) Nuh***	Rate	-	297.62	726.05	241.08	345.00
Lost Day Rate (LDR) Subcontractor***	Rate	-	0	0	0	0
Occupational Health and Safety Trainings (Nuh)	**(Employee/ Hours)**	-	32	33	47	41
Female	(Employee/ Hours)	-	16	18	12	16
Male	(Employee/ Hours)	-	33	33	49	42
Supply Chain Health and Safety Training (Subcontractor)	Hour	-	5,472	7,736	10,152	6,960

** Total injury rate = Total accidents (number of injuries) / Total working hours * 1,000,000 Total working hours = Total count * 2,000*
*** Lost Time Injury Rate = Number of lost time injuries / Total working hours * 1,000,000*
**** Lost Day Rate (LDR): (Absence Due to Accident / Total Working Hours * 1,000,000)*

Employment and Training Data

Our Employees	Unit	2020	2021	2022	2023	2024
Total Workforce	**People**	**942**	**938**	**968**	**964**	**1.021**
Female	People	61	59	62	65	75
Male	People	881	879	906	899	946
Male Employee Rate	%	93.50	93.71	93.60	93.26	92.65
Female Employee Rate	%	6.50	6.29	6.40	6.74	7.35
Total Permanent Employees	**People**	**-**	**676**	**697**	**699**	**702**
Female	People	-	33	32	34	35
Male	People	-	643	665	665	667
Male Employee Rate	%	-	95.12	95.41	95.14	95.01
Female Employee Rate	%	-	4.88	4.59	4.86	4.99
Male Executive Rate	%	-	88.71	91.18	89.04	90
Female Executive Rate	%	-	11.29	8.82	10.96	10

Our Disabled Employees	Unit	2020	2021	2022	2023	2024
Total Disabled Employees	**People**	**-**	**18**	**19**	**18**	**18**
Female	People	-	2	2	2	2
Male	People	-	16	17	16	16
Disabled Employee Rate	%	-	2.66	2.79	2.83	2.82

Subcontractors	Unit	2020	2021	2022	2023	2024
Total Subcontractors	**People**	**-**	**262**	**288**	**265**	**319**
Female	People	-	26	30	31	40
Male	People	-	236	258	234	279

Total Workforce by Category	Unit	2020	2021	2022	2023	2024
Total White-Collar Employees	**People**	**-**	**187**	**186**	**195**	**194**
Female	People	-	28	27	29	30
Male	People	-	159	159	166	164
Total Blue-Collar Employees	**People**	**-**	**489**	**511**	**504**	**508**
Female	People	-	5	5	5	5
Male	People	-	484	506	499	503
White Collar Female Employee Rate	%	-	15	14.5	14.9	15.5

Total Workforce by Education	Unit	2020	2021	2022	2023	2024
Primary Education	People	-	97	96	89	90
High School	People	-	333	347	344	344
University and above	People	-	246	254	266	268

Total Workforce by Age	Unit	2020	2021	2022	2023	2024
Under 30	People	-	112	120	120	109
Between 30-50	People	-	512	519	513	490
Over 50	People	-	52	58	66	103
Female (Total)	**People**	**-**	**33**	**32**	**34**	**35**
Under 30	People	-	3	4	3	4
Between 30-50	People	-	29	26	28	28
Over 50	People	-	1	2	3	3
Male (Total)	**People**	**-**	**643**	**665**	**665**	**667**
Under 30	People	-	109	116	117	105
Between 30-50	People	-	483	493	485	482
Over 50	People	-	51	56	63	80

Employees by Operating Regions	Unit	2020	2021	2022	2023	2024
İstanbul	%	3.70	3.73	3.51	3.51	3.51
Kocaeli	%	96.30	96.27	96.49	96.49	96.49

Local Employment	Unit	2020	2021	2022	2023	2024
Senior Executives - Local (Kocaeli)	People	4	4	4	4	4
Senior Executives - Other (İstanbul)	People	9	9	9	9	9
Total Number of Senior Executives	**People**	**13**	**13**	**13**	**13**	**13**

Number of Employees Holding Executive Titles	Unit	2020	2021	2022	2023	2024
By Gender						
Female	People	-	7	6	8	8
Male	People	-	55	62	63	68
By Age						
Under 30	People	-	1	1	1	1
Between 30-50	People	-	37	41	43	47
Over 50	People	-	24	26	27	28

Number of Senior Executives	Unit	2020	2021	2022	2023	2024
By Gender						
Female	People	-	1	1	1	1
Male	People	-	12	12	12	12
Female Senior Level Executives Rate	%	-	8	8	8	8

Number of Middle Level Executives	Unit	2020	2021	2022	2023	2024
By Gender						
Female	People	-	1	1	2	2
Male	People	-	16	19	18	18
Female Mid-Level Executives Rate	%	-	6	5	10	10

Number of First-Level Executives	Unit	2020	2021	2022	2023	2024
By Gender						
Female	People	-	5	4	5	5
Male	People	-	27	31	34	37
Female First-Level Executive Rate	%	-	16	11	13	12

Number of New Hires	Unit	2020	2021	2022	2023	2024
Total Number of New Hires	**People**	**-**	**62**	**71**	**60**	**49**
Number of New Female Hires	People	-	2	3	5	2
Number of New Male Hires	People	-	60	68	55	47
Total New Hire Rate	**%**	**-**	**9.17**	**10.19**	**8.58**	**6.97**
New Female Hire Rate*	%	-	0.30	0.43	0.72	0.28
New Male Hires Rate	%	-	8.88	9.76	7.87	6.69
Newly Hired Female Employees Rate**	%	-	3.23	4.23	8.33	4.08
By Age	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Under 30	People	-	40	42	31	36
Between 30-50	People	-	14	29	29	13
Over 50	People	-	8	0	0	0
By Age and By Gender	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Female						
Under 30	People	-	0	2	2	1
Between 30-50	People	-	2	1	3	1
Over 50	People	-	0	0	0	0
Male						
Under 30	People	-	40	40	29	35
Between 30-50	People	-	12	28	26	12
Over 50	People	-	8	0	0	0
By Executive Level	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Senior Level	People	-	0	0	0	0
Middle Level	People	-	0	0	1	0
First-Level	People	-	0	1	2	0

** New Female Hire Rate: The ratio of newly hired female employees to the total number of employees.*
*** Newly Hired Female Employees Rate: The ratio of newly hired female employees to the total number of newly hired employees.*

Employees Leaving Work	People	2020	2021	2022	2023	2024
Total Number of Leaving Employees	**People**	**-**	**51**	**50**	**58**	**46**
Total Number of Voluntarily Leaving Employees	People	-	48	43	51	34
Total Number of Mandatorily Leaving Employees	People	-	3	7	7	12
Total Rate of Leaving Employee	**%**	**-**	**7.64**	**7.35**	**8.29**	**6.55**
Total Rate of Voluntarily Leaving Employees	%	-	7.20	6.32	7.29	4.84
Total Rate of Mandatorily Leaving Employees	%	-	0.44	1.03	1	1.7
By Gender	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Female - Number of Leaving Employees	People	-	3	5	3	1
Female - Number of Voluntarily Leaving Employees	People	-	3	4	3	1
Female - Rate of Mandatorily Leaving Employees	%	-	0	20	0	0
Male - Number of Leaving Employees	People	-	48	60	55	45
Male - Number of Voluntary Leaving Employees	People	-	45	53	48	33
Male - Rate of Mandatorily Leaving Employees	%	-	6	12	7	12
By Age Group	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Under 30	People	-	23	13	13	10
Between 30-50	People	-	17	32	36	33
Over 50	People	-	11	5	9	3
By Executive Level	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Senior	People	-	0	0	0	0
Mid-Level	People	-	2	0	1	0
First-Level	People	-	2	2	1	1

Employee Turnover	Unit	2020	2021	2022	2023	2024
Total Employee Turnover	%	5.49	7.64	7.35	8.29	6.61
By Gender	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Female	%	-	9.09	15.62	8.82	2.90
Male	%	-	7.47	6.79	8.27	6.80
By Age Group	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Under 30	%	-	3.45	2.06	1.86	1.44
Between 30-50	%	-	2.55	4.56	5.14	4.74
Over 50	%	-	1.64	0.73	1.29	0.43
By Executive Level	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Senior	%	-	0	0	0	0
Mid-Level	%	-	0.30	0	0.14	0
First-Level	%	-	0.30	0.44	0.14	0.14
Voluntary Employee Turnover Rate	%	-	7.20	6.17	7.29	4.89
Involuntary Employee Turnover Rate	%	-	0.45	1.18	1.00	1.72

Collective Bargaining	Unit	2020	2021	2022	2023	2024
Workforce under Collective Agreement	People	437	443	464	457	461
Direct Employment	People	-	443	464	457	461
Percentage of Employees under Collective Agreements	%	66	66	67	65	66
Number of Employees Using Remote Work	People	-	140	103	48	25

Number of Employees on Parental Leave	Unit	2020	2021	2022	2023	2024
Total	People	-	42	42	27	25
Female	People	-	0	0	3	0
Male	People	-	42	42	24	25
Number of Employees Returning from Parental Leave	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Total	People	-	42	42	27	25
Female	People	-	0	0	3	0
Male	People	-	42	42	24	25
Number of Employees Retained for 12 Months After Returning from Parental Leave	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Total	People	-	39	42	27	25
Female	People	-	0	0	3	0
Male	People	-	39	42	24	25

Average Job Tenure	Unit	2020	2021	2022	2023	2024
Female	Year	-	10	12	12	12
Male	Year	-	10	11	11	11
All Employees	**Year**	**-**	**10**	**11**	**11**	**11**
Job Tenure by Age (year)	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Under 30	Year	-	3	3	3	2
Between 30-50	Year	-	12	12	11	11
Over 50	Year	-	14	18	21	21
Job Tenure by Gender (year)	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Female						
Under 30	Year	-	5	3	1	1
Between 30-50	Year	-	11	12	12	12
Over 50	Year	-	13	16	20	21
Male						
Under 30	Year	-	3	3	3	2
Between 30-50	Year	-	12	12	11	11
Over 50	Year	-	14	18	21	21

Employee Satisfaction	Unit	2020	2021	2022	2023	2024
Total Employee Salaries	TL	-	100,000,000	183,000,000	427,000,000	790,000,000
Employee Satisfaction Rate	%	-	93	93	85	85

All Trainings	Unit	2020	2021	2022	2023	2024
Professional Development	Hours	1,908	2,079	3,605	2,851	3,501
Personal Development	Hours	686	588	1,307	887	809
OHS	Hours	25,692	21,784	22,828	33,196	28,677
Other	Hours	422	2,268	3,034	4,459	2,610
Total Training Hours	**Hours**	**28,708**	**26,719**	**30,774**	**41,393**	**35,597**
Average Training Hours per Employee	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Female	Employee/Hours	48	31	33	64	27
Male	Employee/Hours	43	40	44	58	52
All Employees	Employee/Hours	43	40	44	59	51
Occupational Health & Safety Trainings	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Female	Employee/Hours	-	16	18	12	16
Male	Employee/Hours	-	33	33	49	42
Total Training Expenditure	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Total Training Cost	TL	-	218,300	900,000	1,639,538	1,739,035

Environmental Indicators

Environmental Expenditure Data

Our Environmental Expenditures	Unit	2020	2021	2022	2023	2024
Emission Management	TL	2,967,503	9,635,106	18,530,197	25,824,701	43,682,069
Waste Management	TL	3,261,583	4,449,479	10,911,577	6,761,045	9,044,223
Labor	TL	2,326,060	3,623,675	6,948,841	15,168,206	27,536,696
Permits and License Management	TL	244,972	1,673,802	824,876	944,448	2,869,582
Total	TL	**8,800,119**	**19,382,063**	**37,215,490**	**48,698,400**	**83,132,571**

Energy Management Data

Energy Consumed from Non-Renewable Direct Energy Sources	Unit	2020	2021	2022	2023	2024
Coal	GJ	7,614,602	13,037,955	9,542,699	10,327,398	2,764,005
Natural Gas	GJ	174,898	173,581	79,778	109,503	244,154
Fuel Oil	GJ	11,890	0	0	0	0
Petroleum Coke	GJ	6,987,010	2,774,339	5,266,999	3,969,139	11,512,537
Hard Coal	GJ	0	0	190,862	190,118	108,129
Alternative Fuels	GJ	356,155	186,433	131,118	87,291	128,954
Total Fuel Consumption	GJ	**15,144,555**	**16,172,308**	**15,211,455**	**14,683,449**	**14,757,778**
Indirect Energy Purchased and Consumed from Non-Renewable Energy Sources	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Electricity (Grid)	GJ	1,240,345	1,537,961	1,426,791	1,386,905	1,370,884
Indirect Energy Purchased and Consumed Under Bilateral Electricity Supply Agreements	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Electricity	GJ	0	0	0	0	0
Indirect Energy Produced and Consumed from Renewable Energy Sources	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Electricity (WHR)	GJ	485,781	424,966	441,453	406,463	437,356
Indirect Energy Purchased and Consumed from Renewable Energy Sources	**Unit**	**2020**	**2021**	**2022**	**2023**	**2024**
Electricity	GJ	0	0	0	0	0
Total Electricity Consumption	**GJ**	**1,726,126**	**1,962,928**	**1,868,244**	**1,793,368**	**1,808,240**
Total Energy Consumption	**GJ**	**16,870,680**	**18,135,235**	**17,079,699**	**16,476,817**	**16,566,018**

Energy Intensity	Unit	2020	2021	2022	2023	2024
Cement	kWh/ton	46	45	44	44	48
Clinker	kWh/ton	66	64	65	66	66
Fuel Clinker	GJ/ton	3.5	3.5	3.4	3.5	3.6

Energy Consumption	Unit	2020	2021	2022	2023	2024
Clinker	kWh/year	288,768,941	296,541,627	289,315,723	273,584,643	269,549,825
Cement	kWh/year	164,872,935	209,679,386	221,555,925	177,256,053	184,104,411
Fuel Clinker	GJ/year	15,144,555	16,172,308	15,211,455	14,683,449	14,757,778

Emission Management Data

Greenhouse Gas Emissions (tCO_2e)	Unit	2020	2021	2022	2023	2024
Direct Greenhouse Gas (GHG) Emissions (Scope 1)*	tCO_2e	3,611,039	3,916,622	3,862,270	3,621,837	3,573,278
Direct Greenhouse Gas (GHG) Emissions (Scope 1)**	tCO_2e	-	-	-	-	3,584,953
Indirect Greenhouse Gas (GHG) Emissions (Scope 2)***	tCO_2e	256,524	291,716	247,593	172,207	169,456
Indirect Greenhouse Gas (GHG) Emissions (Scope 3)****	tCO_2e	-	-	-	692,320	834,217
Total CO2e Emissions	**tCO_2e**	**3,867,563**	**4,208,338**	**4,109,863**	**4,486,364**	**4,588,626*******

**Emissions verified under the "Regulation on Monitoring of Greenhouse Gas Emissions" (MRV).*
***Emissions verified under ISO 14064-1:2018 standard.*
****As Nuh Çimento does not have a bilateral electricity supply agreement, Scope 2 emissions from purchased electricity are calculated using the location-based methodology according to the Turkish National Emission Factor.*
*****For 2024, the methodology for Scope 3 indirect GHG emissions was expanded to include emissions from "Capital Goods, Waste Generated in Operations, and End-of-Life Treatment of Sold Products."*
******For 2024, the sum of Scope 1, Scope 2 and Scope 3 emissions verified under the ISO 14064-1:2018 Standard*

Greenhouse Gas (GHG) Emission Intensity (Scope 1)	Unit	2020	2021	2022	2023	2024
Total Clinker Production	Tons	4,376,400	4,634,300	4,472,100	4,163,800	4,100,000
CO_2e Emission Intensity	kg CO_2e/ton clinker	825	845	864	870	872

Greenhouse Gas Reduction	Unit	2020	2021	2022	2023	2024
Waste Heat Recovery (WHR)	tCO_2e	55,408	63,155	54,814	50,469	54,062
Kuşluk Hydroelectric Power Plant (HEPP)	tCO_2e	16,784	11,517	15,616	13,957	12,950
Electric Machinery	tCO_2e	531	679	992	434	832
Total	**tCO_2e**	**72,723**	**75,351**	**71,422**	**64,860**	**67,845**

Air Emissions	Unit	2020	2021	2022*	2023	2024
NOx	kg	-	18,125,273	-	6,988,083	6,602,577
SOx	kg	-	141,459	-	0	79,184
PM (Particulate Matter)	kg	-	1,176,226	-	1,149,316	1,295,095

**According to the Industrial Source Air Pollution Control Regulation, measurements are conducted every two years. Therefore, data for 2020 and 2022 is unavailable.*

Scope 3 Emissions				
SCOPE 3	**Unit**	**2024**	**Description**	**Method**
1. Purchased Goods and Services	CO_2 (ton)	40,016.6	Ammonia, purchased chemical additives, consumables, and other chemicals, mineral oils, purchased packaging and transport materials, extraction of raw materials (service purchases), technical repair and maintenance services, purchased concrete	DEFRA, EPA, ECOINVENT V3.5
2. Capital Goods	CO_2 (ton)	662.6	Goods purchased to provide services	EPA
3. Fuel and Energy	CO_2 (ton)	241,533.7	Baseline products: Pet coke, coal, diesel, LPG, gasoline, natural gas, imported electricity	DEFRA, National Inventory
4. Upstream Transportation	CO_2 (ton)	37,678.1	Baseline products: Clinker (purchased), limestone, marl, clay, iron silicate, bauxite, calcium fluoride, fly ash, slag, cement chemical additives, refractory, gypsum, packaging, steel balls, oil, ammonia	DEFRA
5. Waste Generated in Operations	CO_2 (ton)	130.7	All waste (hazardous + non-hazardous)	DEFRA
6. Business Travels	CO_2 (ton)	228.7	Travels: Air travel considered	DEFRA
7. Commuting	CO_2 (ton)	78.1	All employees considered	DEFRA
8. Upstream Leased Assets**	CO_2 (ton)	0	Excluded from scope	-
9. Downstream Transportation	CO_2 (ton)	429,148.8	All sales (road + sea transport)	DEFRA
10. Processing of Sold Products	CO_2 (ton)	36,498.3	All sales (road + sea transport)	National Inventory
11. Use of Sold Products***	CO_2 (ton)	0	Excluded from scope	-
12. End-of-Life Treatment of Sold Products	CO_2 (ton)	48,241.1	Considered based on concrete end-of-life	DEFRA
13. Downstream Leased Assets **	CO_2 (ton)	0	Excluded from scope	-
14. Franchises *	CO_2 (ton)	0	Excluded from scope	-
15. Investments*	CO_2 (ton)	0	Excluded from scope	-
Total Scope 3	CO_2 (ton)	834,217		

The 2024 Scope 3 data include verified emissions according to ISO 14064-1:2018 Standard.
**This category is not applicable to the cement sector. (GHG Protocol WBCSD Scope 3 / Pages 6, 7)*
***Leased vehicles, facilities, IT equipment, etc., are excluded from scope.*
****As cement is an intermediate product, there is no mandatory reporting requirement for it. (GHG Protocol WBCSD Scope 3)*

Material Management Data

Our Use of Waste	Unit	2020	2021	2022	2023	2024
Alternative Raw Material	Tons	354,835	430,686	410,196	256,613	400,105
Alternative Fuel	Tons	19,596	10,819	6,401	4,699	6,383
Total	**Tons**	**374,431**	**441,505**	**416,597**	**261,311**	**406,487**

Water Management Data

Water Withdrawal (m^3/year)	Unit	2020	2021	2022	2023	2024
Surface Water (Ulupınar Stream)	m^3/year	941,907	1,315,506	1,209,357	1,070,339	1,311,785
Groundwater (Deep Wells)	m^3/year	62,144	45,907	105,194	121,384	231,407
Seawater (Marmara Sea)	m^3/year	605,741	381,911	528,663	648,232	296,369
Total Water Withdrawal for Production Purposes	**m^3/year**	**1,609,792**	**1,743,324**	**1,843,214**	**1,839,955**	**1,839,561**

Water Use (m^3/year)	Unit	2020	2021	2022	2023	2024
Total Water Withdrawal for Production Purposes	m^3/year	1,609,792	1,743,324	1,843,214	1,839,955	1,839,561
Recovered Water from Treatment Plants*	m^3/year			37,643	107,476	138,140
Purchased Drinking Water	m^3/year	-	-	1,471	1,227	1,547
Total Water Use**	**m^3/year**	**1,609,792**	**1,743,324**	**1,882,328**	**1,948,658**	**1,979,248**

** Amounts obtained from our water production facility where seawater is treated using ultrafiltration and reverse osmosis systems.*
*** 63% of the total water used is utilized in cement production, and the remainder in auxiliary facilities.*

Internal Distribution of Water Use	Unit	2020	2021	2022	2023	2024
Water Used in Cement Production	m^3/year	731,094	785,956	913,951	1,142,165	1,244,740
Water Used in Auxiliary Facilities	m^3/year	878,698	957,368	968,377	806,493	734,508
Total Water Use	**m^3/year**	**1,609,792**	**1,743,324**	**1,882,328**	**1,948,658**	**1,979,248**

Treatment Plant Data 2024 (m^3)	Unit	Total	Domestic Wastewater	Field Wastewater
Wastewater Amount	m^3	222,620	83,300	139,320
Volume Discharged to Sea	m^3	84,480	83,300	1,180
Recovery Rate	m^3	62%	0%	99%

Direct Water Footprint

Clinker Produced: 4,100,000 tons/year

Water Source	Amount (m^3)	Unit Water Footprint (m^3/ton clinker)	Description
Blue Water	1,544,739.04	0.3768	Source: Groundwater, surface water, purchased drinking water
Green Water	11,225.5	0.0027	Source: Collected rainwater
Grey Water	33,359.18	0.0081	Source: Assimilation of wastewater load
Total Direct Water Footprint	**1,589,323.72**	**0.3876**	

Energy-Related Indirect Water Footprint

Energy Consumption Source	Amount (m^3)	Unit Water Footprint m^3/t clinker	Description
Electricity (kWh)	380,801,030		Energy Source: Grid
Total Water Consumed on Grid (m^3)	10,713,723.69	2.6131	

Waste Management Data

Total Waste by Type	Unit	2020	2021	2022	2023	2024
Hazardous Waste	Tons	506	381	344	209	231
Non-Hazardous Waste	Tons	2,698	2,513	2,188	3,346	2,515
Total Waste Generated	**Tons**	**3,204**	**2,894**	**2,532**	**3,555**	***2,746**

** While the amount of hazardous waste increased due to revision and major maintenance works, the amount of metal scrap decreased because of lower investment activity.*

Total Waste by Disposal Method (Ton)	Unit	2020	2021	2022	2023	2024
Energy Recovery	Tons	567	377,40	322	203	228
Material Recovery	Tons	2,289	2,145.40	1,841	2,975	2,212
Recycling	Tons	85	90.34	77	83	62
Landfilling	Tons	263	281.72	292	292	244
Incineration	Tons	0	0	0	0	0,58
Sterilization	Tons	0	0.09	0.06	0.08	0.046
Total Waste Disposed	**Tons**	**3,204**	**2,894.94**	**2,532.56**	**3,554.63**	**2,746.497**

Among hazardous wastes: *waste toner cartridges containing hazardous substances, engine, transmission, and lubrication oils, chemicals, lead-acid batteries, and accumulators are included.*
Among non-hazardous wastes: *plastics, iron-metal shavings and chips, mixed packaging, and end-of-life tires (ELT) are included.*

CMB SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

	If the compliance status is indicated as "Yes" or "Partially," the report information/link related to the disclosed information must be provided. Explanations regarding the compliance status are included in the "Explanation" column. It should be indicated in the "Explanation" column whether the requested information is presented on a consolidated or standalone basis.	COMPLIANCE STATUS				EXPLANATION AND RELATED LINKS (The headings in the explanation section are the headings included in our Integrated Activity Report, which we publish annually and release in March.)
		YES	NO	PARTLY	IRRELEVANT	
	A. General Principles					
	A1. Strategy, Policy, and Objectives					
A1.1	The Partnership's Board of Directors has identified priority environmental, social, and corporate governance (ESG) issues, risks, and opportunities.	√				Risk Management and Assessment by the Board of Directors
	The partnership's board of directors has established and publicly disclosed CSR policies (e.g., Environmental Policy, Energy Policy, Human Rights and Employee Policy, etc.).	√				Integrated Management Systems
A1.2	Short and long-term goals identified within the scope of CSR policies have been disclosed to the public.	√				Our Sustainability and Climate Goals (Short-Term) Our Sustainability and Climate Goals (Medium and Long-term)
	A2. Implementation/Monitoring					
A2.1	Committees and/or units responsible for the implementation of CSR policies, as well as the top-level executives responsible for CSR issues within the partnership, have been identified and disclosed to the public.	√				Sustainability Management Structure Sustainability Priorities
	Activities conducted within the scope of policies by the responsible committee and/or unit have been reported to the board of directors at least once annually.	√				Sustainability Management Structure Sustainability Priorities
A2.2	Action plans have been developed and disclosed to the public in line with ESG goals.	√				Our Strategy and 2050 Net Zero Carbon Roadmap Our Social Performance Our Environmental Performance
A2.3	The level of achievement of ESG Key Performance Indicators (KPIs) over the years has been disclosed to the public.	√				Tables of Performance Indicators
A2.4	Activities aimed at improving sustainability performance in business processes or products and services have been disclosed to the public.	√				Climate Change and Energy Management
	A3. Reporting					
A3.1	Information regarding the partnership's sustainability performance, goals, and actions has been provided in a clear, accurate, and sufficient manner in the activity reports.	√				Overall 2024 Integrated Annual Report
A3.2	Information regarding the alignment of the company's activities with the United Nations (UN) 2030 Sustainable Development Goals (SDGs) has been disclosed to the public by the partnership.	√				About Our Report
A3.3	Lawsuits filed against or concluded unfavourably in relation to ESG policies, which are of significant importance to the company's sustainability policies and/or activities, have been disclosed to the public.	√				Corporate Governance, Ethics and Compliance
	A4. Verification					
A4.1	The Partnership's ESG Key Performance Indicators have been independently verified by a third party and disclosed to the public.			√		Climate Change and Energy Management (Scope 1 Emissions)

	B. Environmental Principles	YES	NO	PARTLY	IRRELEVANT	
B1	The Partnership has disclosed its environmental management policies and practices, action plans, environmental management systems (known for ISO 14001 standard), and programs to the public.	√				Our Environmental Performance Integrated Management Systems
B2	Information regarding environmental management, including the scope of the prepared environmental reports, reporting period, reporting date, and any limitations related to reporting conditions, has been disclosed to the public.	√				About Our Report
B3	It is provided in A2.1.					
B4	The environmental objectives included in the performance incentive systems for stakeholders (such as board members, executives, and employees) have been disclosed to the public.	√				Our Sustainability and Climate Goals (Short-Term) Our Sustainability and Climate Goals (Medium and Long-term)
B5	How the prioritised environmental issues are integrated into business objectives and strategies has been disclosed to the public.	√				Our Sustainability and Climate Goals (Short-Term) Our Sustainability and Climate Goals (Medium and Long-term)
B6	It is provided in A2.4.					
B7	The management of environmental issues throughout the partnership's value chain, including suppliers and customers, as well as how they are integrated into business objectives and strategies, is disclosed to the public.	√				Sustainability Impacts and Climate Change Risks Along Nuh Çimento's Value Chain Our Environmental Performance
B8	The involvement in policy-making processes of relevant organisations and civil society organisations regarding environmental issues, as well as collaborations with these institutions, are disclosed to the public.	√				Corporate Memberships External Factors and Global Trends
B9	Information on environmental impacts, including environmental indicators such as greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy Indirect), Scope-3 (Other Indirect)), air quality, energy management, water and wastewater management, waste management, and biodiversity effects, is disclosed to the public periodically in a comparable manner.	√				Our Environmental Performance
B10	The standards, protocols, methodologies, and base year details used for collecting and calculating the data are disclosed to the public.	√				Our Environmental Performance
B11	The increase or decrease of environmental indicators for the reporting year compared to previous years is disclosed to the public for comparison.	√				Our Environmental Performance
B12	Short and long-term goals have been set to reduce environmental impacts, and progress towards these goals, as well as progress compared to goals set in previous years, has been disclosed to the public.	√				Our Sustainability and Climate Goals (Short-Term) Our Sustainability and Climate Goals (Medium and Long-term)
B13	A strategy to combat the climate crisis has been developed, and planned actions have been disclosed to the public.	√				Climate Change and Energy Management
B14	Programs or procedures have been established to prevent or minimise the potential negative impacts of products and/or services on the environment, and these have been disclosed to the public.	√				Climate Change and Energy Management
	Actions have been taken to reduce greenhouse gas emissions from third parties (e.g., suppliers, subcontractors, dealers, etc.), and these actions have been disclosed to the public.	√				Climate Change and Energy Management
B15	The environmental benefits/gains and cost savings resulting from initiatives and projects aimed at reducing environmental impacts have been disclosed to the public.	√				Climate Change and Energy Management
B16	Energy consumption data (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) has been disclosed to the public as Scope 1 and Scope 2 emissions.	√				Environmental Indicators
B17	Information regarding the electricity, heat, steam, and cooling produced during the reporting year has been disclosed to the public.	√				Climate Change and Energy Management
B18	Efforts to increase the use of renewable energy and transition to zero or low-carbon electricity have been undertaken and disclosed to the public.	√				Climate Change and Energy Management
B19	Data on renewable energy production and usage has been disclosed to the public.	√				Climate Change and Energy Management

	B. Environmental Principles	YES	NO	PARTLY	IRRELEVANT	
B20	Energy efficiency projects have been implemented, and the amount of energy consumption and emission reduction achieved through these projects has been disclosed to the public.	√				Climate Change and Energy Management
B21	Water consumption, including any water drawn from underground or surface sources, recycled water, and discharged water quantities, along with their sources and procedures, have been disclosed to the public.	√				Water and Wastewater Management Environmental Indicators
B22	It has been disclosed to the public whether operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade, or Carbon Tax).	√				Nuh Çimento is not included in any carbon pricing system.
B23	The information on accumulated or purchased carbon credits during the reporting period has been disclosed to the public.	√				No carbon credits were accumulated or purchased during the reporting period.
B24	Details of carbon pricing implemented within the partnership have been disclosed to the public.	√				Carbon pricing is not implemented within the partnership.
B25	The platforms where the partnership discloses its environmental information have been made public.	√				All information is publicly available through our integrated activity report and our website.
	C. Social Principles					
	C1. Human Rights and Employee Rights	**YES**	**NO**	**PARTLY**	**IRRELEVANT**	
C1.1	A Corporate Human Rights and Employee Rights Policy has been formulated to encompass the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye, and other relevant legislation. Responsible parties for implementing the policy have been identified, and both the policy and responsible parties have been disclosed to the public.			√		Talent Management and Employee Engagement Training and Development Business Ethics
C1.2	The policy on employee rights includes provisions for fair labour, improvement of working standards, women's employment, and inclusivity, considering supply chain impacts. It ensures no discrimination based on gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political views, disability, social and cultural differences, etc.	√				Talent Management and Employee Engagement Training and Development
C1.3	Measures taken throughout the value chain to ensure the consideration of specific economic, environmental, and social factors affecting vulnerable groups (such as low-income populations, women, etc.) or minority rights/opportunities equality have been disclosed to the public.					Social Responsibility at Nuh Çimento Our Sustainability Practices and Collaborations
C1.4	Developments related to preventive and corrective measures to prevent discrimination, inequality, human rights violations, forced labour, and child labour have been disclosed to the public.			√		Talent Management and Employee Engagement Training and Development Business Ethics
C1.5	The policy on employee rights includes investment in employees (training, development policies), compensation, granted benefits, the right to unionise, work/life balance solutions, and talent management issues.	√				Talent Management and Employee Engagement Training and Development
	Mechanisms for resolving employee complaints and disputes have been established, and dispute resolution processes have been defined.	√				Talent Management and Employee Engagement Training and Development
	Activities undertaken during the reporting period to ensure employee satisfaction have been disclosed to the public.	√				Talent Management and Employee Engagement Training and Development
C1.6	Occupational health and safety policies have been formulated and disclosed to the public.	√				Occupational Health and Safety
	Measures taken to prevent work accidents and protect health, as well as accident statistics, have been disclosed to the public.	√				Occupational Health and Safety
C1.7	Protection of personal data and data security policies have been established and disclosed to the public.	√				Personal Data Protection

	C. Social Principles					
	C1. Human Rights and Employee Rights	**YES**	**NO**	**PARTLY**	**IRRELEVANT**	
C1.8	An ethical policy has been formulated and disclosed to the public.	√				Corporate Governance, Ethics and Compliance
C1.9	Efforts in social investment, corporate social responsibility, financial inclusion, and access to finance have been disclosed.	√				Social Responsibility at Nuh Çimento
C1.10	Information meetings and training programs on ESG policies and practices have been organised for employees.	√				Occupational Health and Safety
	C2. Stakeholders, International Standards, and Initiatives					
C2.1	A customer satisfaction policy regarding the management and resolution of customer complaints has been formulated and disclosed to the public.	√				Integrated Management Systems (ISO 9001 Scope)
C2.2	Information about communication with stakeholders (which stakeholders, topics, and frequency) has been disclosed to the public.	√				Stakeholder Communication Platforms
C2.3	The international reporting standards adopted in the reporting have been disclosed.	√				About Our Report
C2.4	The principles, signatories, committees, and principles adopted regarding sustainability have been disclosed to the public.	√				We are a member of the SKD Türkiye.
C2.5	Efforts have been made and initiatives have been undertaken to be included in sustainability indices provided by Borsa Istanbul and/or international index providers.	√				Nuh Çimento was included in the Borsa Istanbul Sustainability Index in 2024.
	D. Corporate Governance Principles					
D1	Stakeholders' opinions have been sought in determining the measures and strategies in the field of sustainability.	√				Corporate Governance Compliance Report
D2	Efforts have been made through social responsibility projects, awareness events, and education to increase awareness about sustainability and its importance.	√				Social Responsibility at Nuh Çimento

AGENDA OF THE ORDINARY GENERAL ASSEMBLY MEETING

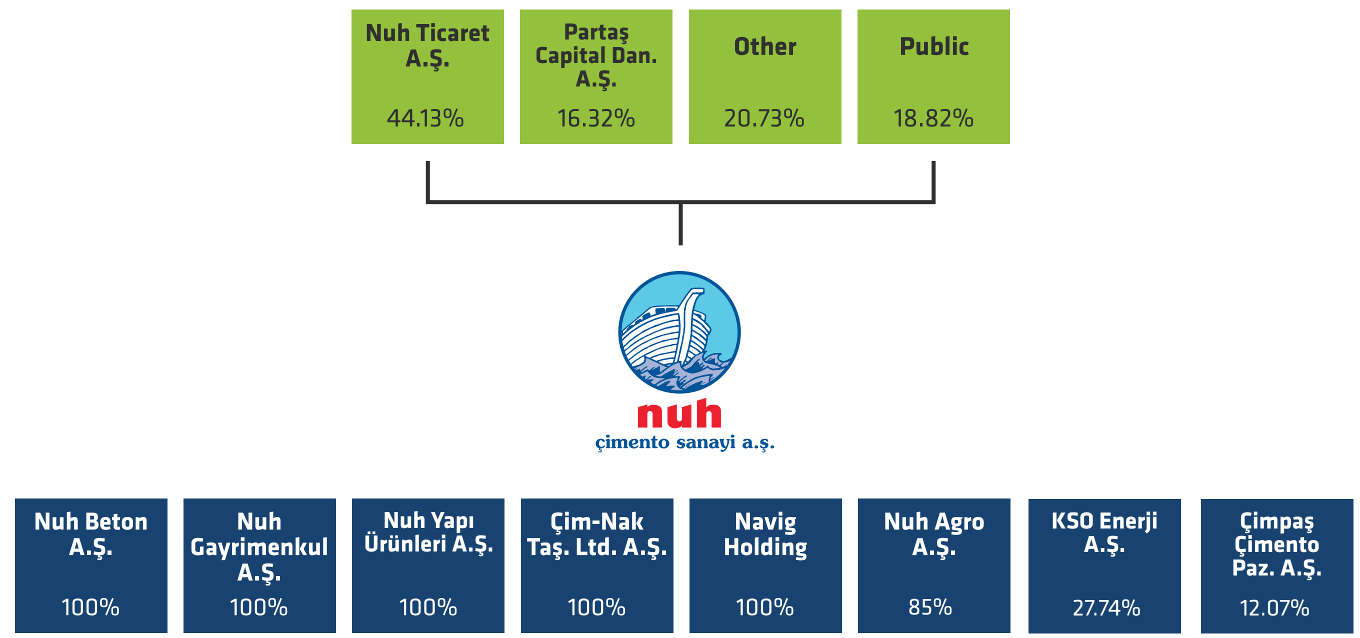
1. Opening and establishment of the Meeting Presidency.
2. Reading and discussion of the 2024 Activity Report prepared by the Board of Directors.
3. Reading of the Summary of the Independent Audit Report for the 2024 fiscal year.
4. Reading, discussion, and resolution on the Financial Statements for the 2024 fiscal year.
5. Discussion and resolution on the discharge of the Board Members for their activities during the 2024 fiscal year.
6. Distribution of the profit for the year 2024 and approval, amendment, or rejection of the Board of Directors' proposal regarding the date of profit distribution.
7. Discussion and resolution on authorising the Board of Directors to decide on the distribution of profit advance for the 2025 fiscal year within the scope of the Articles of Association and the Capital Markets Board's Communique II-19.1.
8. Discussion and resolution on the remuneration and allowances to be paid to the Board Members.
9. Election of new Board Members and determination of their terms of office.
10. Discussion and resolution on the Board of Directors' proposal for the selection of an independent external audit firm for the audit of the 2025 fiscal year in accordance with the Turkish Commercial Code and the Capital Markets Law.
11. Granting permission to the Board Members in accordance with Articles 395 and 396 of the Turkish Commercial Code and providing information to the General Assembly regarding the transactions carried out within this scope during the year in line with Corporate Governance Principles.
12. Presentation of information on donations and assistance made in 2024, and determination of the upper limit for donations and assistance to be made in 2025.
13. Disclosure of guarantees, pledges, mortgages, and sureties provided in favor of third parties, as well as the income and benefits obtained therefrom.
14. Wishes and opinions.

LEGAL DISCLOSURES

CORPORATE GOVERNANCE RELATED DISCLOSURES

Capital and Shareholding Structure
The company's shares have been offered to the public by being registered with the Capital Markets Board (CMB), and 18,82% of its shares are publicly traded. The company's shares have been traded on the Borsa Istanbul (BIST) since February 24, 2000.

As of December 31, 2024, the paid-in capital of the company is 150,213.600 TL. There has been no change in the shareholding of our shareholders who own five percent or more of the shares in the last year. The distribution of capital is as shown in the table below:



Information on Preferred Shares and Voting Rights of Shares

There are no preferred shares. Each share carries one voting right. Minority shares are not represented in management. Our company does not use a cumulative voting method.

Operating Principles of the Board of Directors

The members of the Board of Directors were elected at the General Assembly held on February 24, 2024, to serve until the Ordinary General Assembly Meeting to be held in 2025, where the results of the 2024 fiscal year will be discussed. The terms of office for the members of the Board of Directors are determined at the Ordinary General Assembly meeting. The Board of Directors carries out its activities in a transparent, accountable, fair, and responsible manner. It is essential that Board meetings are held as needed and at least once a month. In 2024, 37 meetings were held. The Board of Directors adopted a total of 79 resolutions in 2024, with a high level of participation in the meetings. The procedures for Board meetings, quorum requirements for meetings and resolutions, voting processes, as well as the duties and powers of the Board are carried out in compliance with the Company's Articles of Association, the provisions of the Turkish Commercial Code, and the regulations of the Capital Markets Board. The roles of the Chairperson of the Board and the CEO are performed by different individuals. Efforts are made to ensure that Board members allocate sufficient time to the Company's affairs, and there is no restriction on holding other positions or duties outside the Company. During the 2024 fiscal year, there were no situations that compromised the independence of the independent Board members. There were no related party transactions or significant transactions that required approval by independent Board members but were not approved and therefore submitted to the General Assembly. Directors and senior executives are covered by directors' and officers' liability insurance to compensate for any losses that may arise from liabilities for which they may be personally held responsible in the course of performing their duties.

Structure and Composition of the Board of Directors

The members of the Company's Board of Directors and their qualifications for the year 2024 are listed below.

Name Surname	Executive Status	Independence Status	Date of Appointment	Term of Office	Roles in the Board of Directors and Committees
Tevfik BİLGİN	Not in executive role	Dependent	24.02.2024	1 year	Chairman of the Board of Directors
Fikret ESKİYAPAN	Not in executive role	Dependent	24.02.2024	1 year	Member of the Board of Directors Member of the Nomination Committee
Mehmet ESKİYAPAN	Not in executive role	Dependent	24.02.2024	1 year	Member of the Board of Directors Member of the Corporate Governance Committee Member of the Nomination Committee
Nurcan YURTBİLİR	Not in executive role	Dependent	24.02.2024	1 year	Board Member
Sinan YURTBİLİR	Not in executive role	Dependent	24.02.2024	1 year	Board Member Corporate Governance Committee Member Nomination Committee Member
Yılmaz KÜÇÜKÇALIK	Not in executive role	Dependent	24.02.2024	1 year	Board Member
Ali Tanju YILMAZTÜRK	Not in executive role	Dependent	24.02.2024	1 year	Board Member Member of the Risk Early Detection Committee
Muharrem ESKİYAPAN	Not in executive role	Dependent	24.02.2024	1 year	Board Member Member of the Risk Early Detection Committee
Hasan ÇUHACI	Not in executive role	Dependent	24.02.2024	1 year	Board Member Member of the Corporate Governance Committee
Vahdettin ERTAŞ	Not in executive role	Independent	24.02.2024	1 year	Independent Board Member Chair of the Corporate Governance Committee Chair of the Risk Assessment Committee Chair of the Audit Committee Chair of the Nomination Committee
İsmail KÖKSAL	Not in executive role	Independent	24.02.2024	1 year	Independent Board Member Member of the Corporate Governance Committee Member of the Risk Assessment Committee Member of the Audit Committee Member of the Nomination Committee
E. Bilgehan MÜFTÜOĞLU	Not in executive role	Independent	24.02.2024	1 year	Independent Board Member Member of the Audit Committee
Aclan ACAR	Not in executive role	Independent	24.02.2024	1 year	Independent Board Member Member of the Audit Committee Member of the Corporate Governance Committee
Tevfik KINIK	Not in executive role	Independent	24.02.2024	1 year	Independent Board Member Member of the Audit Committee Member of the Risk Detection Committee

Tevfik BİLGİN (Chairman of the Board)

He graduated from the Department of Public Administration at the Faculty of Economics and Administrative Sciences of Middle East Technical University. He also holds a Master's degree in Business Administration (MBA) from the University of Iowa, USA. Between 1992 and 2001, he served as a Banking Auditor, and from 2001 to 2003, he was the Deputy Coordinator of Finance Companies at Anadolu Endüstri Holding. In 2003, he became the General Manager of T. Halk Bankası and was elected as the Chairman of the Banking Regulation and Supervision Agency (BDDK) and Savings Deposit Insurance Fund (TMSF) in December 2003. He was re-elected as the Chairman of the BDDK for another 6-year term in 2006 and served in this position until 2012.

Fikret ESKİYAPAN (Member)

He was born in Ankara in 1949. He completed his secondary education at TED Ankara College and his undergraduate studies in Mechanical Engineering at Dortmund University in Germany. He started his career as a Mechanical Engineer at Nuh Makine Sanayi A.Ş.

Mehmet ESKİYAPAN (Member)

He was born in Ankara in 1950. He completed his secondary and high school education at TED Ankara College and his higher education in Mechanical Engineering at Dortmund University in Germany. He began working at Nuh " San. A.Ş. as a Mechanical Engineer in 1974. He served as a Member of the Board of Directors of Nuh Çimento San. A.Ş. from 1975 onwards. He served as the Chairman of the Board of Directors of Nuh Çimento San. A.Ş. from 1994 to 1999. He currently operates his own construction business, SEDO A.Ş., in Bodrum, Muğla Province. He is a member of the Nuh Çimento Industry Foundation, the Kocaeli Chamber of Industry Assembly, a delegate to the Union of Chambers and Commodity Exchanges of Türkiye (TOBB) General Assembly, a member of the TOBB Industry Council, and a representative of TOBB. He also serves as the Deputy Chairman of the AHK Turkish-German Chamber of Commerce and Industry in Istanbul and a Member of the Board of Directors of TD-İHK Turkish-German Chamber of Commerce and Industry in Berlin, Germany.

Nurcan YURTBİLİR (Member)

He was born in Ankara in 1947. After graduating from TED Ankara College, he entered the business world. He served on the board of directors of Nuh Ticaret Sanayi A.Ş. He currently serves as a board member of Nuh Group Companies.

Sinan YURTBİLİR (Member)

He was born in Ankara on September 9, 1958. He completed his primary, secondary, and high school education at TED Ankara College. After completing his undergraduate studies in Business Administration at the University of Texas at El Paso, he obtained a master's degree in finance from the University of New Haven. He worked at Yapı Kredi Bankası and Emlak Bankası before starting his own import-export company. He is currently active in the real estate sector.

Ali Tanju YILMAZTÜRK (Member)

He was born in Ankara in 1964. He graduated from the Austrian High School in 1983 and earned a degree in Electronic Engineering from the Vienna University of Technology in 1989. Between 1989 and 1991, he worked as a software engineer at Schrack-Ericsson in Vienna. From 1991 to 1993, he served as Technical Director at Ericsson Turkey. Since 1993, he has been involved in managing his family businesses and affiliated companies, as well as the companies he co-founded (Partaş, Nuh Çimento, AFY Yatırım, Teknoteks İletişim, Teknoteks Dağıtım, PJ Gıda, Teknotürk Mağazacılık, Teknosport Mağazacılık, Teknoplus Mağazacılık, Denkel İletişim, Denkel Kurumsal, Teknoset, Stratus Yazılım). His areas of operation include Samsung mobile phone distribution, Turkcell Marmara Region distributorship, Papa John's Pizza master franchising, distribution of ESET antivirus software and various cybersecurity systems, Philips small household appliances distribution, and retail operations (Turkcell Communication Centres, Samsung Stores, Mado Stores, and Papa John's Pizza restaurants).

Muharrem ESKİYAPAN (Member)

He was born in Ankara in 1981. He completed his secondary and high school education at Private Marmara College in Türkiye and obtained his university degree in Economics from Florida Atlantic University in the United States. He started his business career in 2004 by founding Nuhdem Plastik A.Ş., where he currently serves as a Board Member. He established the Europolymer LLC production facility in the Middle East, where he also serves as a Board Member. He is also a founding and managing partner of Polimernet Plastik and Nuh Kompozit in Türkiye.

Hasan ÇUHACI (Member)

He was born in Istanbul in 1979. He completed his secondary and high school education at Private Boğaziçi High School and earned a degree in Economics from the Faculty of Economics and Administrative Sciences at Yeditepe University. He began his professional career in 2006 at İlhan Uluslararası Taşımacılık ve Metal Tic. Ltd. Şti. He later acquired the Turkish agency and representation rights of Gerald Metals SARL, an American company, and engaged in the procurement and trade of aluminum raw materials. He continues these activities under Mineria Metal Sanayi ve Tic. Ltd. Şti., which he founded in 2020.

Yılmaz KÜÇÜKÇALIK (Member)

He was born in Kayseri in 1963. He completed his secondary education at Saint Benoît French High School and his undergraduate studies in Industrial Engineering at Yeardız Technical University in 1983. He currently serves as the Vice Chairman of the Board of Directors of Küçükçalık Companies Group. He is also the Chairman of the Board of Directors of Lüks Kadife A.Ş. and a Member of the Board of Directors of Emintaş Denizliköy Turizm ve Spor Tesisleri Yatırım ve İşletme A.Ş. He is also a Member of the Board of Directors of Kent Meydanı Shopping Mall.

Dr. Vahdettin ERTAŞ (Independent Member)

He graduated from Ankara University, Faculty of Political Sciences in 1987. In 1991, he completed his Master's program in Business Administration at Hacettepe University. He obtained an MBA degree from Lancaster University in the UK in 1996 and a Ph.D. degree from Hacettepe University, Department of Business Administration in 2012. After graduating from the Faculty of Political Sciences, he passed the Specialist Assistant exam conducted by the Capital Markets Board (CMB) in the same year. In 1991, he was appointed as a Specialist, and in 1997, he was assigned to the Corporate Investors Department, responsible for regulations on investment funds and partnerships, real estate investment funds and partnerships, venture capital funds and partnerships, and individual pension funds, and for managing the operations of these institutions. From 2002 to April 2005, he served as the Head of the Corporations Financing Department, regulating and overseeing the activities and transactions of public companies, including public offerings, issuances of bonds and similar capital market instruments, mergers, divisions, and tender offers. He served as the President of the Gold Exchange between 2005 and 2006. In December 2006, he was appointed as a Board Member of the Capital Markets Board, and after completing his six-year term as a Board Member, he was appointed as the Chairman of the Board in December 2012. He completed his five-year term as Chairman in December 2017. During his tenure, he served as a Member of the Tax Council, a Board Member of the Natural Disasters Insurance Institution (DASK), the Chairman of the Investor Compensation Fund, and the Chairman of the forum that brings together the capital market regulatory authorities of Islamic countries for five years. He currently serves as an independent board member at Panora GMYO A.Ş., Çelik Halat ve Tel Sanayi A.Ş., Avrupakent GYO and Nuh Çimento Sanayi A.Ş and as a consultant at various companies.

İsmail KÖKSAL (Independent Member)

He was born in Afyonkarahisar in 1962. He graduated from Afyon High School in 1980 and from the Faculty of Economics and Administrative Sciences, Department of Economics at Bursa Uludağ University in 1984. He received education in the United Kingdom in 1990-1991 and completed the Public Administration and European Union program at the Royal Institute of Public Administration. He completed his Master's degree at Gazi University, Institute of Social Sciences in 1992. He started working at the Prime Ministry as an Assistant Expert in 1986 after passing the relevant exam. After successfully completing his expertise thesis and qualification exam, he was awarded the title of Prime Ministry Expert in 1989. He worked at the Prime Ministry until 1996. Afterwards, he served as the Deputy Chairman of the Prime Ministry Family Research Institute from 1996 to 1998, Undersecretary at the Ministry of Tourism from 1999 to 2002, Chairman of the Istanbul Lütfi Kırdar International Convention Centre (UKTAŞ) from 1999 to 2001, Member of the Public Procurement Authority from 2002 to 2003, Secretary General of the Union of Chambers and Commodity Exchanges of Türkiye (TOBB) from 2003 to 2010, Board Member of the Ministry of Foreign Trade, Export Development Research Centre (İGEME) from 2003 to 2009, Member of the Budget Committee of the European Union of Chambers of Commerce and Industry (EUROCHAMBERS) from 2005 to 2009, and Member of the Board of Trustees of TOBB Economy and Technology University from 2006 to 2009. He retired from the Prime Ministry in 2015.

Aclan ACAR (Independent Member)

Starting his career at Halk Bank in 1974, Aclan Acar continued his banking career at the Central Bank of the Republic of Türkiye from 1978 until 1990, where he held various positions in different departments of the institution. In September 1990, he started working at the Doğuş Group. His first position in the group was Assistant General Manager of Garanti Bankası. Between 1994 and 1996, he served as the General Manager of Bank Ekspres, acquired by the Doğuş Group. Following the acquisition of Osmanlı Bank by the Doğuş Group in June 1996, he was appointed as the General Manager of the bank. Starting from April 2000, he served as a Board Member and Executive Committee Member of Doğuş Holding A.Ş. He was appointed as the Chairman of the Board of TANSAŞ in 2001, which ended with TANSAŞ leaving the Group in 2005. From 2002 to 2006, he served as the Chairman of the Board of Directors of Garanti Sigorta A.Ş. and Garanti Emeklilik A.Ş. He served as the Chairman of the Board of Directors of Doğuş Otomotiv Servis Ticaret A.Ş. and Doğuş Oto Pazarlama A.Ş. from February 2006 to March 2018. In March 2018, he served as the Chairman of the Board of Directors and CEO of Doğuş Yayın Grubu, and he left the Doğuş Group in December 2018. Since March 2019, he has been serving as a Board Member of Türk Telekom. In 2019, he established his own consultancy firm. Aclan Acar, who graduated from the Faculty of Economics and Administrative Sciences, Department of Business Administration at Ankara Academy of Economic and Commercial Sciences, received his postgraduate degree in Banking and Insurance from the same faculty. He also received postgraduate education in Economics at Vanderbilt University in Nashville, Tennessee, USA, between 1985 and 1986.

Tevfik KINIK (Independent Member)

He graduated from Ankara University Faculty of Political Sciences and received his master's degree from Harvard University. He started his professional career as an assistant specialist at the Capital Markets Board (CMB) in 1999 and served as the Head of the Institutional Investors Department and Deputy Chairman of the Board at the CMB. Afterwards, he served as the assistant general manager responsible for capital markets and loans at Aktif Bank and as the founding general manager of Simah Rating (Tassnief), the first local credit rating agency in Saudi Arabia. Afterwards, he assumed the role of CEO at Demirören Holding. He is currently a member of the Board of Directors at BtcTurk Group companies, as well as an independent board member at the Turkish Securitization Company and Nuh Çimento A.Ş.

Elif Bilgehan MÜFTÜOĞLU (Independent Member)

Elif Bilgehan MÜFTÜOĞLU was born in Ankara in 1974. She graduated from the Middle East Technical University with a degree in Geological Engineering and obtained her master's degree in Geological High Technology Applications from the University of Cincinnati in the United States. After working on Satellite Image Processing and Geographic Information Systems in the USA, she returned to Türkiye and started working as a network manager at the Information Technology Department of the State Supply Office of the Ministry of Treasury and Finance. She played a role in establishing the office's e-tender and e-procurement systems. From 2007 to 2010, she worked as a project manager at the TOBB Software Development Department. She was responsible for the E-Commerce Registry and Trade Registry Gazette e-Archive project, e-commerce applications, technical examinations for R&D project incentives in the e-communication sector, e-notification, and draft legislation on personal data protection. From 2010 to 2014, she worked as a TOBB working group member in the Investment Environment Improvement Coordination Board Intellectual Property Rights and R&D Technical Committee. She was responsible for preparing and implementing action plans to utilise the private sector's R&D capacity in line with current policies and the needs of the private sector. During this time, she received an MBA degree from TOBB University of Economics and Technology with a thesis on the "Economic Analysis of Technology Transfer." Since October 2014, she has been serving as the General Manager of GS1 Türkiye. GS1 Türkiye, which is one of the member organisations of the Belgium-based International Standards organisation GS1 in 117 countries, offers the standard and solutions created to increase the efficiency of operations in the supply chain and ensure traceability on the chain for the use of companies in our country, and is also part of the GS1 European Region structure consisting of 49 member organisations. Elif Müftüoğlu, who was first elected to the European Region Board of Directors consisting of 12 countries in 2016 as the General Manager of GS1 Türkiye, was elected as the Vice President of the European Region in 2020. Currently serving as the General Manager of GS1 Türkiye and the Vice President of GS1 Europe, Elif Müftüoğlu also serves as a board member of GDSN Inc., a subsidiary of the GS1 Central Office registered in the US Delaware register, as an independent board member of Nuh Çimento San. A.Ş. since the first quarter of 2021, and is a member of the Türkiye Informatics Association and the SpaceTURK-Space Research working group.

INDEPENDENCE STATEMENT

I declare that I am a candidate to serve as an "Independent Member" to the board of the directors of Nuh Çimento Sanayi A.Ş (Company), under the conditions of the relevant regulations, articles of association, and within the scope of the criteria determined in the Corporate Governance Principles of the Capital Markets Board, I declare that;

a)I declare that there is no employment relationship in a managerial position that will assume important duties and responsibilities in the last five years, that more than 5% of the capital or voting rights or privileged shares are not owned jointly or individually, or that no significant commercial relationship has been established between the company, the partnerships in which the company has management control or significant influence, the partners holding the management control of the company or having significant influence in the company, and the legal entities over which these partners have management control, myself, my spouse and my relatives by blood and marriage up to the second degree;

b) I have not been, in the last five years, in companies where the company has purchased or sold significant services or products within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, in the periods when the service or product is purchased or sold , partner five percent or more), that I did not work in a managerial position to undertake important duties and responsibilities, or been a member of the board of directors;

c) I have the professional education, knowledge and experience to fulfil the duties I will undertake as required, due to that I am an independent member of the board of directors,

ç) In accordance with the legislation, I will not work full-time in public institutions and organisations after being elected as a member, except for university teaching membership,

d) The Income Tax Law dated 31/12/1960 and numbered 193 (G.V.K.) according to which I am considered settled in Türkiye,

e) That I have strong ethical standards, professional reputation and experience that can make positive contributions to the company's activities, maintain my impartiality in conflicts of interest between the company and shareholders, and decide freely taking into account the rights of stakeholders,

f) That I can devote time to company affairs to the extent that I can follow the function of company activities and fully fulfil the requirements of the tasks I undertake,

g) That I have not been a member of the board of directors of the company for more than six years in the last ten years,

ğ) That I am not serving as an independent member of the board of directors in more than three of the companies in which the company or the partners who have management control of the company have management control, and in total in more than five of the companies listed on the stock exchange,

h) I declare that I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors.
November 25, 2024

İsmail KÖKSAL

INDEPENDENCE STATEMENT

I declare that I am a candidate to serve as an "Independent Member" to the board of the directors of Nuh Çimento Sanayi A.Ş (Company), under the conditions of the relevant regulations, articles of association, and within the scope of the criteria determined in the Corporate Governance Principles of the Capital Markets Board, I declare that;

a)I declare that there is no employment relationship in a managerial position that will assume important duties and responsibilities in the last five years, that more than 5% of the capital or voting rights or privileged shares are not owned jointly or individually, or that no significant commercial relationship has been established between the company, the partnerships in which the company has management control or significant influence, the partners holding the management control of the company or having significant influence in the company, and the legal entities over which these partners have management control, myself, my spouse and my relatives by blood and marriage up to the second degree;

b) I have not been, in the last five years, in companies where the company has purchased or sold significant services or products within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, in the periods when the service or product is purchased or sold , partner five percent or more), that I did not work in a managerial position to undertake important duties and responsibilities, or been a member of the board of directors;

c) I have the professional education, knowledge and experience to fulfil the duties I will undertake as required, due to that I am an independent member of the board of directors,

ç) In accordance with the legislation, I will not work full-time in public institutions and organisations after being elected as a member, except for university teaching membership,

d) The Income Tax Law dated 31/12/1960 and numbered 193 (G.V.K.) according to which I am considered settled in Türkiye,

e) That I have strong ethical standards, professional reputation and experience that can make positive contributions to the company's activities, maintain my impartiality in conflicts of interest between the company and shareholders, and decide freely taking into account the rights of stakeholders,

f) That I can devote time to company affairs to the extent that I can follow the function of company activities and fully fulfil the requirements of the tasks I undertake,

g) That I have not been a member of the board of directors of the company for more than six years in the last ten years,

ğ) That I am not serving as an independent member of the board of directors in more than three of the companies in which the company or the partners who have management control of the company have management control, and in total in more than five of the companies listed on the stock exchange,

h) I declare that I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors. December 13, 2024

Aclan ACAR

INDEPENDENCE STATEMENT

I declare that I am a candidate to serve as an "Independent Member" to the board of the directors of Nuh Çimento Sanayi A.Ş (Company), under the conditions of the relevant regulations, articles of association, and within the scope of the criteria determined in the Corporate Governance Principles of the Capital Markets Board, I declare that;

a)I declare that there is no employment relationship in a managerial position that will assume important duties and responsibilities in the last five years, that more than 5% of the capital or voting rights or privileged shares are not owned jointly or individually, or that no significant commercial relationship has been established between the company, the partnerships in which the company has management control or significant influence, the partners holding the management control of the company or having significant influence in the company, and the legal entities over which these partners have management control, myself, my spouse and my relatives by blood and marriage up to the second degree;

b) I have not been, in the last five years, in companies where the company has purchased or sold significant services or products within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, in the periods when the service or product is purchased or sold , partner five percent or more), that I did not work in a managerial position to undertake important duties and responsibilities, or been a member of the board of directors;

c) I have the professional education, knowledge and experience to fulfil the duties I will undertake as required, due to that I am an independent member of the board of directors,

ç) In accordance with the legislation, I will not work full-time in public institutions and organisations after being elected as a member, except for university teaching membership,

d) The Income Tax Law dated 31/12/1960 and numbered 193 (G.V.K.) according to which I am considered settled in Türkiye,

e) That I have strong ethical standards, professional reputation and experience that can make positive contributions to the company's activities, maintain my impartiality in conflicts of interest between the company and shareholders, and decide freely taking into account the rights of stakeholders,

f) That I can devote time to company affairs to the extent that I can follow the function of company activities and fully fulfil the requirements of the tasks I undertake,

g) That I have not been a member of the board of directors of the company for more than six years in the last ten years,

ğ) That I am not serving as an independent member of the board of directors in more than three of the companies in which the company or the partners who have management control of the company have management control, and in total in more than five of the companies listed on the stock exchange,

h) I declare that I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors. December 13, 2024

Tevfik KINIK

INDEPENDENCE STATEMENT

I declare that I am a candidate to serve as an "Independent Member" to the board of the directors of Nuh Çimento Sanayi A.Ş (Company), under the conditions of the relevant regulations, articles of association, and within the scope of the criteria determined in the Corporate Governance Principles of the Capital Markets Board, I declare that;

a)I declare that there is no employment relationship in a managerial position that will assume important duties and responsibilities in the last five years, that more than 5% of the capital or voting rights or privileged shares are not owned jointly or individually, or that no significant commercial relationship has been established between the company, the partnerships in which the company has management control or significant influence, the partners holding the management control of the company or having significant influence in the company, and the legal entities over which these partners have management control, myself, my spouse and my relatives by blood and marriage up to the second degree;

b) I have not been, in the last five years, in companies where the company has purchased or sold significant services or products within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, in the periods when the service or product is purchased or sold , partner five percent or more), that I did not work in a managerial position to undertake important duties and responsibilities, or been a member of the board of directors;

c) I have the professional education, knowledge and experience to fulfil the duties I will undertake as required, due to that I am an independent member of the board of directors,

ç) In accordance with the legislation, I will not work full-time in public institutions and organisations after being elected as a member, except for university teaching membership,

d) The Income Tax Law dated 31/12/1960 and numbered 193 (G.V.K.) according to which I am considered settled in Türkiye,

e) That I have strong ethical standards, professional reputation and experience that can make positive contributions to the company's activities, maintain my impartiality in conflicts of interest between the company and shareholders, and decide freely taking into account the rights of stakeholders,

f) That I can devote time to company affairs to the extent that I can follow the function of company activities and fully fulfil the requirements of the tasks I undertake,

g) That I have not been a member of the board of directors of the company for more than six years in the last ten years,

ğ) That I am not serving as an independent member of the board of directors in more than three of the companies in which the company or the partners who have management control of the company have management control, and in total in more than five of the companies listed on the stock exchange,

h) I declare that I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors. December 13, 2024

Elif Bilgehan MÜFTÜOĞLU

INDEPENDENCE STATEMENT

I declare that I am a candidate to serve as an "Independent Member" to the board of the directors of Nuh Çimento Sanayi A.Ş (Company), under the conditions of the relevant regulations, articles of association, and within the scope of the criteria determined in the Corporate Governance Principles of the Capital Markets Board, I declare that;

a)I declare that there is no employment relationship in a managerial position that will assume important duties and responsibilities in the last five years, that more than 5% of the capital or voting rights or privileged shares are not owned jointly or individually, or that no significant commercial relationship has been established between the company, the partnerships in which the company has management control or significant influence, the partners holding the management control of the company or having significant influence in the company, and the legal entities over which these partners have management control, myself, my spouse and my relatives by blood and marriage up to the second degree;

b) I have not been, in the last five years, in companies where the company has purchased or sold significant services or products within the framework of the agreements made, especially in the audit (including tax audit, legal audit, internal audit), rating and consultancy of the company, in the periods when the service or product is purchased or sold , partner five percent or more), that I did not work in a managerial position to undertake important duties and responsibilities, or been a member of the board of directors;

c) I have the professional education, knowledge and experience to fulfil the duties I will undertake as required, due to that I am an independent member of the board of directors,

ç) In accordance with the legislation, I will not work full-time in public institutions and organisations after being elected as a member, except for university teaching membership,

d) The Income Tax Law dated 31/12/1960 and numbered 193 (G.V.K.) according to which I am considered settled in Türkiye,

e) That I have strong ethical standards, professional reputation and experience that can make positive contributions to the company's activities, maintain my impartiality in conflicts of interest between the company and shareholders, and decide freely taking into account the rights of stakeholders,

f) That I can devote time to company affairs to the extent that I can follow the function of company activities and fully fulfil the requirements of the tasks I undertake,

g) That I have not been a member of the board of directors of the company for more than six years in the last ten years,

ğ) That I am not serving as an independent member of the board of directors in more than three of the companies in which the company or the partners who have management control of the company have management control, and in total in more than five of the companies listed on the stock exchange,

h) I declare that I have not been registered and announced on behalf of the legal entity elected as a member of the Board of Directors. December 12, 2023

Vahdettin ERTAŞ

Board Evaluation Regarding the Working Principles and Effectiveness of Board Committees

In accordance with the Corporate Governance Principles (II-17.1) published by the Capital Markets Board on January 3, 2014, and in order to ensure the proper execution of the duties and responsibilities of the Board of Directors, the following decisions were made in the Board of Directors' meeting on March 13, 2024, under decision number 1930, to work under the Board of Directors:

- The Corporate Governance Committee will consist of seven members, with Mr. Vahdettin Ertaş as the committee chair, and Mr. İsmail Köksal, Mr. Aclan Acar, Mr. Mehmet Eskiyapan, Mr. Sinan Yurtbilir, Mr. Hasan Çuhacı, and Ms. Serap Aktaş as members.
- The Early Detection of Risks Committee will consist of five members, with Mr. Vahdettin Ertaş as the committee chair, and Mr. İsmail Köksal, Mr. Tevfik Kınık, Mr. Ali Tanju Yılmaztürk, and Mr. Muharrem Eskiyapan as members.
- The Audit Committee will consist of five members, with Mr. Vahdettin Ertaş as the committee chair, and Mr. İsmail Köksal, Mr. Tevfik Kınık, Mr. Aclan Acar, and Ms. Elif Bilgehan Müftüoğlu as members.
- The Nomination Committee will consist of five members, with Mr. Vahdettin Ertaş as the committee chair, and Mr. İsmail Köksal, Mr. Fikret Eskiyapan, Mr. Mehmet Eskiyapan, and Mr. Sinan Yurtbilir as members.

Board of Directors' Committee Activities Throughout the Year:
- The Corporate Governance Committee met once in 2024, on January 24, 2024.
- The Early Detection of Risks Committee met six times in 2024, on January 24, 2024, March 27, 2024, June 26, 2024, October 9, 2024, November 8, 2024, and December 11, 2024.
- The Audit Committee met five times in 2024, on January 24, 2024, February 1, 2024, June 13, 2024, September 27, 2024, and November 8, 2024.
- The Nomination Committee met twice in 2024, on November 25, 2024, and December 13, 2024.

The Board committees presented reports to the Board of Directors containing information about their activities and the outcomes of the meetings held during the year. The Board of Directors is of the opinion that the working principles and effectiveness of the Board Committees have been beneficial.

Corporate Governance Committee

The Corporate Governance Committee was established to monitor the company's compliance with corporate governance principles in accordance with the Capital Markets Board's Corporate Governance Principles Communique, to make improvement efforts in this regard, and to provide recommendations to the Board of Directors. Currently, the committee consists of 7 members, including one chairman. The committee convenes as required by the tasks assigned to it.

In 2024, the committee met once. During its meetings, it reviewed the Compliance Report with Corporate Governance Principles and examined the activities of the Investor Relations Department.

The duties of the Compensation Committee, as outlined in the Capital Markets Board Corporate Governance Principles, are carried out by the Corporate Governance Committee.

Audit Committee

The Audit Committee was established in accordance with the relevant provisions of the Capital Markets Board. Its mission is to oversee the company's financial and operational activities to ensure their healthy conduct. The committee, operating under the Board of Directors, aims to monitor and approve the company's financial and operational activities disclosed to the public through annual and interim financial statements in accordance with the accounting principles adopted by the company, the selection of the independent auditing firm, the preparation of independent audit contracts, and the initiation of the independent auditing process, supervision of the functioning and effectiveness of the internal control and internal audit system, and evaluation of findings obtained regarding the internal control system. The committee chairman and members are selected from independent members of the Board of Directors. The Audit Committee held five meetings in 2024.

Early Detection of Risk Committee

The Early Detection of Risk Committee was established in accordance with the relevant provisions of the Capital Markets Board. The committee's objective is to identify, assess, calculate the impact and likelihood of any risks jeopardising the existence, development, and continuity of the company, manage these risks in line with the company's corporate risk-taking profile, report them, implement necessary measures regarding identified risks, take them into account in decision-making processes, and integrate effective internal control systems in this direction to provide advice and recommendations to the Board of Directors.

The committee reviewed risk management systems during 2024, identified risks to be held and managed within the company, and supported the Board of Directors in identifying opportunities to enhance the company's effectiveness. The Early Detection of Risk Committee held six meetings in 2024.

Nomination Committee

The Nomination Committee evaluates candidate proposals for independent membership, considering whether the candidates meet the independence criteria, and presents its evaluations in a report to the board of directors, establishes a transparent system for determining, evaluating, and training suitable candidates for board membership and managerial positions with administrative responsibilities, and sets policies and strategies in this regard, conducts periodic evaluations of the board's structure and effectiveness, and presents recommendations to the board on possible changes in these matters. The Nomination Committee held two meetings in 2024.

Information on Profit Distribution Policy

Our company's profit distribution is determined in accordance with Capital Market Regulations, Turkish Commercial Code, tax regulations, and Article 26 of the Company's Articles of Association. There is no privilege regarding participation in the company's profits.

The date and method of distributing the annual profit to shareholders are determined by the General Assembly upon the proposal of the Board of Directors in accordance with the Capital Market Law and relevant regulations of the Capital Markets Board.

The Board of Directors' proposal for profit distribution is presented to the shareholders at the General Assembly as a separate agenda item every year. The proposed profit distribution policy, including detailed provisions in line with the SPK Corporate Governance Principles, is included in the annual profit distribution proposal in the activity report, presented to the shareholders at the General Assembly, and announced to the public on our company's website.

According to the balance sheet for the year 2023 prepared in accordance with the Tax Procedure Law, a gross dividend of 7,00 Turkish Lira per share was distributed to shareholders from the period profit of 1.051.495.200 Turkish Lira, starting from February 27, 2024.

SENIOR EXECUTIVES

Kamil Gökhan BOZKURT / CEO

Born in 1971, K. Gökhan Bozkurt completed his undergraduate studies in Economics at Bilkent University and obtained his master's degree in economics from Johns Hopkins University (USA). Between 1999 and 2003, he held various positions in international financial institutions. In 2003, he served as the Head of Foreign Relations and Affiliates Department at Ziraat Bankası and held positions on the Boards of Ziraat Bankası Moscow and Ziraat Bankası International AG (Germany). From 2004 to 2006, he worked as the Deputy General Manager responsible for Human Resources, Financial Institutions, and International Banking at Türkiye Halk Bankası. He managed the merger process between Halkbank and Pamukbank. He held various senior positions, including Chairman of Halkbank Privatization Committee, Vice Chairman of Birlik Insurance Board, and Vice Chairman of SME Venture Capital Investment Trust Board. In 2006, he joined Türk Telekom as the Head of Human Resources and served as CEO from 2010 onwards. He successfully managed the transformation of Türk Telekom and its subsidiaries from a public company to internationally competitive private companies. Since March 2013, he has been serving as the Group CEO of Nuh Companies.

Halim TEKKEŞİN / General Manager

Born in 1971 in Çankırı, Halim Tekkeşin graduated from the Middle East Technical University with a degree in Chemical Engineering and from Anadolu University with a degree in Foreign Trade. He also received training in finance and management at Kocaeli University. He began his career in 1995 as an Industrial Engineer at Nuh Çimento Sanayi A.Ş. He later held senior management positions at AS Çimento Sanayi A.Ş., SC Industry Inc., and Nuh Yapı Ürünleri A.Ş., and most recently served as General Manager at Aslan Çimento A.Ş., SC Endüstri A.Ş. Apart from building materials such as cement, concrete, lime, aerated concrete, and gypsum, he has professional experience in renewable energy and energy recovery from waste heat.

Ayhan İMAMOĞLU / CFO

Born in Germany in 1969, Ayhan İmamoğlu graduated from Middle East Technical University in 1994 with a degree in Economics. Between 1996 and 2001, he worked as Budget and Reporting Manager at Alarko Contracting Group; from 2002 to 2005, he served as Budget, Planning, and Financial Analysis Group Manager responsible for the entire group of companies at Alarko Holding A.Ş.; from 2006 to 2009, he worked as MIS, Budget, and Financial Control Manager at Petrol Ofisi A.Ş. He became CFO at Rixos Hotels from 2010 to 2013. He is a Certified Public Accountant and Financial Advisor (SMMM) with expertise in various sectors including holding, construction/contracting, energy, tourism, real estate, and industry. Since October 2015, he has been serving as the CFO of Nuh Çimento Group.

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

In corporate governance practices, the Company pays utmost attention to compliance with the Capital Markets Board (CMB) Corporate Governance Principles, and in areas that cannot comply, the reasons and measures taken against conflicts of interest that may arise due to non-compliance with the principles are explained in the relevant sections of the Corporate Governance Compliance Report and the Corporate Governance Information Forum. The purpose of applying these principles is to strengthen the trust of all stakeholders of the Company.
The Company, which adopts the corporate governance approach as a principle, fully complies with the principles that are mandatory within the scope of the Corporate Governance Statement II-17.1 (Communiqué), while the vast majority of the non-mandatory principles have been complied with.

Although full compliance with the non-mandatory Corporate Governance Principles is also aimed, full compliance has not been achieved due to difficulties experienced in practice, country conditions in some principles, market and non-compliance with the Company's current structure. Our company has not received any information that any conflict of interest has occurred due to non-mandatory Principles not being fully complied with, and no determination has been made in this direction by the Corporate Governance Committee of our Company. Administrative, legal and technical infrastructure works are continuing for the principles that the company cannot implement, and it is planned to implement the missing principles when the work is completed.

The main headings of the non-compliant voluntary principles of the Corporate Governance Principles are listed below.

- Minority rights have not been granted to shareholders who hold less than one twentieth of the share capital, and rights are provided within the framework of general regulations in the legislation. (CGP 1.5.2)

- The corporate website has been prepared in accordance with the Corporate Governance Principles. Most of the website is organised in a way that foreign investors can use it. (CGP 2.1.4)

- Some policies and procedures related to stakeholder rights are published on the company's website. (CGP 3.1.3)

- Participation of employees in the management of the Company is not regulated by the articles of association or internal regulations. Employee participation is supported through internal practices. (CGP 3.2.1)

- Informative meetings and training are held on health, training, occupational health and safety issues. (CPG 3.3.4)

- The Chairman of the Board of Directors and the Chairman of the Executive Committee are not the same person. However, it is not stated in the articles of association. (CGP 4.2.5)

- It is essential that information and documents related to the issues to be discussed at the board meeting are sent to all members before the meeting. However, there is no internal regulation for the minimum period. CGP 4.4.2)

- All members of the board of directors are informed at the beginning of the year about the manner in which the meetings of the board of directors will be held. However, there is no written internal company regulation specific to this issue. (CGP 4.4.5)

- Members of the Board of Directors may assume other duties or tasks outside the company. This is not subject to any specific rules or limitations. (CGP 4.4.7)

- Members of the Board of Directors are compulsorily involved in more than one committee due to the structure of the Board of Directors and the obligations required by the CMB Legislation. (CGP 4.5.5)

- No special study has been conducted for performance evaluation at the Board of Directors level. (CGP 4.6.1)

- Pursuant to Law No. 6698 on the Protection of Personal Data, the total amount is disclosed instead of disclosure on individual basis. (CGP 4.6.5)

The Corporate Governance Compliance Report (URF) and Corporate Governance Information Form (KYBF) for the year 2024, prepared in accordance with the CMB Decision No. 2/49 dated 10.01.2019 and approved by the Board of Directors of Nuh Çimento, were disclosed to the public on the Public Disclosure Platform within the period deemed appropriate by the CMB.

RISK MANAGEMENT AND ASSESSMENT BY THE BOARD OF DIRECTORS

A. Risk management

The Early Detection of Risk Committee was established in order to ensure compliance with Article 378 of the Turkish Commercial Code No. 6102, which entered into force on 1 July 2012, and the Capital Markets Board's (CMB) Corporate Governance Communiqué, and for the early identification of potential risks that the company may encounter, as well as the taking and management of necessary precautions against such risks. Nuh Çimento's main objectives in risk management are to analyse global risks, domestic conditions and potential risks related to the sector, and to prepare the necessary action plans in advance in terms of risk and crisis management. The Early Detection of Risk Committee holds regular meetings throughout the year to analyse existing and potential risks and provides the necessary information to the Board of Directors. The chairmanship of the Early Detection of Risk Committee is carried out by Independent Board Member Mr Vahdettin Ertaş. The other members of the committee consist of Independent Board Member Mr İsmail Köksal, Mr Tevfik Kınık, and Board Members Mr Muharrem Eskiyapan and Mr Ali Tanju Yılmaztürk. In 2024, the Early Detection of Risk Committee held 6 meetings and informed the Board of Directors about the decisions taken.

Financial Risks

The company's financial risks may arise from various factors such as an inflationary market, changes in interest rates, exchange rate fluctuations, and liquidity issues, and the effective management of these risks is of great importance for the company's financial stability and sustainable growth. Closely monitoring national and international economic developments, the Company takes necessary measures by considering the impact of developments in the economy on its assets and liabilities.
Exchange Rate Risk and Inflationary Environment: There are risks such as increased costs and decreased revenues due to fluctuations in interest rates, inflation, and exchange rates.
In order to minimize the possible effects of a high inflationary environment on financial statements and medium/long-term strategic plans, appropriate financial instruments are selected and implemented.
Liquidity Risk: Liquidity risk is the risk that the Company will not be able to meet its funding obligations. This risk arises when total cash inflow cannot finance total cash outflow. The Company currently holds enough cash to cover a significant portion of short-term liabilities. Trade receivables are monitored within collateral limits, and the days sales outstanding and days payable outstanding are tracked to ensure compliance with the days projected in the budget.
In this context, liquidity measures against the risk of access to financing and high borrowing costs are closely monitored along with the provision of strong cash flow and increases in limits, taking into account market conditions.

Operational Risks

In terms of operational risks, the company manages occupational health and safety, environmental risks, information security, and external risks. These risks are carefully monitored to ensure that cement production processes continue safely and efficiently. The efficiency and sustainability of operational processes directly affect the achievement of planned production targets. In addition, operational risk management supports the company's long-term sustainability by focusing on objectives such as legal and regulatory compliance and the protection of physical assets.

Occupational Health and Safety / Environmental Risks: Environmental risks and occupational health and safety risks are among the areas that the Company addresses with great care and sensitivity. This principle is implemented not only through compliance with rules and regulations but also through the adoption of a safety culture by all company personnel. Operating in a sector where the risk of work accidents is high, Nuh Çimento continuously supports its operations through training, implementation, audits, and improvement activities in accordance with the ISO 45001 Occupational Health and Safety Management System and Occupational Health and Safety Law No. 6331. In order to prevent work accidents, employees are continuously informed about occupational safety, and all necessary protective resources are provided.

National and international developments related to climate change are closely monitored. In this context, the company's environmental activities are regulated within the framework of the relevant legislation and the ISO 14001 Environmental Management System and Policy. Emissions are calculated in accordance with the Regulation on Monitoring Greenhouse Gas Emissions and the Communiqué on Monitoring and Reporting Greenhouse Gas Emissions. The Company continuously ensures the validity of the necessary environmental permits and licenses for sustainable operations. At Nuh Çimento, environmental management efforts aim to protect water resources and sustain biodiversity through measures such as energy efficiency, recycling, and the use of alternative raw materials and fuels.
In addition, environmentally sensitive approaches aim to protect and ensure the efficient use of nearby water resources. The World Economic Forum's Global Risk Perception Report reveals that climate change and related physical risks, and biodiversity loss will be among the growing threats over the next decade. In this context, the subjects of Disaster Preparedness and Response have also become priority topics, considering the physical risks that climate change may pose.

Our company aims to take its sustainability goals even further and plans to reach a Carbon Net Zero target by 2050. In line with this target, it is planned to minimise the use of fossil fuels and significantly reduce carbon emissions by electrifying work machinery. Through electrification, the energy efficiency of work machinery will increase, and the negative impact on the environment is aimed to be minimised.
Information Security: In order to identify the values of critical information systems, the Information Technologies Department collaborates closely with business process managers, auditors, and legal departments. Periodic backups are performed, and measures are taken to prevent corporate information loss. The company has held the ISO 27001 Information Security Management System certificate since 2016. Corrective actions are planned and risk mitigation activities are maintained by tracking findings from regular internal and external audits.

Strategic Risks

The strategic risks of Nuh Çimento consist of risks related to sales, supply chain, investment and projects, and compliance that may hinder the company's short, medium, and long-term strategies. The Board of Directors, with the strategic goals it determines, governs and represents the company by considering the company's objectives and values, maintaining a balance between growth and return, and prioritising sustainable profitability and long-term interests.

Demand contractions in the cement sector are one of the fundamental risks faced by the company. The cement sector is positively affected by factors such as large-scale mass housing projects implemented by the public, infrastructure investments, and housing loans offered under favourable conditions by banks, while it is also affected by negative developments such as stagnation in the real estate sector and a decrease in infrastructure investments.

Legal risks and opportunities are monitored and evaluated by management and legal advisors in terms of compliance with current laws, regulations, and standards. In order to minimise risks arising from legal disputes due to insufficient or incorrect information or from the failure of personnel to fulfil these obligations in a timely manner, relevant departments are informed through internal hierarchies.
To counteract the negative effects of customer preferences, international standards are followed.

Legal regulations can directly and significantly affect a company's field of activity, business practices, business model, business portfolio, strategic objectives, and operational outcomes. Compliance risk arises when a company faces heavy penalties, operational restrictions, or interruptions in business activities.

B. Internal Control System and Internal Audit

The Internal Control System is subject to periodic audits in terms of the company's operations, financial status, legal compliance, and compliance with internal procedures. These audits aim to ensure that the company's operations continue efficiently and uninterruptedly, that financial reporting processes are reliable and accurate, and that information is securely stored and accessible in a timely manner. In addition, the functionality and adequacy of internal control systems are also part of the audit processes. At the end of the audits, it is aimed to provide assurance regarding the effectiveness of the company's processes. The Internal Audit Unit, which reports to the Chairmanship of the Board of Directors, carries out audit activities to evaluate and improve the effectiveness of internal control and management processes.

The Audit Committee is responsible for monitoring the accuracy of the company's accounting and financial reporting processes, the effectiveness of internal control mechanisms, and the efficiency of independent audit activities. It also ensures that annual and interim financial statements to be disclosed to the public are reviewed for compliance with the specified accounting principles and accuracy and are submitted in writing to the Board of Directors. The accounting accounts and financial statements are reviewed by the Audit Committee and the Audit Group Presidency and are also audited by the independent audit firm KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

OTHER EXPLANATIONS AS REQUIRED BY LEGISLATION

Transactions conducted by the members of the Board of Directors with the Company or on behalf of others, and their activities within the scope of the non-compete clause, as permitted by the General Assembly:
The members of the Board of Directors have not carried out any transactions with the Company or engaged in any initiatives that would constitute competition in the same line of business.

Amendments to the Articles of Association during the period:
No amendments were made to the Articles of Association in 2024.

Information regarding the acquisition of the Company's own shares:
None.

Disclosures regarding special audits and public audits conducted during the fiscal period:
None.

Disclosures regarding administrative or judicial sanctions imposed on the Company or its Board members due to violations of legislative provisions:
No administrative or judicial sanctions have been imposed on the Company or its governing body members due to violations of legislative provisions.

Information and evaluations on whether the previously set targets were achieved, whether the General Assembly resolutions were fulfilled, and the reasons if they were not:
The budget targets set in previous periods have been achieved, and the General Assembly resolutions have been fulfilled.

Information on extraordinary general assemblies held during the year:
None.
Transactions with Related Parties:
Commercial activities in the form of purchases and sales of goods and services take place between our Company and its subsidiaries. These relationships are conducted under market conditions. Purchase and sales decisions are made based on market prices that arise depending on transaction volume and continuity, as well as quality and delivery capabilities.
The amount of goods and services sold to our subsidiary Nuh Beton A.Ş. in 2024 is TL 1,233,558,698.
The amount of goods and services sold to our subsidiary Nuh Yapı Ürünleri A.Ş. in 2023 is TL 219,285,195.
The current goods and service sales are not considered within the scope of frequent and continuous asset, service, and obligation transfers as defined in the Capital Markets Board Communiqué No. II-17.1. These transactions have been carried out in line with market conditions.

Board of Directors' assessment on whether the Company's capital has been impaired or whether the Company is insolvent:
The Company's capital has not been impaired, and it is not insolvent.

Measures considered to improve the Company's financial structure:
The Company's current working capital, financial structure, and liquidity are considered adequate, and no measures are deemed necessary. Cash inflows and requirements are planned, and the financial structure is managed effectively.

Post-balance sheet events that could significantly affect the rights of shareholders, creditors, and other related parties:
As per the General Assembly resolution dated December 24, 2024, the Group decided to distribute TL 435,619,440 as an advance dividend, calculated on the distributable profit as of September 30, 2024, and made the payment on January 8, 2025.
With the Board of Directors resolution dated February 12, 2025, it was decided that Nuh Gayrimenkul İnşaat A.Ş., a wholly owned subsidiary of the Company, would be merged into the Company through the takeover of all its assets and liabilities as a whole.

Legislative changes that could significantly affect Company operations:
None.

Disclosure on whether the Company has reached or fallen below the shareholding thresholds defined by legislation in any capital company, and the reasons for such changes:
No such changes occurred in 2024.

Information regarding the shares of group companies in the parent company's capital:
Group companies hold no shares in the parent company's capital.

Services received by the Company regarding investment consultancy and credit rating:
When selecting service providers, the Company acts in accordance with the relevant capital market regulations and takes necessary measures to avoid potential conflicts of interest. No conflict of interest has arisen between the Company and service providers during or after the service period.
In the first months of 2024, credit rating agency JCR Eurasia Rating (JCR-ER) assigned Nuh Çimento Sanayi A.Ş. a long-term national rating of "AA+ (tr)," a short-term national rating of "J1+ (tr)," a long-term international foreign currency rating of "BB," and a long-term international local currency rating of "BB."

NUH ÇİMENTO SANAYİ A.Ş. VE BAĞLI ORTAKLIKLARI

THE CONSOLIDATED FINANCIAL STATEMENTS AND THE INDEPENDENT AUDITOR'S REPORT PREPARED AS OF DECEMBER 31, 2024

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CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITOR'S REPORT ORIGINALLY PREPARED AND ISSUED IN TURKISH

To the General Assembly of Nuh Çimento Sanayi Anonim Şirketi

A) Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Nuh Çimento Sanayi Anonim Şirketi ("the Company") and its subsidiaries (together will be referred to as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statements of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing which is a component of the Turkish Auditing Standards published by the Public Oversight Accounting and Auditing Standards Authority ("POA") ("Standards on Auditing issued by POA"). Our responsibilities under Standards on Auditing issued by POA are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We declare that we are independent of the Group in accordance with the Code of Ethics for Auditors issued by POA (including Independence Standards) ("POA's Code of Ethics") and the ethical requirements in the regulations issued by POA and Capital Markets Board regulations ("CMB") and related other regulations that are relevant to audit of consolidated financial statements, and we have also fulfilled other responsibilities related to ethics within the scope of the Ethical Rules and legislation.. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter-Comparative Information

As explained in detail in Note 2.3, the Group's comparative financial statements as at 31 December 2023 and 31 December 2022 (from which the financial position statement as of 1 January 2023 was obtained) have been restated. However, this matter does not affect our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

For details of the accounting policies and significant accounting estimates and assumptions used in revenue recognition, please see Note 2.5 and Note 20.

Key Audit Matter	**How the matter was addressed in our audit**
The Group's main revenues are generated from the sale of various types of cement, lime, ready-mixed concrete and gas concrete products. The Group recognizes revenue in the financial statements when it fulfills its performance obligation by transferring control of the products it produces to its customers. Since revenue is one of the Group's key performance indicators and inherently carries the risk of not recognizing products that are completed and delivered in the relevant period, "revenue recognition" has been determined as a key audit matter.	Our audit procedures in this area include the following: • The design and implementation of internal controls related to the revenue recognition process were evaluated. • Testing when the transfer of control occurred through sales documents received for sales transactions selected through a sample and whether the revenue was recognized in accordance with accounting policies in the relevant reporting period in which the control was transferred, • Checking the existence of trade receivables and the accuracy of receivable balances through external confirmations obtained directly for customers we determined through sample selection, • Testing the journal entries made by the Group regarding revenue during the period, • Testing the existence of trade receivables through those selected through a sample from trade receivables collections realized after the reporting period, • Evaluating whether the transfer of control of products occurred through relevant documents and third party verifications for sales transactions selected at the end of the period and testing whether the revenue was included in the financial statements in the relevant correct reporting period, • Evaluating the compliance and adequacy of the footnote explanations made by the Group regarding revenue in its consolidated financial statements with TFRSs.

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Other Matter

The Group's consolidated financial statements for the reporting periods ending as at 31 December 2023 and 31 December 2022 (from which the consolidated financial position statement was obtained as at 1 January 2023) were audited by another independent auditor before the restatements explained in note 2.3 and an unmodified opinion was given on these consolidated financial statements on 1 February 2024.

Within the scope of our independent audit conducted on the consolidated financial statements for the period ended 31 December 2024, we have also audited the adjustments made to restate the consolidated financial statements as at 31 December 2023 and 31 December 2022 and the consolidated statement of profit or loss and other comprehensive income for the period ended 31 December 2023, and explained in note 2.3. Since we were not appointed to perform an independent audit, limited review or any procedure on the consolidated financial statements of the Group for the periods ended 31 December 2023 and 31 December 2022 prior to the adjustments explained in note 2.3, we do not express an audit opinion or other assurance on the respective consolidated financial statements as a whole as of 31 December 2023. In our opinion, the respective adjustments explained in note 2.3 are appropriate and have been applied accurately.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of auditors in an audit are as follows:

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing issued by POA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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As part of an audit in accordance with Standards on Auditing issued by POA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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B) Other Legal and Regulatory Requirements

1) The Auditor's Report on the Early Detection of Risk System and Committee, prepared in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), was presented to the Company's Board of Directors on 26 February 2025.

2) Pursuant to the fourth paragraph of Article 402 of the TCC, no significant issue was found indicating that the Company's bookkeeping system and consolidated financial statements for the accounting period of 1 January – 31 December 2024 were not in compliance with the provisions of the TCC and the Company's articles of association regarding financial reporting.

3) In accordance with the fourth paragraph of Article 402 of the TCC, the Board of Directors made the requested explanations and provided the requested documents within the scope of the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Aysel Tunç, SMMM
Partner

26 February 2025
İstanbul, Turkey

CONVENIENCE TRANSLATION OF THE REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
NUH ÇİMENTO SANAYİ A.Ş. AND ITS SUBSIDIARIES
AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") in purchasing power terms as of December 31, 2024, reflecting the effects of inflation, unless otherwise stated.)

	Notes	Current Year Audited 31 December 2024	Restated (*) Prior Year Audited 31 December 2023	Restated (*) Prior Year Audited 1 January 2023
ASSETS				
Current Assets		**12.292.547.230**	**8.646.609.740**	**8.441.083.331**
Cash and Cash Equivalents	34	7.642.248.896	4.173.183.522	2.576.486.420
Financial Investments	28	66.555.522	78.968.220	352.337.972
Trade Receivables		1.916.606.192	2.377.432.290	2.230.071.430
Trade Receivables from Third Parties	6	*1.916.606.192*	*2.371.280.400*	2.230.071.430
Trade Receivables from Related Parties	5	-	*6.151.890*	-
Other Receivables	7	48.135.129	23.744.167	364.587.613
Other Receivables from Third Parties		*48.135.129*	*23.744.167*	364.587.613
Inventories	9	1.692.203.902	1.605.474.557	2.363.706.668
Prepaid Expenses	10	787.473.413	156.557.649	157.575.671
Current Tax Assets	26	-	5.254.870	21.385.257
Other Current Assets	8	139.324.176	225.994.465	374.932.300
Non-Current Assets		**11.957.878.010**	**18.639.752.944**	**15.204.511.836**
Other Receivables	7	3.737.947	5.519.792	8.351.578
Other Receivables from Third Parties		*3.737.947*	*5.519.792*	8.351.578
Financial Investments	28	829.705	4.227.626.155	2.641.180.492
Investment Properties	11	2.289.335.123	2.421.226.780	2.468.064.010
Property, Plant and Equipment	12	8.936.116.905	8.463.782.445	7.556.888.795
Right-of-Use Assets	14	98.102.942	272.883.858	322.633.197
Intangible Assets	13	386.576.621	399.949.441	411.064.305
Goodwill		*67.795.777*	*67.795.777*	67.795.777
Other Intangible Assets		*318.780.844*	*332.153.664*	343.268.528
Prepaid Expenses	10	110.421.433	110.989.620	166.936.185
Deferred Tax Asset	26	132.757.334	2.735.266.932	1.619.931.189
Other Non-Current Assets	8	-	2.507.921	9.462.085
TOTAL ASSETS		**24.250.425.240**	**27.286.362.684**	**23.645.595.167**

(*) Note 2.3.

The accompanying notes from an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION OF THE REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
NUH ÇİMENTO SANAYİ A.Ş. AND ITS SUBSIDIARIES
AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") in purchasing power terms as of December 31, 2024, reflecting the effects of inflation, unless otherwise stated.)

		Current Year Audited 31 December 2024	Restated (*) Prior Year Audited 31 December 2023	Restated (*) Prior Year Audited 1 January 2023
LIABILITIES AND EQUITY				
Current Liabilities		**3.421.764.970**	**3.160.322.336**	**4.575.179.127**
Short-Term Borrowings	28	374.536.510	935.055.253	1.540.256.866
Short-Term Portions of Long-Term Borrowings	28	457.253.702	371.239.760	937.962.886
Lease Payables	28	16.590.555	14.024.233	14.748.166
Trade Payables		1.611.250.451	1.172.026.798	1.534.035.920
Trade Payables to Third Parties	6	*1.611.250.451*	*1.172.026.798*	*1.534.035.920*
Payables Related to Employee Benefits	17	95.960.113	82.126.940	57.141.090
Other Payables		516.969.914	84.584.395	68.128.082
Other Payables to Related Parties	5	*416.928.974*	-	-
Other Payables to Third Parties	7	*100.040.940*	*84.584.395*	*68.128.082*
Deferred Income	10	199.827.340	219.391.152	213.534.123
Current Income Tax Liability	26	73.109.486	206.213.667	118.723.023
Short-Term Provisions		72.354.608	66.351.978	79.296.455
Short-Term Provisions for Employee Benefits	17	*41.369.965*	*29.479.507*	*34.891.227*
Other Short-Term Provisions	16	*30.984.643*	*36.872.471*	*44.405.228*
Other Current Liabilities	18	3.912.291	9.308.160	11.352.516
Non-Current Liabilities		**1.356.729.325**	**4.880.038.847**	**2.418.165.076**
Long-Term Liabilities	28	992.393.973	2.226.059.295	499.309.681
Lease Liabilities	28	61.545.164	76.357.839	102.407.287
Long-Term Provisions		274.744.272	280.912.330	443.552.680
Long-Term Provisions for Employee Benefits	17	*217.252.325*	*228.285.017*	*411.203.288*
Other Long-Term Provisions	16	*57.491.947*	*52.627.313*	*32.349.392*
Deferred Tax Liability	26	28.045.916	2.296.709.383	1.372.895.428
EQUITY		**19.471.930.945**	**19.246.001.501**	**16.652.250.964**
Equity Attributable to Equity Holders of the Parent		**19.471.941.412**	**19.246.007.363**	**16.652.239.264**
Paid-in Share Capital	19	150.213.600	150.213.600	150.213.600
Capital Adjustments Differences	19	4.025.730.271	4.025.730.271	4.025.730.271
Accumulated Other Comprehensive Income (Expenses) that will not be Reclassified to Profit or Loss		(124.554.388)	1.907.696.573	464.266.611
- Gains from investments to equity-based financial instruments		-	*2.025.968.339*	*585.817.632*
- Loss on remeasurement of defined benefit plans		*(124.554.388)*	*(118.271.766)*	*(121.551.021)*
Restricted Reserves Appropriated from Profit	19	4.349.020.520	4.046.832.297	3.816.926.041
Prior Years' Profit		9.672.643.803	6.334.919.197	5.092.466.395
Net Profit for the Period		1.834.507.046	2.780.615.425	3.102.636.346
Dividend Advances Paid		(435.619.440)	-	-
Non-Controlling Interest		**(10.467)**	**(5.862)**	**11.700**
TOTAL LIABILITIES AND EQUITY		**24.250.425.240**	**27.286.362.684**	**23.645.595.167**

(*) Note 2.3.

The accompanying notes from an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION OF THE REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
NUH ÇİMENTO SANAYİ A.Ş. AND ITS SUBSIDIARIES
AUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") in purchasing power terms as of December 31, 2024, reflecting the effects of inflation, unless otherwise stated.)

	Notes	Current Period 1 January- 31 December 2024	Restated (*) Prior Period 1 January- 31 December 2023
PROFIT OR LOSS			
Revenue	20	15.483.294.874	19.341.713.605
Cost of Sales (-)	20	(11.283.302.563)	(14.725.931.119)
GROSS PROFIT		**4.199.992.311**	**4.615.782.486**
General Administrative Expenses (-)	21	(1.033.665.212)	(803.071.126)
Marketing and Sales Expenses (-)	21	(444.537.565)	(462.794.603)
Research and Development Expenses (-)	21	(38.594.201)	(28.612.305)
Income from Operating Activities	23	235.197.216	290.510.389
Expenses from Operating Activities (-)	23	(140.247.614)	(276.044.376)
OPERATING INCOME		**2.778.144.935**	**3.335.770.465**
Income from Investing Activities	24	268.102.725	412.484.723
Expenses from Investing Activities (-)	24	(363.064.979)	(51.741.589)
PROFIT BEFORE FINANCE EXPENSES		**2.683.182.681**	**3.696.513.599**
Financial Income	25	2.240.349.505	1.241.374.556
Financial Expenses (-)	25	(787.514.056)	(1.480.448.907)
Monetary Gain / (Loss)	31	(1.300.347.627)	(76.661.333)
PROFIT BEFORE TAX		**2.835.670.503**	**3.380.777.915**
Tax Expenses		**(1.001.168.062)**	**(600.180.052)**
Current Tax Expense	26	*(665.227.724)*	*(868.319.060)*
Deferred Tax Income / (Expense)	26	*(335.940.338)*	*268.139.008*
NET PROFIT		**1.834.502.441**	**2.780.597.863**
Attributable to:		0	0
Non-controlling interests		(4.605)	(17.562)
Owners of the Company		1.834.507.046	2.780.615.425
Earnings per share	27	12,21	18,51

(*) Note 2.3.

The accompanying notes from an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION OF THE REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
NUH ÇİMENTO SANAYİ A.Ş. AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in purchasing power terms as of December 31, 2024, reflecting the effects of inflation, unless otherwise stated.)

	Notes	Current Period 1 January- 31 December 2024	Prior Period 1 January- 31 December 2023
PROFIT FOR THE PERIOD		**1.834.502.441**	**2.780.597.863**
OTHER COMPREHENSIVE (EXPENSES) / INCOME:			
Items that will be Reclassified to Profit or Loss			
Items that will not be Reclassified to Profit or Loss		**(6.282.622)**	**1.443.429.962**
Remeasurement (Losses) of Defined Benefit Plans	*17*	*(8.376.829)*	*4.099.069*
Remeasurement (Losses) of Defined Benefit Plans, Tax Effect	*17*	*2.094.207*	*(819.814)*
Earnings from Investments in Equity-Based Financial Instruments		-	*1.515.948.113*
Tax (Expense) / Income Regarding Other Comprehensive Expenses		-	*(75.797.406)*
OTHER COMPREHENSIVE INCOME / (EXPENSES)		**(6.282.622)**	**1.443.429.962**
TOTAL COMPREHENSIVE INCOME		**1.828.219.819**	**4.224.027.825**
Total Comprehensive Income Attributable To:		**1.828.219.819**	**4.224.027.825**
Non-Controlling Interests		(4.605)	(17.562)
Equity of the Parent Company		1.828.224.424	4.224.045.387

CONVENIENCE TRANSLATION OF THE REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
NUH ÇİMENTO SANAYİ A.Ş. AND ITS SUBSIDIARIES

AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD 1 JANUARY - 31 DECEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") in purchasing power terms as of December 31, 2024, reflecting the effects of inflation, unless otherwise stated.)

				Accumulated Other Comprehensive Income or Expenses that will not be Reclassified Subsequently to Profit or Loss				Retained Earnings				
	Not	Paid-in Capital	Capital Adjustment Difference	Gain / (Loss) on Remeasurement of Defined Benefit Plans	Gains from Investments in Equity Financial Instruments	Restricted Reserves Appropriated from Profit	Dividend Advance Paid	Retained Earnings	Net Profit for the Period	Total Equity Attributable to the Parent	Non-Controlling Interests	Equity
Balances as of 1 January 2023		**150.213.600**	**4.025.730.271**	**(121.551.021)**	**751.723.551**	**3.816.926.041**	-	**4.926.560.476**	**3.102.636.346**	**16.652.239.264**	**11.700**	**16.652.250.964**
Restatement Effect (*)		-	-	-	(165.905.919)	-		165.905.919	-	-	-	-
Balances as of 1 January 2023		**150.213.600**	**4.025.730.271**	**(121.551.021)**	**585.817.632**	**3.816.926.041**	-	**5.092.466.395**	**3.102.636.346**	**16.652.239.264**	**11.700**	**16.652.250.964**
Transfers		-	-	-	-	229.906.256	-	2.872.730.090	(3.102.636.346)	-	-	-
Total comprehensive income		-	-	3.279.255	1.440.150.707	-	-	-	-	**1.443.429.963**	-	**1.443.429.963**
Period Net Profit		-	-	-	-	-	-	-	2.780.615.425	**2.780.615.425**	(17.562)	**2.780.597.863**
Dividends	19	-	-	-	-	-	-	(1.630.277.288)	-	**(1.630.277.288)**	-	**(1.630.277.288)**
Balance at 31 December 2023		**150.213.600**	**4.025.730.271**	**(118.271.766)**	**2.025.968.339**	**4.046.832.297**	-	**6.334.919.197**	**2.780.615.425**	**19.246.007.363**	**(5.862)**	**19.246.001.501**
Balances as of 1 January 2024		**150.213.600**	**4.025.730.271**	**(118.271.766)**	**2.255.570.150**	**4.046.832.297**	-	**6.095.386.270**	**2.908.162.181**	**19.373.554.119**	**(5.862)**	**19.373.548.257**
Restatement Effect (*)		-	-	-	(229.601.811)	-	-	239.532.927	(127.546.756)	**(127.546.756)**	-	**(127.546.756)**
Balances as of 1 January 2024		**150.213.600**	**4.025.730.271**	**(118.271.766)**	**2.025.968.339**	**4.046.832.297**		**6.334.919.197**	**2.780.615.425**	**19.246.007.363**	**(5.862)**	**19.246.001.501**
Transfers		-	-	-	-	302.188.223	-	2.478.427.202	(2.780.615.425)	-	-	-
Other Amounts Reclassified from Accumulated Other Comprehensive Income to Retained Earnings (Losses)		-	-	-	(2.025.968.339)	-	-	2.025.968.339	-	-	-	-
Total comprehensive income		-	-	(6.282.622)	-	-	-	-	-	**(6.282.622)**	-	**(6.282.622)**
Period Net Profit		-	-	-	-	-	-	-	1.834.507.046	**1.834.507.046**	(4.605)	**1.834.502.441**
Dividends	19	-	-	-	-	-	(435.619.440)	(1.166.670.935)	-	**(1.602.290.375)**	-	**(1.602.290.375)**
Balances as of 31 December 2024		**150.213.600**	**4.025.730.271**	**(124.554.388)**	-	**4.349.020.520**	**(435.619.440)**	**9.672.643.803**	**1.834.507.046**	**19.471.941.412**	**(10.467)**	**19.471.930.945**

(*) Note 2.3.

The accompanying notes from an integral part of these consolidated financial statements.

5

CONVENIENCE TRANSLATION OF THE REPORT AND THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
NUH ÇİMENTO SANAYİ A.Ş. AND ITS SUBSIDIARIES
AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS AS OF 31 DECEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") in purchasing power terms as of December 31, 2024, reflecting the effects of inflation, unless otherwise stated.)

	Notes	Current Period 1 January- 31 December 2024	Prior Period 1 January- 31 December 2023
A. Cash Flows from Operating Activities			
Profit for the Period		**1.834.502.441**	**2.780.597.863**
Adjustments Related to Reconciliation of Net Profit for the Period			
Adjustments Related to Depreciation and Amortisation	22	1.178.577.359	988.259.740
- Adjustments Related to Impairment in Receivables	6	*8.627.653*	24.605.676
- Adjustments Related to Legal Claims	16	*7.891.297*	15.088.354
- Adjustments Related to (Reversal of) Provisions Allocated Within the Framework of Sectoral Requirements	16	*21.041.081*	42.567.759
- Adjustments Related to Provision for Employee Benefits	17	110.902.219	155.623.482
Adjustments Related to Tax Income / Expense	26	1.001.168.062	600.180.052
Adjustments Related to Unrealized Foreign Currency Translation Differences		391.520.741	668.425.819
- Adjustments Related to Interest Income	25	*(1.859.942.141)*	*(281.846.007)*
- Adjustments Related to Interest Expense	25	*285.944.643*	*239.407.021*
- Adjustments Related to Gain on Disposal of Property, Plant and Equipment	24	*992.284*	*(107.770.148)*
- Adjustments Related to Gain on Disposal of Investment Properties	24	(31.835.920)	-
- Adjustments Related to Losses (Gains) on Disposal of Financial Investments		309.841.970	-
Monetary loss/gain		935.489.504	1.302.183.553
		4.194.721.193	**6.427.323.164**
Changes in working capital			
- Adjustments Related to Increase in Inventories		(132.923.325)	(445.404.636)
- Adjustments Related to Increase in Trade Receivables		(278.570.512)	(889.699.133)
- Adjustments Related to Increase in Other Receivables from Operating Activities		(475.334.971)	154.919.624
- Adjustments Related to Decrease in Trade Payables		799.478.203	255.533.658
- Adjustments Related to Decrease in Other Payables from Operating Activities		36.134.015	(5.467.997)
Net Cash Flows Generated from Operating Activities		**4.143.504.603**	**5.497.204.681**
Taxes Paid/Returns	26	(720.949.968)	(654.935.468)
Legal Claims Paid	16	(1.696.508)	(2.056.793)
Employee Benefits Paid	17	(51.881.898)	(174.611.644)
		3.368.976.229	**4.665.600.776**
B. Cash Flows from Investing Activities			
Cash Outflows from Purchases of Property, Plant and Equipment and Intangible Assets	*12,13*	(1.521.341.238)	(1.728.292.977)
Cash Inflows from Sales of Property, Plant and Equipment and Intangible Assets	*12,13*	3.586.529	140.218.094
Cash Inflows from Sales of Investment Properties		-	7.282.280
Cash outflows from financial investments		(47.892.237)	-
Cash inflows from financial investments		3.882.898.115	292.662.323
Adjustments Related to Interest Income	*25*	18.015.944	17.711.820
		2.335.267.113	**(1.270.418.459)**
C. Cash Flows from Financing Activities			
Dividend Paid		(1.166.670.935)	(1.630.277.288)
Interest Paid		(253.487.819)	(245.853.694)
Cash Inflows / (Outflows) from Borrowings, net	*28*	(1.006.873.382)	765.050.439
Cash Outflows from Repayment of Lease Liabilities	*28*	145.183.670	(28.504.779)
Interest Received		1.859.942.141	281.846.007
		(421.906.325)	**(857.739.315)**
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		(1.784.466.983)	(1.069.575.078)
NET INCREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECTS OF FOREIGN CURRENCY TRANSLATION DIFFERENCES (A+B+C)		**3.497.870.034**	**1.467.867.923**
Effect of foreign currency translation differences on cash and cash equivalents		(28.804.660)	(15.528.406)
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (A+B+C+D)	34	4.173.183.522	2.720.844.005
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D)	34	**7.642.248.896**	**4.173.183.522**

(*) Note 2.3.

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1. ORGANIZATION AND OPERATIONS OF THE GROUP

Nuh Çimento Sanayi A.Ş. ("Nuh Çimento" or "the Company") and its subsidiaries ("the Group") are joint stock and limited liability companies and their principal activities are production of various types of cement, lime, ready-mixed concrete, gas concrete, electricity generation, transportation, real estate and marketable securities management, import, export service and trade sectors.

The head office address of the Company is Hacı Akif Mah. D-100 Karayolu Cad. No:92 Körfez / Kocaeli.

The Company is registered with the Capital Markets Board ("CMB") and 18,82 % of its shares are open to the public. It has been traded on Borsa Istanbul ("BIST") since 24 February 2000.

The details of the reporting according to the fields of activity and geographical sections related to the ongoing activities of the Group are included in the Note 4.

As of 31 December 2024 and 2023, the average number of personnel of the Group is categorized as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
White collar	1.146	1.088
Blue collar	342	337
	1.488	1.425

The main shareholder of the Group and the parties that hold the main control are Nuh Ticaret Sanayi ve Ticaret A.Ş. and Partaş Capital Danışmanlık A.Ş. companies, respectively.

Shareholders	31 December 2024	31 December 2023
Nuh Ticaret Sanayi ve Ticaret A.Ş.	44,13%	44,13%
Partaş Tekstil İnşaat Sanayi ve Ticaret A.Ş.	16,32%	16,32%
Traded on BIST	18,82%	17,35%
Other (*)	20,73%	22,20%
Total Shares	100,00%	100,00%

(*) Represents total of shares less than 5%.

Approval of the Consolidated Financial Statements:

The consolidated financial statements have been approved for issue by the Board of Directors on 26 February 2025.General Assembly and other regulatory authorities have the right to restate the legal financial statements, base of the accompanying financial statements, after the financial statements is published.

1. ORGANIZATION AND OPERATIONS OF THE GROUP (cont'd)

Subsidiaries:

The details of the Company's subsidiaries and joint ventures are as follows:

Nuh Beton A.Ş. ("Nuh Beton")

Nuh Beton started to produce ready-mixed concrete in 1987 at the Bostancı facility as a separate entity of Nuh Çimento parallel to the developments in concrete industry, new facilities were established in Hereke, Büyükbakkalköy, İkitelli, Büyükçekmece and İzmit.

In order to get better organized in the rapid developing ready-mixed concrete sector, the facilities separated from Nuh Çimento and Nuh Beton A.Ş. (Nuh Beton) was established in 1995. Besides, approximately 87 thousand m² shopping center and hotel constructions on the land owned by Nuh Beton in Bostancı were finalized in and carried to financial statements as investment property.

Nuh Yapı Ürünleri A.Ş. ("Nuh Yapı")

A lime factory with a capacity of 160,000 m3/year within the body of Nuh Çimento in 1984, and a gas concrete brick plant with a capacity of 160,000 tons/year in 1996, became operational.

The legal establishment of Nuh Yapı was realized in 1995. In 1998, the Company started its operations with two facilities stated above and machine factory which was a part of Nuh Çimento and mainly serves the Nuh group companies in the production of equipment and projects for maintenance, repair and investments.

Nuh Yapı completed the construction of aerated concrete block production facility, in 2008 with an annual capacity of 400,000 m³, which was started in 2007. Besides, the limestone production facility whose investment started in 2007 was completed at the end of 2010 with an annual quicklime production capacity of 212,000 tons.

Nuh Gayrimenkul İnşaat A.Ş. (Nuh Gayrimenkul)

Nuh Gayrimenkul was established in 1997 for the purpose of ensuring efficient use of the real estate within the structure of the Group companies, of production and project preparation operations in the construction sector.

Çim-Nak Taşımacılık Limited Şirketi (Çim-Nak)

It was established in 1979 to provide maritime and land transportation services, mine ores management and sea transportation services.

Çim-Nak still continues its activities by providing services to its main partner, Nuh Çimento, for mine ore management and sea transportation.

Navig Holding Trade B.V. (Navig)

Navig was established in 1997 in Netherlands with the 100% participation of Nuh Çimento to assist the export-import operations of the Group's firms, finding long-term external credits for investments and making securities investments. The activities of the Company are not at a significant level for the Group.

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1. ORGANIZATION AND OPERATIONS OF THE GROUP (cont'd)

Subsidiaries: (cont'd)

Nuh Agro Tarım A.Ş. (Nuh Agro)

It was established in 2019 to operate in the medical, medicinal and aromatic plants sector. Its capital is TL 100,000. The Company has a total of 85% share in the subsidiary. The activities of the Company are not at a significant level for the Group.

Financial Investments

Oyak Çimento Fabrikaları A.Ş. ("Oyak Çimento")

All of the shares of Oyak Çimento Fabrikaları A.Ş. ("Oyak Çimento"), which the Group owns 4,24% and accounted as financial investment, were sold back to Oyak Çimento on 29 July 2024 at an indexed price of TL 4.333.766.105 (nominal TL 3.864.882.771) within the scope of the obligation to make a share purchase offer arising within the scope of the provisions of the "Share Purchase Offer Communiqué" numbered II-26.1 of the Capital Markets Board due to the change of management control of Oyak Çimento. The fair value of these shares at the transaction date is indexed TL 4,639,936,791 (nominal TL 4,639,936,791) and the difference of indexed TL 306,170,685 (nominal TL 273,045,106) between the sales price and fair value is recognized as loss on marketable securities (Note 24). The fair value differences amounting to TL 2.025.968.339 after tax, which were recognized as accumulated other comprehensive income that will not be reclassified to profit or loss in equity, have been transferred to retained earnings.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of Compliance with TFRS

The accompanying consolidated financial statements have been prepared in accordance with the Turkish Financial Reporting Standards ("TFRSs") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") as adopted by the CMB in accordance with the Communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette numbered 28676 on June 13, 2013. TFRSs include Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TAS Interpretations and TFRS Interpretations issued by POA.

The consolidated financial statements are presented in accordance with the formats specified in the "Announcement on TFRS Taxonomy" published by POA on April 15, 2019 and the Financial Statement Examples and User Guide published by CMB.

The Group maintains its books of account and prepares its consolidated financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance of the Republic of Turkey ("Ministry of Finance"). Subsidiaries and associates operating in foreign countries prepare their statutory financial statements in accordance with the laws and regulations in force in the countries in which they operate. The consolidated financial statements are based on the statutory records with adjustments and reclassifications for the purpose of fair presentation in accordance with TFRS. The consolidated financial statements are prepared on the historical cost basis except for financial instruments carried at fair value. The determination of historical cost is generally based on the fair value of the consideration paid for the assets.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Functional Currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of each entity are expressed in TL, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

Restatement of financial statements during periods of high inflation

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

POA made a announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation.

In this framework, while preparing the consolidated financial statements dated 31 December 2024, 31 December 2024 and 2022, inflation adjustment has been made in accordance with TAS 29.

The financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies.

TAS 29 applies to the financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Turkey are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after 31 December 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more than 100%.

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute (TURKSTAT):

Date	Index	Index %	Adjustment coefficient
31.12.2022	1.128,45	64,27	2,379
31.12.2023	1.859,38	64,77	1,444
31.12.2024	2.684,55	44,38	1,000

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Hyperinflation adjustments of financial statements during periods of high inflation (cont'd)

The main lines of TAS 29 indexation transactions are as follows:

• As of the reporting date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.

• Monetary assets and liabilities are expressed in terms of the purchasing power at the reporting date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.

• Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders' equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Company.

• All items in the income statement, except for non-monetary items in the balance sheet that affect the income statement, are indexed with coefficients calculated based on the periods in which the income and expense accounts were first reflected in the financial statements.

• The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

The impact of the application of TAS 29 Inflation Accounting is summarised below:

Restatement of the Statement of Financial Position

Amounts in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognised in profit or loss and presented separately in the statement of comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Cost of inventories sold has been restated using the restated inventory balance.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Depreciation and amortisation expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company. If the subsidiary is a foreign subsidiary, its restated financial statements are translated at the closing rate.

When consolidating financial statements with different reporting period ends, all monetary and non-monetary items are restated in accordance with the measuring unit current at the date of the consolidated financial statements.

Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.

Comparative Information and Restatement of Prior Period Consolidated Financial Statements

The financial statements of the Group include comparative financial information to enable the determination of the financial position and performance trends. In order to comply with the presentation of the current period financial statements, comparative information is reclassed, and significant changes are disclosed if necessary.

Periodicity

The Group's activities are increasing in spring and summer, when construction demand is rising, and the construction industry is reviving.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Basis of consolidation

The details of the Company and its subsidiaries as of 31 December 2024 and 2023 are as follows:

			Share (%)	
Subsidiaries	Location	Currency	31 December 2024	31 December 2023
Nuh Beton A.Ş.	Turkey	TL	%100	%100
Nuh Yapı Ürünleri A.Ş.	Turkey	TL	%100	%100
Çim-Nak Taşımacılık Limited Şirketi	Turkey	TL	%100	%99,99
Nuh Gayrimenkul İnşaat A.Ş.	Turkey	TL	%100	%100
Navig Holding Trade B.V.	Netherlands	Euro	%100	%100
Nuh Agro Tarım A.Ş.	Turkey	TL	%85	%85

All subsidiaries above are recognized in these consolidated financial statements using the full consolidation method.

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Basis of Consolidation (cont'd)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition to the date of disposal.

Profit or loss and each component of other comprehensive income are attributed to the parent and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable TAS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under TAS 39 Financial instruments: recognition and measurement, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Basis of Consolidation (cont'd)

Investments in associates and joint ventures:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A partnership is a joint venture in which entities with joint control in an arrangement have rights to the net assets in the joint arrangement. Joint control is based on the control contract on an economic activity. This control is deemed to exist when the decisions of the relevant activities require the parties sharing the control to agree with the unanimity of votes.

2.2 Changes in Accounting Policies

The Group has applied the accounting policies consistently with the previous year. Significant changes in accounting policies and significant accounting errors are applied retrospectively and prior period financial statements are restated.

2.3 Changes in Accounting Estimates and Errors

If the changes in accounting estimates are for only one period, changes are applied in the period in which the change is made and if the changes in accounting estimates are for future periods, changes are applied both in the period in which the change is made and prospectively in the future periods. The Group has not made any changes in accounting policies in the current year except for the effects of changes in new and revised standards as explained in Note 2.4.

Comparative Information and Restatement of Prior Period Consolidated Financial Statements

Comparative Information

The consolidated financial statements of the Group are prepared comparatively with the prior period in order to enable the determination of the financial position and performance trends. In order to maintain consistency with the presentation of the current period consolidated financial statements, comparative information is reclassified and significant differences are explained if necessary.

- As at December 31, 2023, cheques received amounting to TL 260.632.612 presented in cash and cash equivalents in the statement of financial position are reclassified to trade receivables from third parties.
- As of January 1, 2023, cheques received amounting to TL 144.357.585 presented in cash and cash equivalents in the statement of financial position are reclassified to trade receivables from third parties.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.3 Changes in Accounting Estimates and Errors (cont'd)

Restatement of financial statements

Due to the inflation adjustment calculation of the shares traded on the stock exchange, which are recognized as financial investments by the Group, a reclassification has been made between the monetary gains account in the opening balance sheet and the gains arising from investments in equity-based financial instruments.

In addition, in the inflation adjustment calculation of the Group prepared in accordance with the Tax Procedure Law, there have been changes in the calculation method and the underlying data between the publication date of the financial statements dated December 31, 2023 and the date of declaration of the Corporate Tax. These changes in the inflation adjustment prepared in accordance with the Tax Procedure Law have also caused deferred tax calculations to change.

The Group has retrospectively accounted for the effects of these changes on the basis of each consolidated financial statement item in accordance with "TAS 8 Changes in Accounting Estimates and Errors" and restated the consolidated statements of financial position as at 31 December 2023 and 1 January 2023 and the consolidated statement of profit or loss and consolidated statement of changes in equity for the year ended 31 December 2023. The effects of these restatements on the consolidated statement of financial position and consolidated statement of profit or loss for each consolidated financial statement item are presented in the table below:

1-Jan-2023

	Priorly Reported	Adjustments	Inflation impact	Restated
Assets	**16.377.473.596**	**-**	**7.268.121.571**	**23.645.595.167**
Current Assets	5.846.485.082	-	2.594.598.249	8.441.083.331
Non Current Assets	10.530.988.514	-	4.673.523.322	15.204.511.836
Liabilities	**4.843.748.242**	**-**	**2.149.595.960**	**6.993.344.202**
Current Liabilities	3.168.872.461	-	1.406.306.666	4.575.179.127
Non current Liabilities	1.674.875.781	-	743.289.295	2.418.165.076
Equity	**11.533.725.354**	**-**	**5.118.525.611**	**16.652.250.965**
Retained Earnings	3.394.150.165	192.034.086	1.506.282.144	5.092.466.395
Period Profit /Loss	2.148.956.052	-	953.680.294	3.102.636.346
Other comprehensive income	454.568.695	(192.034.086)	201.732.002	464.266.611
Other	5.536.050.442	-	2.456.831.171	7.992.881.613

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2 BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.3 Changes in Accounting Estimates and Errors (cont'd)

31-Dec-2023

	Priorly Reported	Adjustments	Inflation impact	Restated
Assets	**18.797.531.767**	**146.708.482**	**8.342.122.435**	**27.286.362.684**
Current Assets	5.988.831.237	-	2.657.778.503	8.646.609.740
Non Current Assets	12.808.700.530	146.708.482	5.684.343.932	18.639.752.944
Deferred tax assets	1.792.894.083	146.708.482	795.664.367	2.735.266.932
Other	11.015.806.447	-	4.888.679.565	15.904.486.012
Liabilities	**5.385.856.111**	**264.324.121**	**2.390.180.951**	**8.040.361.183**
Current Liabilities	2.188.907.778	-	971.414.558	3.160.322.336
Non current Liabilities	3.196.948.333	264.324.121	1.418.766.393	4.880.038.847
Deferred Tax liability	1.407.675.964	264.324.121	624.709.298	2.296.709.383
Other	1.789.272.369	-	794.057.095	2.583.329.464
Equity	**13.411.675.656**	**(117.615.639)**	**5.951.941.484**	**19.246.001.501**
Retained Earnings	4.221.802.284	239.532.927	1.873.583.986	6.334.919.197
Period Income /(Loss)	2.014.249.580	(127.546.756)	893.912.601	2.780.615.425
Other compehensive income	1.480.341.163	(229.601.811)	656.957.221	1.907.696.573
Other	5.695.282.629	-	2.527.487.677	8.222.770.306

1January - 31 December 2023

Profit Loss Statement	Priorly Reported	Adjustments	Inflation effect	Restated
Gross Profit	3.201.081.738	-	1.414.700.748	4.615.782.486
Operating imcome	2.315.278.370	-	1.020.492.095	3.335.770.465
Income before tax	2.298.974.077	-	1.081.803.838	3.380.777.915
Tax expense	(601.417.405)	-	(266.901.655)	(868.319.060)
Deferred tax income/expense	316.686.826	(66.003.970)	17.456.152	268.139.008
Monetary gain loss	(95.726.483)	(61.542.786)	80.607.936	(76.661.333)
Net profit/loss	2.014.249.580	(127.546.756)	893.895.039	2.780.597.863

2 BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Accounting Standards

As at December 31, 2024, standards and amendments to existing standards that are issued but not yet effective:

Elimination of Exchangeability - Amendments to IAS 21 Effects of Changes in Foreign Exchange Rates

In August 2023, the International Accounting Standards Board ("IASB") amended IAS 21 to clarify the following::

• when one currency can be converted into another currency; and

• How a company estimates the prevailing (spot) rate when a currency is not tradable.

The related amendments were made and published by the Public Oversight Accounting and Auditing Standards Authority ("POA") in the same manner on June 5, 2024.

At the measurement date and for a particular reason, if an entity is able to exchange one currency for another currency, those currencies are considered to be exchangeable for the entity. However, if the currencies are not exchangeable for the company, the company is required to estimate a spot exchange rate.

When an entity estimates the spot exchange rate, its objective is only to ensure that the exchange rate reflects the rate that would prevail on the measurement date for regular transactions between market participants under current economic conditions. This amendment to the standard does not include specific requirements for estimating the spot exchange rate.

Therefore, an entity may use the following when estimating the spot exchange rate:

• an observable exchange rate that does not require adjustment; or

• another forecasting technique.

Under the amendments, entities will be required to provide new disclosures to help entities assess the impact of the estimated use of foreign exchange rates on the financial statements. These disclosures may include:

• the nature and financial effects of the inability to settle the currency;

• Spot exchange rate used;

• the forecasting process; and

• Risks to which the company is exposed due to the inability to settle the currency.

The amendments are effective for annual periods beginning on or after January 1, 2025. Early application is permitted.

The Group does not expect that application of these amendments will have significant impact on its consolidated financial statements..

2 BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Accounting Standards (cont'd)

The new standards, amendments and interpretations that are issued by the International Accounting Standards Board ("IASB") but not yet issued by the Public Oversight Accounting and Auditing Standards Authority ("POA")

IFRS 18 - Presentation and Disclosures in Financial Statements

On April 9, 2024, the IASB issued IFRS 18 Presentation and Disclosures in Financial Statements, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 carries forward many of the provisions of IAS 1 unchanged.

The objective of IFRS 18 is to set out the requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help provide relevant information that fairly reflects an entity's assets, liabilities, equity, income and expenses.

IFRS 18 introduces three defined categories for income and expenses (operating, investing and financing) to improve the structure of the income statement and requires all entities to present newly defined subtotals, including operating profit.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027 and is applied retrospectively. Early adoption is permitted.

The Group is in the process of assessing the potential impact of adopting IFRS 18 on its consolidated financial statements.

Amendments to Classification and Measurement of Financial Instruments - IFRS 9 Financial Instruments and IFRS 7 Financial Instruments : Changes in disclosure standards

Classification of financial assets with contingent features

The amendments introduce an additional SPPI (principal and interest payment only) test to clarify the classification of financial assets with contingent features that are not directly related to a change in the underlying credit risks or costs - for example, where cash flows vary depending on whether the borrower meets an ESG (environmental, social and governance) objective specified in the loan contract, the classification of that contingent financial asset would be based on the SPPI test. The SPPI test determines whether the asset is recognized at amortized cost or at fair value.

Under the amendments, certain financial assets, including those with ESG-related characteristics, may now meet the SPPI criterion, provided that their cash flows are not materially different from an identical financial asset without such a characteristic. However, companies will need to undertake additional work to prove this, which will require judgment.

The amendments also include additional disclosures for all financial assets and financial liabilities with the following specific contingent characteristics:

- Not directly related to a change in the underlying credit risks or costs; and
- not measured at fair value through profit or loss.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Accounting Standards (cont'd)

Reconciliation with electronic payments

A company that settles a trade payable using an electronic payment system generally derecognizes the trade payable on the settlement date. The amendments introduce an exception to derecognition for such financial liabilities. This exception allows a company to derecognize a trade payable before the settlement date if the company uses an electronic payment system that meets all of the following criteria

- It is not possible to withdraw, stop or cancel the payment instruction;

- there is no ability to access cash to be used for payment as a result of the payment instruction; and the settlement risk associated with the electronic payment system is insignificant.

Other changes

Contractual instruments (CLIs) and non-recourse features

The amendments clarify the key features of contractual instruments and how they differ from financial assets with non-recourse features. The amendments also set out the factors that an entity should consider when assessing the cash flows that comprise its financial assets with non-recourse features (the 'review' test).

Disclosures on investments in equity instruments

The amendments require additional disclosures for investments in equity instruments measured at fair value with gains or losses recognized in other comprehensive income (FVOCI).

The amendments are effective for annual periods beginning on or after January 1, 2026. Entities may choose to early adopt these amendments (including the related disclosure requirements) separately from the amendments on recognition and derecognition of financial assets and financial liabilities.

The Group does not expect that application of these amendments to IFRS 9 and IFRS 7 will have significant impact on its consolidated financial statements.

IFRS 19 Subsidiaries that are not accountable to the public: Disclosures

Subsidiaries of companies that use IFRS Accounting Standards may significantly reduce their disclosures and focus more on the needs of users following the issuance of IFRS 19.

A subsidiary may elect to apply the new standard in its consolidated, separate or individual financial statements if it meets the following criteria

-lack of accountability to the public

-The parent company prepares consolidated financial statements in accordance with IFRSs.

A subsidiary that applies the reduced disclosure standards in IFRS 19 will fully comply with the recognition, measurement and presentation requirements of IFRSs, but will reduce disclosures and will be required to clearly and unambiguously state that it applies IFRS 19 in its statement of compliance with IFRSs.

The amendments are effective for annual periods beginning on or after January 1, 2027. Early application is permitted.

The Group does not expect that application of IFRS 19 will have significant impact on its consolidated financial statements.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Accounting Standards (cont'd)

Annual Improvements to IFRSs - Amendment 11:

The annual improvements process aims to improve the clarity and internal consistency of IFRS Accounting Standards. In July 2024, the IASB issued "Annual Improvements to IFRS Accounting Standards-11th Amendment" to make minor amendments to five standards.

Transaction Price (Amendments to IFRS 9: Financial Instruments) : 'Transaction price' in IFRS 9, which is used in some paragraphs of IFRS 9 in a sense that is not necessarily consistent with its definition in IFRS 15, has been updated to replace it with 'amount determined by applying IFRS 15'.

Derecognition of lease liabilities (Amendments to IFRS 9: Financial Instruments) : When a lease liability is derecognized, the transaction is accounted for in accordance with IFRS 9. However, a lease modification is accounted for in accordance with IFRS 16. The IASB's amendment clarifies that when a lease liability is derecognized under IFRS 9, the difference between the carrying amount and the consideration paid is recognized in profit or loss. The amendment applies only to lease liabilities that expire after the beginning of the annual reporting period in which the amendment is first applied. The amendments are effective for annual periods beginning on or after January 1, 2026. Early application is permitted.

Hedge Accounting for First-Time Adopters (Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards)
IFRS 1 has been amended to:
- Increase consistency with the requirements in IFRS 9 on hedge accounting;
- To improve clarity
IFRS 1 adds a cross-reference to IFRS 9 in the "Exception for retrospective application of other IFRSs" section.
Profit or Loss on Derecognition (Amendments to IFRS 7 Financial Instruments: Disclosures):
A statement has been added to clarify that the guidance in IFRS 7 does not sample all the requirements for recognizing gains and losses on derecognition. In addition, the phrase "inputs that are not based on observable market data" has been corrected to "unobservable inputs" to align with IFRS 13 terminology.

Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to IFRS 7 Financial Instruments: Disclosures):
The unadjusted wording from IFRS 13, issued in May 2011, simplifies and clarifies the concept that a transaction price may differ from fair value at initial recognition. Fair value is not supported by a price that is quoted in an active market for the same asset or liability (a Level 1 input) or a valuation technique based solely on observable market data. (In these cases, the difference will be recognized in profit or loss in subsequent periods in accordance with IFRS 9).

Credit Risk Disclosures: Amended paragraph IG1 to clarify that it does not necessarily exemplify all the requirements in the referenced paragraphs of IFRS 7.

Designation of a Fiduciary (Amendments to IFRS 10 Consolidated Financial Statements): The investor's determination of whether another party is acting on its behalf has been amended to use less precise language to determine whether a party is acting as a de facto agent when the parties directing the investor's activities have the ability to direct that party to act on the investor's behalf, in which case an assessment is required.
Cost Method (Amendments to IAS 7)
Following the removal of "cost method" in the previous amendments, the wording in IAS 7 has been corrected from "cost method" to "accounted for at cost".

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Accounting Standards (cont'd)

Contracts for Electricity Generated from Natural Resources - Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB amended IFRS 9 to address challenges in applying IFRS 9 to contracts for electricity generated from natural resources, sometimes called renewable energy supply agreements ("RESAs"). The amendments include guidance on
- The "own use" exemption for electricity purchasers under such NETAs; and
- Hedge accounting requirements for entities that hedge electricity purchases or sales using NETAs.
- IFRS 7 Financial Instruments: Disclosures and IFRS 19 Non-public Subsidiaries: Disclosures, new disclosure requirements for certain NETAs.

These amendments are effective for reporting periods beginning on or after January 1, 2026. Early application is permitted.

Self-use Exemption for YETAs
If the own-use exemption under IFRS 9 is not applied when purchasing electricity through NETAs, the NETAs are treated as derivatives and measured at fair value through profit or loss, which can lead to significant volatility in the income statement because NETAs are generally long-term contracts.
In order for the own-use exemption to apply to NETs, IFRS 9 requires entities to assess whether the contract is appropriate for the entity's expected purchase or use requirements - for example, if the entity expects to consume the purchased electricity. The unique characteristics of electricity, its inability to be stored, and the requirement to sell unused electricity to the market within a short period of time, and for those sales to occur on market terms, are not subject to short-term price speculation, which has created a need for clarity in applying the current exemption. The amendments allow companies to apply the own-use exemption for NETAs if they are expected to continue to be net buyers of electricity during the contract period.

These amendments are applied retrospectively based on the facts and circumstances at the beginning of the first application reporting period, without requiring restatement of prior periods.

Hedge Accounting Requirement for YETAs
The hedge accounting requirements in IFRS 9 have been amended to permit the application of hedge accounting for NETAs, as virtual NETAs (contracts for difference) and NETAs that do not meet the own-use exemption are accounted for as derivatives and measured at fair value through profit or loss. This change is intended to reduce profit or loss volatility:

- It allows entities to designate a variable nominal volume of renewable electricity sales or purchases as the hedging instrument, rather than a fixed volume.

- It allows them to measure the hedged item with the same volume assumptions used as the hedging instrument.

These amendments apply prospectively only to new hedging transactions designated after the date of initial application. It also allows entities to terminate an existing hedge accounting relationship and designate the same hedging instrument (i.e. contracts for electricity generated from natural resources) in a new hedging relationship and apply the amendments.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.4 New and Revised Turkish Accounting Standards (cont'd)

Changes that have entered into force and have been implemented

Effective for annual periods beginning on or after January 1, 2024, the amendments are as follows:

1) Classification of Liabilities as Current or Non-Current (Amendments to TAS 1)

2) Lease liability in sale and leaseback transactions - Amendments to TFRS 16 Leases

3) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Amendments to Disclosures - Supplier Financing Agreements
4) TSRS 1 General requirements for disclosure of sustainability-related financial information and TSRS 2 Climate-related disclosures

5) International Tax Reform - Second Pillar Model Rules - Amendments to IAS 12 : The IASB has amended IAS 12 to introduce a temporary mandatory exemption from accounting for deferred tax arising from legislation implementing the Global Anti-Baseline Erosion Rules ("GloBE model rules"). Under this exemption, companies are exempted from the obligation to recognize and disclose deferred tax on additional tax. However, they are required to disclose that the exemption applies.

The exemption is effective immediately and is applied retrospectively in accordance with IAS 8. It will remain in effect until the IASB decides to remove or make permanent this exemption. The related amendments have been issued by POA by amending TAS 12 in the same way.

These newly adopted amendments did not have a significant impact on the Group's consolidated financial statements.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies

Related Parties

Related parties are individuals or businesses that are related to the entity that prepares its financial statements (the reporting entity).

a) A person or a member of that person's immediate family is related to the reporting entity if:

(i) has control or joint control over the reporting entity,
(ii) has significant influence over the reporting entity,
(iii) is a member of the key management personnel of the reporting entity or a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions are met:

(i) The entity and the reporting entity are members of the same group (i.e. each parent, subsidiary and other subsidiary is related to the others).

(ii) The entity is an associate or joint venture of the other entity (or a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of that third entity.

(v) The entity has a post-employment benefit plan for employees of the reporting entity or of an entity related to the reporting entity. If the reporting entity itself has such a plan, the sponsoring employers are also related to the reporting entity.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) a person identified in clause (i) of clause (a) has significant influence over the entity or is a member of the key management personnel of that entity (or of its parent).

A related party transaction is the transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a consideration is received.

Revenue

Revenue is reflected in the consolidated financial statements based on the transaction price. The transaction price is the amount that the company expects to be entitled to in return for transferring the promised goods or services to the customer, excluding the amounts collected on behalf of third parties. When the control of the goods or services is transferred to its customers, the Group reflects the relevant amount as revenue in its consolidated financial statements.

The Group recognizes revenue in its consolidated financial statements within the scope of the five-stage model below in accordance with TFRS 15 "Revenue from Customer Contracts Standard", which entered into force as of January 1, 2018.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Revenue (cont'd)

• Defining contracts with customers
• Defining performance obligations in contracts
• Determining transaction price in contracts
• Allocating transaction price to performance obligations.
• Recognizing revenue

The Group evaluates the cement and clinkers it commits to in each contract with customers and determines each commitment to transfer the relevant goods or services as a separate performance obligation. For each performance obligation, whether the performance obligation will be fulfilled over time or at a specific time is determined at the beginning of the contract. If the Group transfers control of a good or service over time and therefore fulfills its performance obligations related to the relevant sales over time, it measures the progress towards fulfilling the relevant performance obligations completely and records the revenue in the financial statements over time. When the Company fulfills or continues to fulfill its performance obligation by transferring a promised good or service to its customer, it records the transaction price corresponding to this performance obligation as revenue in its financial statements. When the control of the goods or services is transferred (or passed) to the customers, the goods or services are transferred. When the Group evaluates the transfer of control of the sold good or service to the customer, it considers:

• The Group's ownership of the right to collect the goods or services,
• The customer's ownership of the legal title to the goods or services,
• The transfer of control over the goods or services,
• The customer's ownership of significant risks and rewards arising from ownership of the goods or services,
• The customer's acceptance conditions for the goods or services are taken into account.

Significant financing component

The Company reviews the amount reflecting the cash sales price of the promised goods or services with the amount committed to be paid for the effect of a significant financing component. As a practical application, if the Company expects the period between customer payment and transfer of goods or services to be one year or less at the inception of the contract, it may not adjust the transaction price for the effects of a significant financing component. In cases where the Company's obligations during the period, advances received and the payment schedule are broadly consistent, the Company assesses that the period between fulfillment of the obligation and payment will never exceed 12 months. If the expiration date between the date of transfer of the goods or services and the date on which the customer pays for the goods or services is one year or less by utilizing the facilitative application in IFRS 15, no adjustment is made to the transaction price for the effect of a significant financing component.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Stocks

Stocks are valued at the lower of cost and net realizable value. Costs, which include a portion of fixed and variable general production expenses, are valued according to the method appropriate to the class to which the stocks are affiliated, and mostly according to the weighted average cost method. Net realizable value is obtained by deducting the total of the estimated completion cost and the estimated costs to be incurred to make the sale from the estimated sales price incurred in ordinary commercial activities. When the net realizable value of stocks falls below their cost, stocks are reduced to their net realizable value and reflected as an expense in the profit or loss statement in the year in which the value decrease occurs. In cases where the conditions that previously caused stocks to be reduced to net realizable value are no longer valid or when it is proven that there has been an increase in net realizable value due to changing economic conditions, the allocated value decrease provision is cancelled. The cancelled amount is limited to the previously allocated value decrease amount.

Property Plant Equipment

Property Plant Equipment are shown at the amount after deducting accumulated depreciation and accumulated value decreases from their cost values. Land and plots are not subject to depreciation and are shown at the amount after deducting accumulated value decreases from their cost values.

Assets under construction for administrative purposes or other purposes not yet determined are shown at their cost values minus any value decreases. Legal fees are also included in the cost. When the construction of these assets is completed and they are ready for use, they are classified into the relevant tangible fixed asset item. Such assets are depreciated when they are ready for use, as in the depreciation method used for other fixed assets.

Except for land and investments in progress, the cost amounts of tangible fixed assets are depreciated using the straight-line depreciation method according to their expected useful lives. The expected useful lives, residual values and depreciation methods are reviewed annually for the possible effects of changes in estimates and if there is a change in estimates, they are accounted for prospectively.

There are spare parts transferred from stocks in tangible fixed assets. These spare parts are kept in hand due to the fact that the operations of the machinery and equipment used in production are not interrupted. However, they are ready to be used. The Group follows the spare parts in tangible fixed assets in terms of its accounting policy. Since they have not yet started to be used and there is no risk of depreciation, depreciation is not applied.

When a tangible fixed asset is disposed of or if no future economic benefit is expected from its use or sale, it is excluded from the financial position statement. The gain or loss arising from the disposal of tangible fixed assets or the decommissioning of a tangible fixed asset is determined as the difference between the sales revenue and the book value of the asset and is included in the profit or loss statement.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Intangible Fixed Assets

Goodwill

Business combinations are accounted for using the purchase method within the scope of TFRS 3, "Business Combinations" standard. The difference between the purchase price and the (i) value of net identifiable assets and contingent liabilities in the statement of financial position prepared in accordance with TFRS 3 on the purchase date, (ii) value of non-controlling interests and (iii) fair value of previously held shares of the acquired business is accounted for as goodwill. If this difference is negative, no goodwill is created and the difference is accounted for in the "Income from investment activities" account as gain from bargain purchase. Goodwill resulting from a business combination is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to cash-generating units or groups of cash-generating units expected to provide benefits.

In this method, the purchase price is measured at the fair value of cash or other assets given, capital instruments issued or liabilities assumed on the purchase date. If the business combination agreement includes provisions that foresee that the purchase price may be adjusted depending on future events; If this correction is probable and its value can be determined, this correction is included in the purchase price on the merger date. The costs related to the purchase transaction are expensed in the period they are incurred.

In the consolidated financial position statement of the acquired company, as of the purchase date and in accordance with the provisions of TFRS 3, the identifiable assets, liabilities and contingent liabilities of the acquired company are measured at their fair values.

Goodwill generated during the business combination is not subject to amortization, but is instead subject to an impairment test once a year (as of December 31) or at more frequent intervals when conditions indicate an impairment. Impairment losses calculated on goodwill are not associated with the profit or loss statement in subsequent periods, even if the impairment in question is eliminated. Goodwill is associated with cash-generating units during the impairment test. Legal mergers between businesses controlled by the Group are not evaluated within the scope of TFRS 3. Therefore, goodwill is not recognized in such transactions.

Computer software

Purchased computer software is capitalized based on the costs incurred during purchase and from the time it is purchased until it is ready for use. These costs are amortized over their useful lives.

Costs associated with developing and maintaining computer software are recorded in the profit or loss statement in the period they are incurred. Expenses that are directly attributable to identifiable and unique software products that are under the Group's control and that will provide economic benefits above their cost for more than one year are considered intangible assets. Costs include the costs of employees developing the software and a portion of general production expenses.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Derecognition of intangible assets

An intangible asset is derecognized when it is disposed of or when no future economic benefits are expected to be obtained from its use or sale. The profit or loss arising from the derecognizing of an intangible asset is calculated as the difference between the net collections from the disposal of the assets, if any, and their book values. This difference is recognized in profit or loss when the relevant asset is derecognized.

Impairment of Propery Plant Equipment and Intangible Fixed Assets Other Than Goodwill

The Group reviews the carrying amount of its tangible and intangible assets, excluding goodwill, to determine whether there is an impairment in its assets at each reporting date. In the event of impairment in assets, the recoverable amount of the assets, if any, is measured to determine the amount of the impairment. In cases where the recoverable amount of an asset cannot be measured, the Group measures the recoverable amount of the cash-generating unit associated with the asset. If a reasonable and consistent allocation basis is determined, the company's assets are allocated to the cash-generating units. In cases where this is not possible, the Group's assets are allocated to the smallest cash-generating units to determine a reasonable and consistent allocation basis.

Intangible assets with indefinite economic lives that are not ready for use are tested for impairment at least once a year or if there is an indication of impairment. The recoverable amount is the higher of the fair value of an asset or cash-generating unit less costs to sell and its value in use. The value in use is the present value of the future cash flows expected to be obtained from an asset or cash-generating unit. In calculating the value in use, a pre-tax discount rate reflecting the value in use of money according to the current market valuation and the risks specific to the asset that are not taken into account in future cash flow estimates is used.

In cases where the recoverable amount of an asset (or cash-generating unit) is lower than its book value, the book value of the asset (or cash-generating unit) is reduced to its recoverable amount. In cases where the relevant asset is not measured at the revalued amount, the impairment loss is recognized directly in profit/loss.

In cases where the impairment loss is reversed in subsequent periods, the book value of the asset (or cash-generating unit) is increased to match the updated estimated amount for the recoverable amount. The increased book value should not exceed the book value that the asset (or cash-generating unit) would have reached if no impairment loss had been recognized for the asset in previous periods. Unless the asset is shown at a revalued amount, the reversal of the impairment loss is directly recognized in profit/loss.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Borrowing Costs

In the case of assets that require significant time to be ready for use and sale (specialized assets), borrowing costs directly associated with their purchase, construction or production are included in the cost of the asset until the relevant asset is ready for use or sale. There are no special assets as of December 31, 2024 and 2023.

Financial Instruments

Financial assets and liabilities are recognized in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets and liabilities are initially measured at their fair value. Transaction costs directly related to the acquisition or issuance of financial assets and liabilities (excluding financial assets and liabilities at fair value through profit or loss) are added to or subtracted from the fair value of those financial assets and liabilities, as appropriate, at initial recognition. Transaction costs directly related to the acquisition or issuance of financial assets and liabilities are directly reflected in profit or loss.

Financial assets

Financial assets traded through regular means are recognized or excluded at the transaction date.

The Group classifies its financial assets as measured at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss, based on the characteristics of the contractual cash flows of the financial asset. When an entity changes its business model for managing financial assets only, it reclassifies all financial assets affected by this change. The reclassification of financial assets is applied prospectively from the reclassification date. In such cases, no adjustments are made to previously recognized gains, losses (including impairment gains or losses) or interest.

Classification of financial assets

Financial assets are subsequently measured at amortised cost if:

• the financial asset is held within a business model that aims to collect contractual cash flows; and
• the contractual terms of the financial asset result in cash flows that consist solely of payments of principal and interest on the principal outstanding on specified dates.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Classification of financial assets (cont'd)

Financial assets that meet the following conditions are measured at FVTPL:
• The financial asset is held within a business model that aims to collect contractual cash flows and sell the financial asset; and
• The contractual terms of the financial asset result in cash flows that consist solely of payments of principal and interest on the principal outstanding on specified dates.

If a financial asset is not measured at amortized cost or FVTPL, it is measured at FVTPL.

On initial recognition, the Group may make an irrevocable choice to present subsequent changes in the fair value of an investment in an equity instrument not held for trading purposes in FVTPL.

Amortized cost and effective interest method

Interest income for financial assets stated at amortized cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income to the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset, except for the following:

(a) Financial assets that are credit-impaired when purchased or originated. For such financial assets, the entity applies the credit-adjusted effective interest rate to the amortized cost of the financial asset from the initial recognition in the financial statements.

(b) Financial assets that are not credit-impaired financial assets when purchased or originated but subsequently become credit-impaired financial assets. For such financial assets, the entity applies the effective interest rate to the amortized cost of the asset in subsequent reporting periods.

Interest income is recognized using the effective interest method for debt instruments whose amortized cost and fair value changes are reflected in other comprehensive income in subsequent accounting.

Interest income is recognized in profit or loss and shown in the "finance income – interest income" line item (Note 25).

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Financial assets (cont'd)

Classification of financial assets (continued)

(ii) Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria for measurement at amortised cost or FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each period and all changes in fair value are recognised in profit or loss, unless the related financial assets are part of a hedging transaction.

(iii) Equity instruments at FVTPL

On initial recognition, the Group may make an irrevocable choice to present subsequent changes in the fair value of each equity instrument not held for trading in other comprehensive income.

A financial asset is deemed to be held for trading if:

• is acquired for sale in the near future; or
• is part of a portfolio of certain financial instruments that the Group manages together at the time of initial recognition and there is recent evidence that the Group has a short-term profit-making tendency; or
• is a derivative instrument (excluding derivative instruments that are financial guarantee contracts or designated and effective hedging instruments).

Investments in equity instruments at fair value through other comprehensive income are initially measured at fair value plus transaction costs. Gains and losses arising from changes in fair value are subsequently recognised in other comprehensive income and accumulate in the revaluation reserve. In the event of disposal of equity investments, the accumulated total gain or loss is transferred to retained earnings.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Financial assets (cont'd)

Exchange rate gains and losses

The carrying amount of financial assets in foreign currency is determined in the relevant foreign currency and translated at the applicable exchange rate at the end of each reporting period. In particular,

• For financial assets carried at amortised cost and not part of an identified hedging transaction, exchange rate differences are recognised in profit or loss;
• For debt instruments measured at fair value through other comprehensive income and not part of an identified hedging transaction, exchange rate differences calculated on the amortised cost are recognised in profit or loss for the period. All other exchange rate differences are recognised in other comprehensive income;
• For financial assets measured at fair value through profit or loss and not part of an identified hedging transaction, exchange rate differences are recognised in profit or loss for the period; and
• For equity instruments measured at fair value through other comprehensive income, exchange rate differences are recognised in other comprehensive income.

Impairment of financial assets

The Group recognizes impairment provisions in its financial statements for debt instruments, lease receivables, trade receivables, assets arising from contracts with customers and also expected credit losses related to investments in financial guarantee agreements, which are measured at amortized cost or at fair value through other comprehensive income. The expected credit loss amount is updated in each reporting period to reflect changes in credit risk since the initial recognition of the relevant financial asset in the financial statements.

The Group calculates impairment provisions for trade receivables, assets arising from contracts with customers and lease receivables without significant financing elements by using the simplified approach at an amount equal to the expected credit loss over the life of the relevant financial asset.

For all other financial instruments, the Group recognizes lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition. However, if the credit risk of the financial instrument has not increased significantly since initial recognition, the Group recognizes a loss provision for that financial instrument at the amount of 12-month expected credit loss.

Measuring and accounting for expected credit losses

The measurement of expected credit losses is a function of the probability of default, the loss given default (i.e. the size of the loss if default occurs), and the amount at risk given default. The assessment of the probability of default and the loss given default is based on historical data adjusted with forward-looking information. The amount at risk given default of financial assets is reflected in the gross carrying amount of the relevant assets at the reporting date.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Financial assets (cont'd)

Measuring and accounting for expected credit losses (continued)

The expected credit loss of financial assets is the present value of the difference between all of the Group's contractually due cash flows and all of the cash flows that the Group expects to collect (all cash shortfalls) calculated on the initial effective interest rate (or the credit-adjusted effective interest rate for financial assets that are credit-impaired when purchased or originated).

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights related to the cash flows arising from the financial asset expire or when it transfers the financial asset and all risks and rewards arising from ownership of the financial asset to another entity to a significant extent.

When a financial asset measured at amortized cost is derecognized, the difference between the carrying amount of the asset and the consideration received and to be received is recognized in profit or loss. In addition, in the derecognition of a debt instrument whose fair value change is reflected in other comprehensive income, the total gain or loss previously accumulated in the revaluation fund related to the relevant instrument is reclassified in profit or loss. In the event that an equity instrument that the Group prefers to measure by reflecting the fair value change in other comprehensive income in the initial recognition is derecognized, the total gain or loss accumulated in the revaluation fund is not recognized in profit or loss, but is directly transferred to retained earnings.

Financial liabilities

The entity measures a financial liability at fair value on initial recognition. For liabilities other than those at FVTPL, the transaction costs directly attributable to their acquisition or issue are added to the fair value at initial measurement.

The entity classifies all financial liabilities as subsequently measured at amortised cost, except for:

(a) Financial liabilities at FVTPL: These liabilities, including derivatives, are subsequently measured at fair value.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Financial assets (cont'd)

(b) Financial liabilities arising when the transfer of a financial asset does not meet the conditions for derecognition or when the continuing relationship approach is applied: If the Group continues to show an asset in the financial statements to the extent of its continuing relationship, it also reflects a liability related to it in the financial statements. The transferred asset and the related liability are measured in a way that reflects the rights and obligations that the entity continues to hold. The liability related to the transferred asset is measured in the same manner as the net book value of the transferred asset.

(c) Contingent consideration recognized in the financial statements by the acquirer in a business combination where IFRS 3 is applied: After initial recognition in the financial statements, the fair value changes in such contingent consideration are measured by reflecting them in profit or loss.

The entity does not reclassify any financial liability.

Derecognition of financial liabilities

The Group derecognises financial liabilities only when the Group's obligations are extinguished, cancelled or expire. The difference between the carrying amount of the derecognised financial liability and the amount paid or payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Goodwill

The amount of goodwill created in the acquisition transaction is valued at the cost value on the acquisition date after deducting any impairment provisions.

For the impairment test, goodwill is distributed to the cash-generating units (or cash-generating unit groups) of the Group that expect to benefit from the synergy brought about by the merger.

The cash-generating unit to which the goodwill is allocated is subject to an impairment test every year. If there are indications that the unit is impaired, the impairment test is performed more frequently. If the recoverable amount of the cash-generating unit is lower than its carrying amount, the impairment provision is first separated from the goodwill allocated to the unit, and then the carrying amount of the assets in the unit is reduced. The impairment provision for goodwill is directly recognized in consolidated profit or loss. The goodwill impairment provision is not cancelled in subsequent periods.

During the sale of the relevant cash-generating unit, the amount determined for goodwill is included in the calculation of profit/loss in the sale transaction.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Effects of Exchange Rate Changes (continued)

Foreign Currency Transactions and Balances

The financial statements of each company of the Group are prepared in the currency of the primary economic environment in which they operate (functional currency). The financial position and operating results of each company are expressed in TL, which is the Company's functional currency and the presentation unit for consolidated financial statements.

During the preparation of the financial statements of each company, transactions in foreign currencies (currencies other than TL) are recorded based on the exchange rates on the transaction date. Monetary assets and liabilities indexed to foreign currency in the balance sheet are translated into Turkish Lira using the exchange rates valid on the balance sheet date. Non-monetary items recorded in foreign currency that are monitored at fair value are translated into TL based on the exchange rates on the date the fair value is determined. Non-monetary items in foreign currency measured in terms of historical cost are not subject to retranslation.

Exchange rate differences are recognized in profit or loss in the period in which they occur, except for the following situations:

- Exchange rate differences that are considered as adjustment items for interest costs on debts denominated in foreign currency and related to assets under construction for future use and included in the cost of such assets,
- Exchange rate differences arising from monetary debts and receivables originating from foreign operations that constitute a part of the net investment in a foreign operation, are recognized in translation reserves and are associated with profit or loss on sale of the net investment, and have no intention or possibility of being paid.

Earnings Per Share

Earnings per share stated in the consolidated profit or loss statement are found by dividing the net profit for the period by the weighted average number of shares held during the period.

In Turkey, companies can increase their capital through "free shares" that they distribute to their shareholders from previous year profits. Such "free shares" distributions are evaluated as issued shares in earnings per share calculations. Accordingly, the weighted average number of shares used in these calculations is found by taking into account the retroactive effects of the said share distributions.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Events After the Reporting Period

Events after the reporting period include all events between the balance sheet date and the date of authorization for the publication of the balance sheet, even if they occur after any announcement regarding profit or other selected financial information has been disclosed to the public.

In the event that events requiring adjustments occur after the balance sheet date, the Group adjusts the amounts included in the financial statements in accordance with this new situation.

Provisions, Contingent Assets and Liabilities

A provision is set aside in the financial statements when there is a current obligation arising from past events, when the obligation is likely to be fulfilled, and when the amount of the obligation can be reliably estimated.

The amount set aside as a provision is calculated by estimating the expenditure to be made to fulfill the obligation in the most reliable way as of the balance sheet date, taking into account the risks and uncertainties related to the obligation. If the provision is measured using the estimated cash flows required to meet the current obligation, the book value of the provision is equal to the present value of the relevant cash flows.

In cases where a part or all of the economic benefit required for the payment of the provision is expected to be met by third parties, the amount to be collected is recognized as an asset when the collection of the relevant amount is almost certain and can be measured reliably.

Reporting Financial Information by Segment

The Group's operating segments are determined based on the activities that generate revenue and have separate financial information. Accordingly, the financial information of companies engaged in the production and trade of cement, concrete, and building materials is shown in the "Construction and building materials" activity group, while the financial information of companies engaged in the production and sale of electric energy is shown in the "Energy" activity group. Apart from these two areas of activity, the assets of the Nuh Group companies engaged in construction, transportation, and service activities do not exceed 10% of the total assets of all operating segments, and therefore, they are shown in the "Construction and building materials" activity group.

Investment Properties
Investment properties are properties held for the purpose of earning rental and/or capital gains, and are shown with the amounts after the accumulated depreciation and any accumulated value decreases are deducted from the cost value. If it meets the accepted criteria, the cost of changing any part of the existing investment property is included in the amount included in the balance sheet. Daily maintenance performed on investment properties is not included in the amount in question. The straight-line depreciation method is used in the depreciation of investment properties. The depreciation period of investment properties is 35-50 years.

Investment properties are derecognized if they are sold or become unusable and if it is determined that no future economic benefit will be obtained from their sale. Profit/loss arising from the completion of the useful life or sale of investment properties are included in the profit or loss statement in the period in which they occur.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Taxes Calculated on Corporate Earnings

Since Turkish Tax Legislation does not allow a parent company and its subsidiary to prepare a consolidated tax return, tax provisions are calculated separately for each business, as reflected in the accompanying consolidated financial statements.

Income tax expense consists of the sum of current tax and deferred tax expense.

Current tax

The current year tax liability is calculated on the taxable part of the profit for the period. Taxable profit differs from the profit reported in the statement of profit or loss because it excludes items that are taxable or deductible in other years and items that are not taxable or deductible. The Group's current tax liability is calculated using the tax rate that has been enacted or substantially enacted as of the reporting date.

Deferred tax

Deferred tax liability or asset is determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base according to the balance sheet method, taking into account the enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated on the condition that it is highly probable to benefit from the said differences by earning taxable profit in the future. The assets and liabilities in question are not recognized if they arise from the initial recognition of temporary differences, goodwill or other assets and liabilities related to transactions that do not affect commercial or financial profit/loss (other than business combinations).

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Taxes Calculated on Corporate Earnings (continued)

Deferred tax (continued)

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and affiliates and shares in joint ventures, except for cases where the Group can control the elimination of temporary differences and where it is unlikely that such differences will be eliminated in the near future. Deferred tax assets arising from taxable temporary differences associated with such investments and shares are calculated on the condition that it is highly probable to benefit from such differences by making sufficient taxable profits in the near future and that the relevant differences will be eliminated in the future.

Deferred tax assets and liabilities are calculated based on tax rates (tax regulations) expected to be valid in the period in which the assets will be realized or the liabilities will be fulfilled and that have been legalized or substantially legalized as of the balance sheet date. During the calculation of deferred tax assets and liabilities, the tax consequences of the methods estimated by the Group to recover the book value of its assets or fulfill its liabilities as of the balance sheet date are taken into account.

Deferred tax assets and liabilities are offset when there is a legal right to offset current tax assets and current tax liabilities, or when such assets and liabilities are associated with income tax collected by the same tax authority, or when the Group intends to settle current tax assets and liabilities by netting them.

Current and deferred tax for the period

Tax is included in the statement of profit or loss unless it relates directly to a transaction accounted for in equity, otherwise the tax is also accounted for in equity together with the transaction.

Employee Benefits

Employee Termination Benefit:

According to the current laws and collective bargaining agreements in Turkey, severance pay is paid in the event of retirement or termination. According to the updated TMS 19 Employee Benefits Standard ("TMS 19"), such payments are considered defined retirement benefit plans.

The severance pay liability recognized in the balance sheet is calculated according to the net present value of the expected future liability amounts due to the retirement of all employees and is reflected in the financial statements. All calculated actuarial gains and losses are recognized under other comprehensive income.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Employee Benefits (cont'd)

Seniority incentive bonus provision

In accordance with the benefit provided by the Group to employees above a certain level of seniority under the name of "Seniority Incentive Bonus" by some companies, in order to encourage employees' commitment to their jobs and workplaces, employees within the scope who have reached 5 years of seniority are paid 30 days, those with 10 years of seniority 45 days, those with 15 years of seniority 55 days, those with 20 years of seniority 70 days, those with 25 years and 30 years of seniority 75 days of their basic salary, once for each seniority level, together with the salary of the month in which they have completed their seniority.

While calculating the seniority incentive bonus provision in the consolidated financial statements, the Group evaluated the period that has passed since the employees' starting date as of the financial position statement date and recorded the discounted value of the incentives planned to be paid as of the financial position statement date.

Dividend and bonus payments

The Group records dividends and bonuses calculated based on a method that takes into account the profit of the company's shareholders after some adjustments as liabilities and expenses. The Group makes provisions in cases where there is a contractual obligation or a past practice that creates an implicit obligation.

Cash Flow Statement

In the cash flow statement, cash flows for the period are reported by classifying them based on main, investing and financing activities.

Capital and Dividends

Ordinary shares are classified as equity. Dividends distributed on ordinary shares are recorded as deductions from retained earnings in the period in which the dividend decision is made.

2.6 Significant Accounting Judgements, Estimates and Assumptions

Critical decisions taken by the Group in applying its accounting policies

In the process of applying the accounting policies specified in Note 2.5, the management made the following comments (other than the estimates discussed below) that have a significant impact on the amounts recognized in the financial statements.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

2.6 Significant Accounting Judgements, Estimates and Assumptions (continued)

Critical decisions taken by the Group while applying accounting policies (continued)

Deferred Tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from differences between its legal financial statements and financial statements prepared in accordance with TFRS. The Group's subsidiaries have unused tax losses that can be deducted from future profits and deferred tax assets consisting of other deductible temporary differences. The partially or fully recoverable amount of deferred tax assets has been estimated under current conditions. During the evaluation, future profit generation potential, accumulated losses in recent years, history of carried forward losses and other tax deductions that are about to expire, statute of limitations regarding the carrying forward of deferred tax assets, future cancellations of existing taxable temporary differences, tax planning strategies, and the type of income to which the deferred tax asset will be subject to deduction are taken into consideration. In light of the data obtained, since the Group estimates that future taxable profits will be sufficient to cover all of the deferred tax assets, all of the deferred tax assets have been recorded.

Main sources of computational uncertainty

Significant future assumptions that have significant risks that will cause major adjustments to the carrying value of assets and liabilities in the next period and other main sources of calculation uncertainty at the reporting date are set out below.

Estimated impairment of goodwill

The Group tests the goodwill amount for impairment each year in accordance with the accounting policy stated in Note 2.5. The recoverable amounts of cash-generating units are determined according to value-in-use calculations. The assumptions used by the Group during the goodwill impairment test are explained in Note 15.

Useful lives of property plant and equipment

The Group reviews the expected useful lives of property, plant and equipment at the end of each reporting period. The planned use of property, plant and equipment, advances in technology related to particular assets are taken into account, as are other factors that may require adjustments to extend or shorten the useful lives and related depreciation of assets.

Provisions for lawsuits

When making provisions for lawsuits, the probability of losing the lawsuits and the liabilities that will arise in case of loss are evaluated by the Group management by taking the opinions of the legal advisors and experts of the Company and the subsidiaries. The Group management determines the amount of the lawsuit provision based on the best estimates.

Employee termination benefit and seniority incentive provisions

Employee termination benefit liability and seniority incentive bonus provision are determined using actuarial assumptions (discount rates, future salary increases and employee turnover rates) (Note 17).

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3. SHARES IN OTHER ENTITIES

Associates

The Group sold all of its 4,24% shares of Oyak Çimento Fabrikaları A.Ş., which were accounted for as a financial investment, on July 29, 2024. The explanation regarding the transaction is explained in detail in footnote 1.

4. SEGMENT REPORTING

The Group has implemented TFRS 8 as of 1 January 2009 and determined operating segments based on internal management of reports used by governing body by the competent authority to make decisions about the Group's operations.

The revenue of the Group's reportable operating segments is mainly due to cement sales in foreign and domestic markets.

Information on the operating segments based on the Group's internal reporting is as follows:

1 January - 31 December 2024	**Construction and construction materials**	**Energy**	**Consolidation Adjustments**	**Total**
Third party sales	15.412.354.476	70.940.398	-	15.483.294.874
Cross-departmental sales	2.182.328.378	-	(2.182.328.378)	-
Net Sales	**17.594.682.854**	**70.940.398**	**(2.182.328.378)**	**15.483.294.874**
Cost of sales	(13.447.364.505)	(18.266.436)	2.182.328.378	(11.283.302.563)
Gross Profit	**4.147.318.350**	**52.673.961**	**-**	**4.199.992.311**
Total assets	24.250.425.240	-	-	24.250.425.240
Total liabilities	4.778.494.295	-	-	4.778.494.295

1 January - 31 December 2023	**Construction and construction materials**	**Energy**	**Consolidation Adjustments**	**Total**
Third party sales	19.269.714.228	71.999.377	-	19.341.713.605
Cross-departmental sales	2.000.657.427	-	(2.000.657.427)	-
Net satışlar	**21.270.371.654**	**71.999.377**	**(2.000.657.427)**	**19.341.713.605**
Cost of sales	(16.712.706.959)	(13.881.587)	2.000.657.427	(14.725.931.119)
Gross Profit	**4.557.664.696**	**58.117.790**	**-**	**4.615.782.486**
Total assets	27.286.362.684	-	-	27.286.362.684
Total liabilities	8.040.361.183	-	-	8.040.361.183

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5. RELATED PARTY DISCLOSURES

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Trade receivables from related parties arise mainly from sale transactions of cement and construction supplies of the Company and its subsidiaries.

	31 December 2024			
	Current			
	Trade Receivables	Trade Payables	Sales	Donates
Advance dividend payables to shareholders	-	416.928.974	-	-
Nuh Çimento Eğitim ve Sağlık Vakfı (2) (*)	-	-	4.596.949	34.738.887
		416.928.974	4.596.949	34.738.887

	31 December 2024			
	Current			
	Trade Receivables	Trade Payables	Sales	Donates
Nuh Çimento Eğitim ve Sağlık Vakfı (2) (*)	6.151.890	-	15.104.803	37.723.084
	6.151.890	-	15.104.803	37.723.084

(1) Financial investments of the Company
(2) Foundation which was established by the Company with the decision of Council of Ministers
(*) Amounts consist of concrete sales that the Group has made to Nuh Çimento Eğitim ve Sağlık Vakfı.

Compensation of key management personnel:

Key management personnel consist of members of Board of Directors and Executive Board members. The compensation of key management personnel includes salaries, bonus, health insurance and transportation etc. The remuneration of key management personnel during the year were as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Salaries and other short-term benefits	115.103.449	112.613.070

6. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

As of the reporting date, details of the Group's trade receivables are as follows:

	31 December 2024	31 December 2023
Trade receivables	1.112.233.041	1.539.159.762
Trade receivables from related parties (Note: 21)	-	6.151.890
Cheques Receivable	732.948.747	260.632.612
Notes receivable	177.295.417	719.783.145
Provision for doubtful receivables (-)	(105.871.012)	(148.295.119)
	1.916.606.192	2.377.432.290

Trade receivables are receivables from customers for products sold or services provided in the normal course of business. The maturity of trade receivables is generally 40 days and they are classified as short-term trade receivables. The Group holds its trade receivables for the purpose of collecting contractual cash flows and therefore measures them at amortized cost using the effective interest method (31 December 2023: 40 days).

As of December 31, 2024, a provision for doubtful receivables has been set aside for the portion of trade receivables in the amount of TL 105,871,012 (December 31, 2023: TL 148,295,119). A significant portion of doubtful trade receivables consist of provisions at varying rates depending on the delays, within the scope of the Group's general policy within the scope of the application of TFRS 9, for companies that unexpectedly experience economic difficulties and are in the process of legal proceedings.

6. TRADE RECEIVABLES AND PAYABLES (cont'd)

a) Trade Receivables (cont'd):

Movements on the Group provision for doubtful trade receivables are as follows:

Movement of doubtful receivables	1 January - 31 December 2024	1 January - 31 December 2023
Opening balance	148.295.121	223.832.712
Payments and reversal of unnecessary reserve	(5.469.193)	(5.483.481)
Charge for the period	8.627.653	24.605.675
Monetary Gain/Loss	(45.582.569)	(94.659.787)
Closing balance	105.871.012	148.295.119

As of 31 December 2024, there are no guarantees received from customers for doubtful trade receivables (31 December 2023: None).

The aging of trade receivables are as follows:

	31 December 2024	31 December 2023
Neither not past due, nor impaired	1.259.635.820	1.546.136.590
Past due / overdue but not impaired	551.099.360	683.000.581
Impaired and provided for	105.871.012	148.295.119
	1.916.606.192	2.377.432.290

As of December 31, 2024, trade receivables in the amount of TL 551,099,360 (December 31, 2023: TL 683,000,581) are overdue, but since their collectibility has not been lost, they are not considered as doubtful receivables. Provisions have been set aside for the unsecured parts of these receivables within the scope of TFRS 9 application, at varying rates depending on the delays, within the Company's general policy. The maturity analysis of these receivables is as follows:

	31 December 2024	31 December 2023
1 - 3 months	534.085.492	661.914.580
3 - 6 months	1.058.056	1.311.293
6 - 9 months	574	712
Over 9 months	15.955.238	19.773.996
	551.099.360	683.000.581

The amount of letters of guarantee received from customers for receivables that are overdue but not impaired is TL 125,171,945 (31 December 2023: TL 182,779,915).

The Group measures the impairment for trade receivables at an amount equal to the lifetime expected credit loss. Expected credit losses on trade receivables are estimated using a provision matrix created by looking at the customer's past default status, analyzing the current financial situation, and considering the general economic conditions of the industry in which the relevant customer operates and the conditions at the reporting date.

There has been no significant change in the Group Management's estimates and assumptions in the current period.

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6. TRADE RECEIVABLES AND PAYABLES (cont'd)

b) Trade Receivables:

The Group's trade payables are as follows as of the balance sheet date:

	31 December 2024	31 December 2023
Trade payables	1.303.301.111	1.157.182.551
Notes payable	307.442.762	13.403.574
Expense Accruals	506.579	1.440.673
	1.611.250.451	1.172.026.798

The average payment term for purchases of certain goods is 32 days (31 December 2023: 34 days).

Explanations regarding the nature and level of risks in trade receivables and payables are provided in note 29.

7. OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

Short-term other receivables	31 December 2024	31 December 2023
Other short-term receivables (*)	32.346.503	5.835.045
Due from personnel	16.218.662	12.274.171
Deposits and quarantees given	218.793	7.799.013
Provision for doubtful receivables (-)	(648.829)	(2.164.062)
	48.135.129	23.744.167

(*) As of December 31, 2024, the amount of TL 27,081,245 consists of receivables from the tax office.

Provision expenses related to other doubtful receivables are recognized in other expenses.

Long-term other receivables	31 December 2024	31 December 2023
Deposits and quarantees given	3.737.947	5.519.792
	3.737.947	5.519.792

b) Other Payables

Short-term other payables	31 December 2024	31 December 2023
Taxes and dues payable	93.871.866	57.783.535
Deposits and quarantees taken	3.910.082	25.440.638
Other payable	2.258.992	1.360.222
	100.040.940	84.584.395

8. OTHER CURRENT AND NON CURRENT ASSETS

Other current assets	31 December 2024	31 December 2023
Deferred VAT	133.138.053	218.987.429
Personnel advances	6.185.042	7.007.036
	139.324.176	225.994.465

Other non-current assets	31 December 2024	31 December 2023
Deductible VAT in future years	-	2.507.921
	-	2.507.921

9. INVENTORIES

	31 December 2024	31 December 2023
Raw materials	1.027.247.674	936.239.424
Work in process	638.651.197	583.285.824
Finished goods	25.392.204	84.953.244
Trade goods	912.827	996.065
	1.692.203.902	1.605.474.557

10. PREPAID EXPENSES AND DEFERRED REVENUES

Short term prepaid expenses	31 December 2024	31 December 2023
Order advances given for inventory purchase	710.251.694	96.504.125
Prepaid expenses	77.221.719	60.053.524
	787.473.413	156.557.649

Long term prepaid expenses	31 December 2024	31 December 2023
Order advances given for fixed asset purchase	104.562.375	106.845.851
Prepaid expenses	5.859.057	4.143.769
	110.421.433	110.989.620

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10. PREPAID EXPENSES AND DEFERRED REVENUES (cont'd)

Short-term deferred income	31 December 2024	31 December 2023
Advances received	198.694.707	218.390.796
Deferred income	1.132.633	1.000.356
	199.827.340	219.391.152

11. INVESTMENT PROPERTIES

Cost Value	Land	Buildings	Advances given	Total
Opening balance as of 1 January 2024	768.754.582	2.039.901.739	1.202.252	2.809.858.573
Additions	-	-	-	-
Disposals	(53.892.645)	(41.273.500)	-	(95.166.145)
Transfers	-	542.994	(542.994)	-
Closing balance as of 31 December 2024	714.861.937	1.999.171.233	659.258	2.714.692.428

Accumulated Depreciation	Land	Buildings	Advances given	Total
Opening balance as of 1 January 2024	-	(387.883.694)	(748.099)	(388.631.793)
Charge of the year	-	(40.110.107)	(43.950)	(40.154.057)
Disposal	-	3.428.545	-	3.428.545
Transfers	-	(542.994)	542.994	-
Closing balance as of 31 December 2024	-	(425.108.250)	(249.055)	(425.357.305)
Carrying value as of 31 December 2024	714.861.937	1.574.062.983	410.203	2.289.335.123

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11. INVESTMENT PROPERTIES (cont'd)

Cost Value	Land	Buildings	Advances given	Total
Opening balance as of 1 January 2023	776.036.862	2.039.609.462	1.202.252	2.816.848.577
Additions	-	292.277	-	292.277
Disposal	(7.282.280)	-	-	(7.282.280)
Closing balance as of 31 December 2023	768.754.582	2.039.901.739	1.202.252	2.809.858.573

Accumulated Amortization	Land	Buildings	Advances given	Total
Opening balance as of 1 January 2023	-	(348.089.469)	(695.097)	(348.784.566)
Charge of the year	-	(39.794.225)	(53.001)	(39.847.226)
Closing balance as of 31 December 2023	-	(387.883.694)	(748.099)	(388.631.793)
Carrying value as of 31 December 2023	768.754.582	1.652.018.045	454.154	2.421.226.780

All depreciation expenses are included in expenses from investment activities (31 December 2023: included in expenses from investment activities).

Investment properties consist of market and hotel blocks and land and buildings held by the Group for investment purposes. The Group evaluates whether there is any indication that there is a loss of value in investment properties. If there is such an indication, it compares the fair value of that asset with its carrying value and reflects the identified value decreases in the records.

As of 31 December 2024, the Group management, in line with the decision it has taken, has determined the fair value of the market and hotel blocks within the investment properties. The fair value of the buildings within the Group's investment properties has been determined by ACE Gayrimenkul Değerleme ve Danışmanlık A.Ş., an independent valuation company from the Group. The fair value of the bazaar with a net book value of TL 368,998,104 has been determined as TL 1,199,962,317 and the fair value of the hotel blocks with a net book value of TL 1,043,859,538 has been determined as TL 2,118,000,000. (December 31, 2023: Fair value of hotel and bazaar blocks: TL 2,127,421,197). The valuation was determined using the discounted cash flow method. In the valuation study, a capitalization rate of 8% and a nominal discount rate of 33,15% were used.

The total rental income obtained by the Group from its investment properties in the accounting period ending on December 31, 2024 is TL 174,991,277 (December 31, 2023: TL 224,949,183). The property tax paid by the Group for its investment properties is TL 2,859,555 (31 December 2023: TL 6,843,336) (Note: 24).

INVESTMENT PROPERTIES (cont'd)

The Group's investment properties and the fair value hierarchy of these assets as of December 31, 2024 are shown in the table below:

		Fair value as at reporting period		
	31 December 2024	Level 1 TL	Level 2 TL	Level 3 TL
Hotel and Shopping Mall	3.317.962.317	-	-	3.317.962.317

		Fair value as at reporting period		
	31 December 2023	Level 1 TL	Level 2 TL	Level 3 TL
Hotel and Shopping Mall	2.127.421.197	-	-	2.127.421.197
Buildings	182.343.844	-	-	182.343.844
Lands	1.276.156.853	-	-	1.276.156.853

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12. FIXED ASSETS

	Land	Land Improvements	Buildings	Plant, Machinery and Equipment	Motor Vehicles	Furniture and Fixture	Other Tangible Fixed Assets	Leasehold Improvements	Construction in Progress	Total
Cost Value										
Opening balance as of 1 January 2024	833.697.762	1.917.281.060	3.232.883.451	16.553.645.816	2.566.409.695	1.102.050.472	11.116.122	154.343.721	1.220.791.591	27.592.219.690
Additions	171.285.648	-	20.128.302	624.324.459	490.772.942	58.807.800	-	30.755.076	116.499.772	1.512.573.999
Disposals	-	(1.924.568)	-	(45.623.838)	(71.261.871)	(1.013.341)	(315.493)	(647.432)	-	(120.786.542)
Transfers from inventory	-	-	-	65.157.536	-	-	-	-	-	65.157.536
Transfers	-	365.723	101.870.766	697.469.688	-	24.515	-	-	(799.730.692)	0
Closing balance as of 31 December 2023	1.004.983.411	1.915.722.215	3.354.882.518	17.894.973.661	2.985.920.766	1.159.869.446	10.800.629	184.451.366	537.560.671	29.049.164.683
Accumulated Depreciation										
Opening balance as of 1 January 2024	-	(1.511.573.691)	(2.138.703.111)	(13.092.096.820)	(1.316.718.575)	(953.427.015)	(11.116.122)	(104.801.911)	-	(19.128.437.245)
Charge of the year	-	(30.730.782)	(30.720.874)	(687.929.168)	(280.720.626)	(46.774.679)	315.493	(24.257.627)	-	(1.100.818.263)
Disposals	-	1.924.568	-	45.623.838	66.954.784	1.057.108	-	647.432	-	116.207.729
Closing balance as of 31 December 2024	-	(1.540.379.905)	(2.169.423.985)	(13.734.402.149)	(1.530.484.418)	(999.144.586)	(10.800.629)	(128.412.106)	-	(20.113.047.778)
Carrying value as of 31 December 2024	1.004.983.411	375.342.310	1.185.458.533	4.160.571.512	1.455.436.348	160.724.860	-	56.039.260	537.560.671	8.936.116.905

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12. FIXED ASSETS (cont'd)

	Land	Land Improvements	Buildings	Plant, Machinery and Equipment	Motor Vehicles	Furniture and Fixture	Other Tangible Fixed Assets	Leasehold Improvements	Construction in Progress	Total
Cost Value										
Opening balance as of 1 January 2023	833.697.762	1.878.236.286	3.240.010.206	16.296.954.909	1.852.886.271	1.043.434.504	11.116.122	121.665.873	678.439.536	25.956.441.468
Additions	4.411.886	35.238.149	21.325.434	167.187.117	255.121.935	50.920.727	-	594.956	1.184.116.075	1.718.916.279
Disposals	(4.411.885)	(78.963)	(29.832.469)	(113.431.195)	(39.419.060)	(9.959.880)	-	-	-	(197.133.452)
Transfers from inventory	-	-	-	113.995.395	-	-	-	-	-	113.995.395
Transfers	-	3.885.589	1.380.279	88.939.590	497.820.550	17.655.120	-	32.082.892	(641.764.020)	-
Closing balance as of 31 December 2023	833.697.762	1.917.281.060	3.232.883.451	16.553.645.816	2.566.409.695	1.102.050.472	11.116.122	154.343.721	1.220.791.591	27.592.219.690
Accumulated Depreciation										
Opening balance as of 1 January 2023	-	(1.443.443.265)	(2.108.551.249)	(12.630.954.082)	(1.182.329.412)	(929.337.760)	(11.116.122)	(93.820.785)	-	(18.399.552.674)
Charge of the year	-	(68.199.301)	(59.947.193)	(553.344.270)	(167.285.437)	(33.812.750)	-	(10.981.126)	-	(893.570.077)
Disposals	-	68.874	29.795.332	92.201.533	32.896.273	9.723.495	-	-	-	164.685.507
Closing balance as of 31 December 2023	-	(1.511.573.691)	(2.138.703.111)	(13.092.096.820)	(1.316.718.575)	(953.427.015)	(11.116.122)	(104.801.911)	-	(19.128.437.245)
Carrying value as of 31 December 2023	833.697.762	405.707.368	1.094.180.340	3.461.548.997	1.249.691.120	148.623.457	-	49.541.811	1.220.791.591	8.463.782.445

12. FIXED ASSETS (cont'd)

The useful lives for property, plant and equipment is as follows:

	Useful lifes
Land Improvements	15-50 years
Buildings	25-50 years
Plant, Machinery and Equipment	5-25 years
Motor Vehicles	4-15 years
Furniture and Fixture	3-25 years
Other Tangible Fixed Assets	3-10 years
Leasehold Improvements	5-10 years

Of the depreciation expenses related to tangible fixed assets, intangible fixed assets and right of use assets, TL 1.053.227.139 (December 31, 2023: TL 863.328.702) was included in the cost of goods sold, TL 774.129 (December 31, 2023: TL 394.556) in marketing expenses, TL 84.422.033 (December 31, 2023: TL 86.709.504) in general administrative expenses and TL 18.963.556 (December 31, 2023: TL 13.378.215) in the cost of inventories.

As of 31 December 2024, the total insurance amount of the Group's property, plant and equipment is TL 35.318.910.015 (31 December 2023: TL 42.849.323.788).

Mortgages Given

As of 31 December 2024 and 2023, the Group has no pledge/mortgage positions.

13. INTANGIBLE ASSETS

Cost Value	Rights	Other intangible assets	Total
Opening balance as of 1 January 2024	617.704.743	4.152.943	621.857.686
Additions	8.288.978	478.261	8.767.239
Disposals	(7.951.314)	-	(7.951.314)
Closing balance as of 31 December 2024	618.042.407	4.631.204	622.673.611
Accumulated Amortization			
Opening balance as of 1 January 2024	(286.073.514)	(3.630.508)	(289.704.022)
Charge for the period	(22.129.049)	(11.011)	(22.140.059)
Çıkışlar	7.951.314	-	7.951.314
Closing balance as of 31 December 2024	(300.251.248)	(3.641.519)	(303.892.766)
Carrying value as of 31 December 2024	317.791.159	989.686	318.780.844

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13. INTANGIBLE ASSETS (cont'd)

Cost Value	Rights	Other intangible assets	Total
Opening balance as of 1 January 2023	608.704.324	3.776.664	612.480.988
Additions	9.000.420	376.279	9.376.698
Disposals	-	-	-
Closing balance as of 31 December 2023	617.704.743	4.152.943	621.857.686
Accumulated Amortization			
Opening balance as of 1 January 2023	(265.588.346)	(3.624.113)	(269.212.459)
Charge for the period	(20.485.168)	(6.395)	(20.491.562)
Closing balance as of 31 December 2023	(286.073.514)	(3.630.508)	(289.704.022)
Carrying value as of 31 December 2023	331.631.229	522.435	332.153.664

Useful lives of intangible assets are as follows;

	Useful Life
Rights	4-20 years
Other intangible assets	1-10 years

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14 RIGHT-OF-USE ASSETS

The Group's right-of-use asset movements as of the reporting period are as follows:

Cost Value	Land	Port area and pier usage	Vehicles	Buildings	Total
1 January 2024	344.427	318.432.118	106.749.407	4.465.932	429.991.885
Additions	5.612.993	-	-	-	5.612.993
Disposals	-	(121.090.928)	(36.451.072)	(2.809.889)	(160.351.890)
31 December 2024	5.957.420	197.341.190	70.298.335	1.656.043	269.639.995
Accumulated Depreciation					
1 January 2024	(120.548)	(99.066.531)	(54.199.333)	(3.721.609)	(157.108.022)
Charge of the year	(47.712)	(15.713.219)	(17.923.281)	(744.323)	(34.428.536)
Disposals	3.190.624	8.819.462	5.136.534	2.852.885	19.999.505
31 December 2024	3.022.364	(105.960.288)	(66.986.081)	(1.613.047)	(171.537.053)
Carrying value as of 31 December 2024	8.979.784	91.380.901	3.312.255	42.996	98.102.942

Cost Value	Land	Port area and pier usage	Vehicles	Buildings	Total
1 January 2023	344.427	318.432.118	106.749.407	4.465.932	429.991.885
Disposal	-	-	-	-	-
31 December 2024	582.985	319.407.749	134.027.913	4.465.932	458.484.580
Carrying value as of 31 December 2024	344.427	318.432.118	106.749.407	4.465.932	429.991.885

Accumulated Depreciation	Land	Port area and pier usage	Vehicles	Buildings	Total
1 January 2023	(51.664)	(76.379.980)	(28.321.918)	(2x.605.127)	(107.358.688)
Charge of the year	(68.885)	(22.686.553)	(25.877.416)	(1.116.483)	(49.749.338)
31 December 2023	(120.549)	(99.066.532)	(54.199.334)	(3.721.610)	(157.108.026)
Carrying value as of 31 December 2023	223.879	219.365.587	52.550.074	744.323	272.883.858

14. RIGHT-OF-USE ASSETS (cont'd)

Items of right-of-use assets recognized in profit or loss are as follows:

	31 December 2024	31 December 2023
Depreciation Expense	(34.428.536)	(49.749.338)
Interest Expense	(10.703.763)	(8.936.652)
	(45.132.299)	(58.685.990)

The Group rents land and vehicles for the use of the harbor and pier, concrete batching plant installation. Lease contracts are usually made for fixed periods of 1 to 3 years for concrete batching plants and vehicles, and 18 to 50 years for port and pier use, and may have extension options. Lease terms can be individually negotiated and include a wide variety of different terms and conditions. Lease agreements are subject to contracts, but leased assets cannot be used as a guarantee for borrowing purposes.

In addition, car lease agreements with a usage permit between 2020 and 2024 and borrowing rate discounted with the rate in the initial calculation and measured at their present value, have been accounted for in the consolidated statement of financial position in line with the above explanations.

15. GOODWILL

Cost	31 December 2024	31 December 2023
Cost value at the beginning of the period	97.349.736	97.349.736
Closing value	97.349.736	97.349.736
Accumulated impairment		
Balance at the beginning of the period	(29.553.959)	(29.553.959)
Closing balance	(29.553.959)	(29.553.959)
Carrying amount		
Beginning of the Period	67.795.777	67.795.777
End of the Period	67.795.777	67.795.777

For the goodwill accounted for within the scope of the purchase of Kudret Energy shares, no impairment has been identified according to the valuations made by the Group using the discounted cash flow method as of 31 December 2024 and 2023. As of 31 December 2024, the equity value of the Group has been determined as 15 million USD (31 December 2023: 15 million USD) according to the valuations made by the Group using the discounted cash flow method. In the valuation study, the weighted average cost of capital based on USD 11.69% (31 December 2023: 11.69%) has been calculated for the periods 2024 and thereafter and unit electricity sales prices have been kept constant throughout the 10-year purchase guarantee period and it has been assumed that they will increase at the annual average consumer inflation rate starting from the following period. The estimated average electricity production during the period has been accepted as 33,000 kWh (31 December 2023: 33,000 kWh).

16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

a) Provisions

Short term other provisions	31 December 2024	31 December 2023
Legal claims and termination provisions	30.984.643	36.872.471
	30.984.643	36.872.471

As of December 31, 2024, the total amount of legal disputes filed by third parties against the parent company and subsidiaries and ongoing is TL 30.984.643 (December 31, 2023: TL 36.872.471). The lawsuits against the Group generally consist of labor lawsuits.

As a result of the evaluation made, the Group management has set aside a total provision of TL 30,984,643 (December 31, 2023: TL 36.872.471) for the lawsuits filed against the parent company and subsidiaries and ongoing as of December 31, 2024. The Company management does not foresee any cash outflows related to other ongoing lawsuits.

As of 31 December 2024 and 2023, movements of provision for legal claims and termination provisions are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Opening balance	36.872.471	44.405.229
Payments and reversal	(13.779.125)	(2.056.793)
Charge for the period (Note: 21)	7.891.297	15.088.354
Monetary Gain/Loss	(12.082.617)	(20.564.320)
Closing balance	30.984.643	36.872.471

Long term other provisions	31 December 2024	31 December 2023
Land restoration provision	57.491.947	52.627.313
	57.491.947	52.627.313

As of December 31, 2024, the Company has mining sites whose property is owned by the Company and whose operation licenses are owned by the Treasury. In order to fulfill its obligations under the "Regulation on Restoration of Lands Degraded by Mining Activities to Nature" (Regulation) of the Ministry of Environment and Forestry, which was published in the Official Gazette on December 14, 2007 and entered into force and was later amended on January 23, 2012, the Company has calculated a provision of TL 57.491.947 (December 31, 2023: TL 52.627.313) in total for landscaping expenses related to the spreading of topsoil and revegetation of the land in the reorganized areas of the mine lands it uses as of December 31, 2024. In accordance with the Regulation, the land is made suitable for use after the operation within two years after the completion of the operation activities. At the end of the five-year monitoring period following the completion of the relevant studies, the activity owners are given permission to leave the area.

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16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

a) Provisions (cont'd)

As of 31 December 2024 and 2023, movements for land restoration are as follows:

	1 January- 31 December 2024	1 Ocak- 31 December 2023
Opening balance	52.627.313	32.349.392
Changes in current year charge	21.041.081	42.567.759
Inflation effect	(16.176.447)	(22.289.839)
Closing balance	57.491.947	52.627.313

The entire change in the period expense related to the land rearrangement provision is recognized in the cost of goods sold.

16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

b) Contingent Assets and Liabilities (cont'd)

The Group's guarantees/pledge/mortgage (GPM) are as follows:

31 December 2024	TL Equivalent	TL	US Dollars	Euro
A. Total amount of the GPM's given for its own legal entity				
-Guarantee	120.086.804	114.794.759	150.000	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
B. GPM's given on behalf of fully consolidated companies				
-Guarantee	43.021.161	35.086.142	-	216.000
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
C. GPM's are given on behalf of the third parties' debt for continuation of their economic activities				
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
D. Total amount of other GPM's				
i. Given on behalf of majority shareholder				
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
ii. Given on behalf of other group companies which are not in the scope of B and C				
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
iii. Given on behalf of third parties which are not in the scope of C				
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
Total	163.107.965	149.880.901	150.000	216.000

(*) The guarantee amounts consist of letters of guarantee received from banks regarding current balances..

As of 31 December 2023, the rate of total amount of other "GPM"s to total equity of the Group is 0%.

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16. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

b) Contingent Assets and Liabilities (cont'd)

31 December 2023	TL Equivalent	TL	US Dollars	Euro
A. Total amount of the GPM's given for its own legal entity				
-Guarantee	167.102.008	110.639.896	150.000	1.065.000
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
B. GPM's given on behalf of fully consolidated companies				
-Guarantee	45.498.281	35.339.846	-	216.000
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
C. GPM's are given on behalf of the third parties' debt for continuation of their economic activities				
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
D. Total amount of other GPM's				
i. Given on behalf of majority shareholder				
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
ii. Given on behalf of other group companies which are not in the scope of B and C				
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
iii. Given on behalf of third parties which are not in the scope of C				
-Guarantee	-	-	-	-
-Pledge	-	-	-	-
-Collaterals	-	-	-	-
	212.600.289	145.979.743	150.000	1.281.000

(*) The guarantee amounts consist of letters of guarantee received from banks regarding current balances..

As of 31 December 2023, the rate of total amount of other "GPM"s to total equity of the Group is 0%.

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17. EMPLOYEE BENEFITS

Payables related to employee benefits

	31 December 2024	31 December 2023
Social security premiums payable	45.915.360	43.234.770
Due to personnel	50.044.753	38.892.170
	95.960.113	82.126.940

Short-term provision for employee benefits

	31 December 2024	31 December 2023
Provision for seniority incentive bonus	2.618.260	5.072.390
Provision for unused vacation pay liability	38.751.705	24.407.117
	41.369.965	29.479.507

As of 31 December 2024 and 2023, movements of unused vacation is as follows:

	1 January-31 December 2024	1 January-31 December 2023
Opening balance	24.407.117	28.060.883
Period charge	19.316.103	7.377.084
Inflation effect	(4.971.515)	(11.030.850)
Closing balance	38.751.705	24.407.117

Long-term provision for employee benefits

	31 December 2024	31 December 2023
Provision for employee termination benefits	155.980.632	175.264.573
Provision for seniority incentive bonus	61.271.693	53.020.444
	217.252.325	228.285.017

17. EMPLOYEE BENEFITS (cont'd)

Long-term provision for employee benefits (cont'd)

Seniority incentive bonus:

Some subsidiaries of the Group pays additional employee benefits to their employees above certain seniority limits as seniority incentive premiums. These incentive provision is reserved for to promote loyalty to the Company and its subsidiaries. The benefits are provided as follows; employees with 5 year work experience are paid for their 30 days wage, those with 10 year work experience are paid for their 45 days of their gross wage, those with 15 year work experience are paid for their 55 days wage, those with 20 year work experience are paid for their 70 days wage, those with 25 or 30 year work experience are paid for their 75 days wage, for each level of payment with their actual working wage in the month they complete the respective seniority level in the mentioned range.

While calculating the seniority incentive bonus provision in the consolidated financial statements, the Group evaluated the period that has passed since the employees' starting date as of the financial position statement date and recorded the discounted value of the incentives planned to be paid as of the financial position statement date (Discount rate: 27.3% was applied).

As of 31 December 2024 and 2023, movements of seniority incentive bonus are as follows:

	1 January-31 December 2024	1 January-31 December 2023
Opening balance	58.092.834	68.004.197
Current year charge	31.394.495	21.146.959
Payments	(4.694.423)	(5.884.655)
Inflation Effect	(20.902.953)	(25.173.666)
Closing balance	63.889.953	58.092.834

Provision for employment termination benefits

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, is called up for military service, dies or achieves the retirement age (58 for women and 60 for men).

As of December 31, 2024, the severance pay to be paid is subject to a monthly ceiling of TL 41,828.42 (December 31, 2023: TL 23,489.83).

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. TAS 19 Employee Benefits stipulates the development of Group's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

17. EMPLOYEE BENEFITS (cont'd)

Long-term provision for employee benefits (cont'd)

Provision for employment termination benefits (cont'd):

The principal assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. Therefore, as of December 31, 2024, the provisions in the accompanying consolidated financial statements are calculated by estimating the present value of the probable future liability arising from the retirement of employees. The provisions as of the relevant balance sheet dates are calculated using the real discount rate obtained as approximately 3.12% based on the assumptions of 23.20% annual inflation and 27.05% discount rate (December 31, 2023: 3.12%). Voluntary termination rates are also taken into account as 5.72% for employees with 0-15 years of service and 0% for employees with 15 and over years of service. (December 31, 2023: 5.72% for employees with 0-15 years of service; 0% for employees with 15 and over years of service). The ceiling amount of 46,655.43 TL valid as of January 1, 2025 has been taken into account (January 1, 2024: 35,058.58 TL).

Significant assumptions used in the calculation of employee termination benefit is likely to leave the job depends on the discount rate and demand.

- If the discount rate is taken as 1% higher (lower), the severance pay liability will be 18,818,861 TL (31 December 2023: 12,946,991 TL) less (22,983,018) (31 December 2023: (10,368,859 TL)) more.
- If the other assumptions are kept the same and the probability of leaving the job voluntarily is taken as 1% lower (higher), the severance pay liability will be 2,865,052 TL more and (2,643,249) TL less.

	1 January-31 December 2024	1 January-31 December 2023
Opening balance	175.264.573	350.029.433
Service cost	28.143.686	79.259.886
Interest cost	32.047.934	47.839.553
Termination benefits paid	(47.187.475)	(168.726.989)
Actuarial gain / (loss)	(8.376.829)	(4.099.069)
Inflation Effect	(23.911.257)	(129.038.241)
Closing balance	155.980.632	175.264.573

18. OTHER LIABILITIES

Other short term liabilities	31 December 2024	31 December 2023
Calculated VAT	3.897.500	9.244.837
Other liabilities	14.791	63.323
	3.912.291	9.308.160

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19. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

a) Share Capital

As of 31 December 2024 and 2023, the share capital held of the Company is as follows:

Shareholders	Share Rate (%)	31 December 2024	Share Rate (%)	31 December 2023
Nuh Ticaret Sanayi ve Ticaret A.Ş.	44,13	66.283.864	44,13	66.283.864
Partaş Capital Danışmanlık A.Ş.	16,32	24.515.195	16,32	24.515.195
Other (*)	39,55	59.414.541	39,55	59.414.541
	100,00	150.213.600	100,00	150.213.600
Capital inflation diffrences (**)		4.025.730.271		4.025.730.271
		4.175.943.871		4.175.943.871

(*) Represents total of shareholdings less than 5%.

(**)Adjustment to share capital represents the restatement effect of cash and cash equivalent contributions to share capital measured in accordance with the CMB Financial Reporting Standards. Adjustment to share capital has no use other than being transferred to paid-in share capital.

The Company is subject to the capital system. The Company's issued capital assigned to 150,213,600 shares with nominal value of 1 TL each, amounting to TL 150,213,600.

The capital adjustment differences may be used in free capital increase or loss deduction. Furthermore, the inflation adjustment differences arising from legal reserves bearing no annotation to disable profit distribution may be used in profit distribution.

Additional Information on Capital, Reserves and Other Equity Items

The comparison of the relevant equity items presented by the Group in its consolidated financial statements as adjusted for inflation as of 31 December 2023 with the inflation-adjusted amounts in its financial statements prepared in accordance with Law No. 6762 and other legislation is as follows;

31 December 2023	Inflation-adjusted amounts in the financial statements prepared in accordance with Law No. 6762 and other legislation	Inflation-adjusted amounts in financial statements prepared in accordance with TAS/TFRS	Difference Followed in Previous Year Losses
Capital Adjustment Difference	5.561.789.614	4.025.730.271	1.536.059.343
Legal reserves	7.174.000.932	4.349.020.520	2.824.980.412

19. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS

b) Restricted Profit Reserves

	31 December 2024	31 December 2023
Legal reserves	4.349.020.520	4.046.832.297
	4.349.020.520	4.046.832.297

The Company reserves 5% of the historical statutory profit as first legal reserve, until the total reserve reaches 20% of the historical paid in share capital. The other legal reserve is appropriated at the rate of 10% per annum of all cash dividend distributions after the payment of dividends to the shareholders at a rate of 5%. According to Turkish Commercial Law, general legal reserves can only be used if it does not exceed the capital or issued capital for close the losses, continue the business when business is not going well or end the unemployment and to take suitable precautions to reduce the results of unemployment.

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19. SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS (cont'd)

b) Restricted Reserves Appropriated from Profit (cont'd)

Dividend Payment:

Listed companies distribute dividends according to the Communique numbered II-19.1 and published on 1 February 2014 in the Official Gazette.

Shareholders distribute their profits within the framework of the profit distribution policies to be determined by their general assemblies and in accordance with the provisions of the relevant legislation, by the decision of the general assembly. Within the scope of the communiqué, a minimum distribution rate has not been determined. Companies pay dividends as specified in their articles of association or profit distribution policies.

The weighted average share of the company remained unchanged compared to the previous year and earnings per share was realized as 12.21 TL (31 December 2023: 18.51 TL).

As of February 29, 2024, the Group has paid a gross dividend of TL 7.77 (nominal TL 6.00) per share to the partners, amounting to a total indexed gross dividend of TL 1,166,670,935 (nominal TL 901,281,600) (In February 2023, an indexed gross dividend of TL 9.73 (nominal TL 4.60) per share, amounting to a total indexed gross dividend of TL 1,460,900,360 (nominal TL 690,982,560) was paid). On December 7, 2023, an indexed gross dividend advance of TL 1.00 (nominal TL 1.00) per share, amounting to a total indexed gross dividend of TL 216,876,550 (nominal TL 150,213,600) was paid to the partners.

In accordance with the Group's decision taken on December 24, 2024, the Company distributed an advance dividend of TL 435,619,440 gross from the profit of the period as of the interim accounting period of January 1 - September 30, 2024, and the payment was made on January 6 and 8, 2025. No reserve was set aside in the said advance dividend distribution, and the relevant distinction will be made at the General Assembly to be held in 2025.

Funds Subject to Profit Distribution:

Accumulated losses of companies including previous year's earnings, related premiums, legal reserves, share capital inflation adjustments are taken into account as deduction in calculation of current year distributable net income. In order to distribute dividends to the holders of dividend shares, privileged shareholders, to the members of the board of directors or to the employees, there has to be a provision in the articles of association. If there is no specific rate in terms of dividend distribution in the articles of association, dividends to be distributed to those cannot exceed one-fourth of dividends distributed to shareholders with the exception of privileged situations.

20. REVENUE AND COST OF SALES

Revenue

	1 January-31 December 2024	1 January-31 December 2023
Domestic sales	9.791.221.921	11.300.829.778
Foreign sales	5.654.091.369	8.003.215.722
Domestic energy sales	70.940.398	71.999.377
Other sales	204.719	830.444
Sale returns (-)	(189.676)	(259.720)
Sale discounts (-)	(32.973.856)	(34.901.996)
	15.483.294.874	19.341.713.605

20. REVENUE AND COST OF SALES (cont'd)

Cost of Sales

	1 January-31 December 2024	1 January-31 December 2023
Cost of goods sold	(9.735.139.988)	(13.307.089.222)
Cost of merchandise sold	(66.478.688)	(149.873.601)
Cost of service provided	(421.232.810)	(394.962.166)
Amortization and depreciation expenses	(1.053.227.139)	(863.328.702)
Other sales expenses	(7.223.938)	(10.677.428)
	(11.283.302.563)	(14.725.931.119)

21. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

	1 January-31 December 2024	1 January-31 December 2023
General administrative expenses	(1.033.665.212)	(803.071.126)
Marketing expenses	(444.537.565)	(462.794.603)
Research and development expenses	(38.594.201)	(28.612.305)
	(1.516.796.978)	(1.294.478.034)

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21. GENERAL ADMINISTRATIVE EXPENSES, MARKETING EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES

a) Details of administrative expenses

	1 January-31 December 2024	1 January-31 December 2023
Personnel expenses	(719.531.568)	(524.742.556)
Depreciation and amortization expenses	(84.422.033)	(86.709.504)
Office, electricity, water, natural gas and communication expenses	(33.939.157)	(33.594.016)
Taxes, duties and fees	(50.460.745)	(46.455.066)
Outsourced benefits	(46.860.201)	(42.856.559)
Consultancy expenses	(26.482.001)	(19.873.309)
Maintenance and repairment expenses	(11.980.589)	(9.298.861)
Consultancy and audit expenses	(3.364.618)	(3.164.374)
Insurance expenses	(22.303.774)	(8.858.219)
Rent expenses	(9.251.451)	(8.281.317)
Business follow-up, travel and transportation expenses	(10.171.009)	(3.573.912)
Other expenses	(14.898.064)	(15.663.433)
	(1.033.665.212)	(803.071.126)

b) Details of marketing and sales expenses

	1 January-31 December 2024	1 January-31 December 2023
Exportation expenses	(302.978.530)	(270.008.822)
Personnel expenses	(89.491.885)	(121.820.781)
Taxes, duties and fees	(3.848.712)	(30.896.664)
Representation and hospitality expenses	(12.839.294)	(10.141.091)
Depreciation and amortization expenses (Note: 12 and 13)	(774.129)	(394.556)
Maintenance and repairment expenses	(3.567.264)	(4.675.278)
Transportation expenses	(2.693.033)	(3.334.937)
Outsourced expenses	(5.918.773)	(1.974.022)
Vehicle and vehicle expenses	(5.999.595)	(4.922.600)
Other Expenses	(16.426.348)	(14.625.852)
	(444.537.565)	(462.794.603)

22. EXPENSES BY NATURE

	1 January-31 December 2024	1 January-31 December 2023
Cost of goods sold	(9.735.139.988)	(13.307.089.222)
Depreciation and amortization expenses (Note: 12, 13 14)	(1.178.577.359)	(988.259.740)
Personnel expenses	(847.617.654)	(675.175.642)
Cost of service given	(421.232.810)	(394.962.166)
Exportation expenses	(302.978.530)	(270.008.822)
Cost of trade goods sold	(66.478.688)	(149.873.601)
Taxes, duties and fees	(54.309.457)	(77.351.730)
Outsourced benefits	(52.778.974)	(44.830.581)
Office Expenses	(33.939.157)	(33.594.016)
Consultancy expenses	(26.482.001)	(19.873.309)
Maintenance and repairment expenses	(15.547.853)	(13.974.139)
Representation and hospitality expenses	(12.839.294)	(10.141.091)
Insurance expenses	(22.303.774)	(8.858.219)
Transportation Expenses	(2.693.033)	(3.334.937)
Consultancy and audit expenses	(3.364.618)	(3.164.374)
Rent Expenses	(9.251.451)	(8.281.317)
Other Expenses	(14.564.898)	(11.636.247)
	(12.800.099.541)	(16.020.409.153)

Fees for services received from an independent audit firm

Based on the Board Decision of the Public Oversight, Accounting and Auditing Standards Authority published in the "POA" Official Gazette, the fees related to the services received by the Group from the independent auditor/independent audit firm as of the reporting period are as follows:

	1 January-31 December 2024	1 January-31 December 2023
Independent audit fee for the reporting period	3.952.339	4.331.363
	3.952.339	4.331.363

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23. INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from operating activities for the years ended 31 December 2024 and 2023 are as follows:

	1 January-31 December 2024	1 January-31 December 2023
FX gains from trade receivables and payables	90.328.070	212.698.328
Scrap sales income	21.178.923	28.812.973
Insurance income	31.554.919	10.432.638
Compensation and fine income	45.773	6.230.615
Interest income	64.160.916	86.061
Provisions No Longer Required	6.960.620	1.221.727
Other income	20.967.995	31.028.047
	235.197.216	290.510.389

The details of other expenses from operating activities for the years ended 31 December 2024 and 2023 are as follows:

	1 January-31 December 2024	1 January-31 December 2023
FX losses from trade receivables and payables	(45.170.456)	(140.932.532)
Donations and grants (*)	(39.930.065)	(58.914.729)
Accident and damage expenses	(22.119.503)	(15.734.771)
Compensation and fine expenses	(4.124.269)	(2.379.244)
Provision expenses	(15.156.305)	(32.339.154)
Other expenses	(13.747.016)	(25.743.946)
	(140.247.614)	(276.044.376)

(*) It consists of donations made to the Nuh Çimento Eğitim ve Sağlık Vakfı, which was established as publicly beneficial foundation by the decision of the Council of Ministers, and other public benefits.

24. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

The details of income from investing activities for the years ended 31 December 2024 and 2023 are as follows:

	1 January-31 December 2024	1 January-31 December 2023
Rent income (*)	174.991.277	224.949.183
Gain on sale of fixed assets	9.217.313	107.770.148
Gain on sale of investment property	31.835.920	-
Income from financial investments	18.015.944	17.711.820
Foreign exchange gains from financial investments	13.128.022	59.128.370
Other	20.914.250	2.925.202
	268.102.725	412.484.723

(*) Includes the rent income from investment properties.

24. INCOME AND EXPENSES FROM INVESTING ACTIVITIES (cont'd)

The details of expenses from investing activities for the years ended 31 December 2024 and 2023 are as follows:

	1 January-31 December 2024	1 January-31 December 2023
Depreciation expenses from investment property	(40.154.058)	(37.826.978)
Real estate tax for investment property	(2.859.355)	(6.843.336)
Loss on sale of fixed assets	(10.209.597)	-
Securities losses	(309.841.970)	(7.071.275)
	(363.064.979)	(51.741.589)

25. FINANCE INCOME AND EXPENSES

The details of income from finance activities for the years ended 31 December 2024 and 2023 are as follows:

	1 January-31 December 2024	1 January-31 December 2023
Foreign exchange gains	380.407.364	959.528.549
Interest income	1.842.247.437	247.341.633
Interest income from trade receivables	17.694.704	34.504.374
	2.240.349.505	1.241.374.556

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25. FINANCE INCOME AND EXPENSES (cont'd)

The details of expenses from finance activities for the years ended 31 December 2024 and 2023 are as follows:

	1 January-31 December 2024	1 January-31 December 2023
Foreign exchange losses	(487.191.596)	(1.213.514.207)
Interest expenses	(275.240.879)	(223.470.369)
Interest expense of TFRS 16	(10.703.763)	(8.936.652)
Other interest and commission expenses	(14.377.817)	(34.527.679)
	(787.514.056)	(1.480.448.907)

26. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

Corporate Tax

The Group, its subsidiaries established in Turkey and other countries, associates and joint ventures are subject to the tax legislation and practices in the countries which they are operating.

In Turkey, the corporate tax rate is 25%. However, within the scope of the Law No. 7316 on the "Law on the Collection of Public Claims and Amendments to Some Laws" published in the Official Gazette dated 22 April 2021, this rate will be applied as 25% for the corporate earnings of the 2022 taxation period, starting from the declarations that must be submitted as of 1 July 2021 (31 December 2023: 23%).

This rate is applicable to the tax base derived upon exemptions and deductions stated in the tax legislation and by addition of disallowable expenses to the commercial revenues of the companies with respect to the tax legislation. Corporate tax is required to be filed by the twenty-fifth day of the fourth month following the balance sheet date and taxes must be paid in one instalment by the end of the fourth month.

Companies calculate a temporary tax of 25% on their quarterly financial profits and declare until the 14th day of the second month following that period and pay it until the seventeenth day. The paid temporary tax within the year is deducted from the corporate tax to be calculated over the corporate tax declaration to be given the following year. If there is a temporary tax remaining despite the offset, this amount may be refunded in cash or deducted from any other financial debt against the state.

Corporate tax losses can be carried forward for a maximum period of 5 years following the year in which the losses were incurred. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years..

26. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Corporate Tax (cont'd)

10% withholding applies to dividends distributed by resident real persons, those who are not liable to income and corporation tax, non-resident real persons, non-resident corporations and non-resident corporations exempted from income and corporation tax.

Dividend distribution by resident corporations to resident corporations is not subject to a withholding tax. Furthermore, in the event the profit is not distributed or included in capital, no withholding tax shall be applicable.

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, tax liabilities, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis. As of 31 December 2024, current income tax payables have been offset against the prepaid taxes in entity basis and have been classified separately in the consolidated financial statements. Offset taxes and corporate tax provision are shown as follows:

Current tax liability	31 December 2024	31 December 2023
Current corporate tax provision	593.100.657	758.596.289
Less: prepaid taxes and funds	(519.991.171)	(557.637.492)
	73.109.486	200.958.797

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26. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Corporate Tax (cont'd)

As of 31 December 2024 and 2023, the distribution of consolidated tax expense is as follows:

	31 December 2024	31 December 2023
Corporate tax (-)	(665.227.724)	(868.319.060)
Deferred tax income / (expense)	(335.940.338)	268.139.008
	(1.001.168.062)	(600.180.052)

Deferred Tax:

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TFRS and tax purposes and they are given below.

The tax rate used in calculating deferred tax assets and liabilities was 23.37% based on expected temporary timing differences (2023: 25%).

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26. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred Tax (cont'd):

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis. Details of deferred tax assets, liabilities, income and expenses and temporary differences that form the basis of deferred tax calculations are stated below:

	31 December 2024	31 December 2023
Temporary diffrences from property, plant and equipment and intangible assets	(85.375.292)	(28.049.563)
Provision for employment termination benefits	42.253.440	43.860.757
Seniority incentive bonus	14.396.469	14.523.210
Unused vacation liability	9.326.248	6.101.779
Provision for land restoration provision	13.441.515	13.156.829
Provision for doubtful receivables (including TFRS 9 impact)	14.625.565	17.497.774
Provision for legal claims	6.510.622	9.218.119
Temporary diffrences from inventories	28.831.762	192.902.587
Expected credit losses from demand and time deposits - TFRS 9	(14.533.968)	665.031
Deductible prior years' losses	82.932.195	1.848.419
Borrowings from right-of-use assets and lease transactions	(6.983.312)	3.349.037
Financial asset value increases	(101.966)	165.070.332
Other	(611.860)	(1.586.762)
	104.711.418	438.557.549
Deferred tax asset	132.757.334	2.735.266.932
Deferred tax liability	(28.045.916)	(2.296.709.383)
Deferred tax liability, net	104.711.418	438.557.549

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, provided that it does not exceed 5 years. Declarations and related accounting records can be examined by the tax office within five years and tax accounts can be revised. Tax losses and expiration dates submitted as of December 31, 2024 and 2023 are as follows:

Originating Year	Expiration Date	31 December 2024	31 December 2023
2021	2026	5.201.197	5.201.197
2022	2027	921.273	921.273
2023	2028	8.731.595	8.731.595
2024	2029	449.872.707	--
		464.726.772	**14.854.065**

The Group has created a deferred tax asset of TL 82.932.195 on TL 331.728.780 of deductible previous year losses. (31 December 2023: TL 1.848.419 deferred tax asset has been created.)

26. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred tax (cont'd):

Movement of deferred tax (assets) / liabilities as of 31 December 2024 is as follows:

Movement of deferred tax liabilities:	1 January-31 December 2024	1 January-31 December 2023
Opening balance as of 1 January	438.557.549	247.035.761
Charged to statement of income	(335.940.338)	268.139.008
Currency protected deposit tax effect recognized in the income statement	2.094.207	(76.617.220)
Closing balance	104.711.418	438.557.549

The reconciliation of period tax expense to period profit is as follows:

Income tax reconcilation:	1 January-31 December 2024	1 January-31 December 2023
Income before tax from operating activities	2.835.670.503	3.319.235.129
Effective tax rate	%25	%25
Expected taxation expenses	(708.917.626)	(829.808.782)
Tax effect of:		
- Non-deductible expenses	(414.918.999)	(29.501.835)
- Discount and donations	11.607.669	28.675.508
- Reduced tax effect within the scope of the incentive	3.895.050	144.152.848
- Tax gain from indexing statutory accounts for inflation	(32.755.324)	-
- The tax incentive effect of currency-protected deposits	139.921.168	86.302.209
Tax expense in the statement of profit or loss	(1.001.168.062)	(600.180.052)

27. EARNINGS PER SHARE

Earnings per share are calculated by dividing net profit by the weighted average number of shares that have been outstanding during the year.

Companies can increase their capital by distributing shares from retained earnings to existing shareholders in proportion to their shares ("Free Shares"). When calculating earnings per share, these free share issues are counted as issued shares. Therefore, the weighted average number of shares used in calculating earnings per share is obtained by applying the free shares issue retroactively..

27. EARNINGS PER SHARE (cont'd)

Earnings per share are determined by dividing net income of the shareholders by the weighted average number of shares that have been outstanding during the related year.

	1 January-31 December 2024	1 January-31 December 2023
Profit for the period	1.834.507.046	2.780.615.425
Weighted average number of ordinary shares	150.213.600	150.213.600
(TL 1 nominal value per share earnings per share)	12,21	18,51

28. FINANCIAL INSTRUMENTS

Financial Investments

	Short-term		Long-term	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Financial assets at fair value through profit or loss				
a) Eurobonds	66.555.522	78.968.220	-	-
b) Non-listed company shares	-	-	829.705	136.205
c) Kur korumalı mevduat hesabı ("KKMH")	-	-	-	-
Financial assets at fair value through other comprehensive income				
d) Listed company shares	-	-	-	4.227.489.950
Financial assets at amortized cost				
e) Term deposits with a maturity of more than 3 months	-	-	-	-
	66.555.522	78.968.220	829.705	4.227.626.155

a) Eurobonds:

	31 December 2024			
	Nominal Value	Carrying Value	Change	Profit / (Loss)
Eurobonds	63.577.416	66.555.522	2.978.106	2.978.106
	63.577.416	66.555.522	2.978.106	2.978.106

	31 December 2023			
	Nominal Value	Carrying Value	Change	Profit / (Loss)
Eurobonds	77.211.061	78.968.220	1.757.159	1.757.159
	77.211.061	78.968.220	1.757.159	1.757.159

As of 31 December 2024, the Company's financial investments, whose fair value changes are reflected in profit or loss, consist of funds issued by the Private Sector and traded in the international market.

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28. FINANCIAL INSTRUMENTS (cont'd)

Financial Investments (cont'd)

The fair value hierarchy of Eurobonds is as follows::

	Fair Value Level As of the reporting date		
31 December 2024	**Level 1**	**Level 2**	**Level 3**
Eurobond	66.555.522	-	-

	Fair Value Level As of the reporting date		
31 December 2023	**Level 1**	**Level 2**	**Level 3**
Eurobond	78.968.220	-	-

b) Non-listed company shares:

Associates	Participation Rate (%)	31 December 2024	Participation Rate (%)	31 December 2023
KSO Enerji A.Ş.	28	693.500	-	-
Cementos Esfera S.A.	10	-	10	2.433.760
Çimpaş Çimento ve İnşaat Mlz. Paz. A.Ş. (*)	12,07	90.900	12,07	90.900
Kosbaş Kocaeli Serbest Bölgesi (*)	<1	37.500	<1	37.500
Antalya Güç Birliği (*)	<1	7.805	<1	7.805
		829.705		2.569.965
Impairment provision - Cementos Esfera S.A.		-		(2.433.760)
		829.705		136.205

(*) As of 31 December 2024 and 31 December 2023, Çimpaş Çimento ve İnşaat Mlz. Paz. A.Ş., Cementos Esfera SA, Antalya Güç Birliği and Kosbaş Kocaeli Serbest Bölgesi, which are the Company's assets at fair value through other comprehensive income, do not significantly affect the consolidated financial statements and it is not possible to calculate the fair values of these investments in a reasonable manner, these financial non-current assets are carried at their cost in the consolidated statement of financial position.

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28. FINANCIAL INSTRUMENTS (cont’d)

Financial Investments (cont’d)

c) Listed company shares:

	31 December 2024	31 December 2023
Oyak Çimento Fabrikaları A.Ş.	-	4.227.489.950
	-	4.227.489.950

d) Time deposits with a maturity of more than 3 months:

As of 31 December 2024, the Group has no time deposits with maturities longer than 3 months. (31 December 2023: None).

Financial Liabilities

	31 December 2024	31 December 2023
Short-term bank borrowings	374.536.510	935.055.253
Current portion of long term borrowings	457.253.702	371.239.760
Current portion of long term lease liabilities	16.590.555	14.024.233
Total short term borrowings	848.380.767	1.320.319.246
Long term bank borrowings	992.393.973	2.226.059.295
Long term lease liabilities	61.545.164	76.357.839
Total borrowings	1.902.319.904	3.622.736.380

As of 31 December 2024 and 2023, details of the short and long-term borrowings which are Group used are stated below:

28. FINANCIAL INSTRUMENTS (cont’d)

		31 December 2024	
Currency	Interest Rate (%)	Current	Non-Current
Euro	4,50-8,00	400.092.167	350.454.157
TL	8,5	3.156.864	-
USD	8,4-8,8	428.541.182	641.939.816
		831.790.213	992.393.973

		31 December 2022	
Currency	Interest Rate (%)	Current	Non-Current
Euro	4,50-8,50	-	940.595.932
TL	8,5	7.012.683	4.444.803
USD	6,40-8,87	1.299.282.330	1.281.018.560
		1.306.295.013	2.226.059.295

Financial Liabilities

Maturity of borrowings are stated below:

	31 December 2024	31 December 2023
To be paid within 1 year	831.790.212	1.306.295.013
To be paid between 1-2 years	671.154.065	919.450.515
To be paid between 2-3 years	173.021.171	853.248.658
To be paid between 3-4 years	148.218.737	226.680.061
To be paid between 4-5 years	-	226.680.061
	1.824.184.185	3.532.354.308

The reconciliation of liabilities arising from financing activities and leasing transactions is as follows:

The cash and non-cash changes related to the Group's liabilities arising from financing activities are given in the table below. Liabilities arising from financing activities are cash flows that are or will be classified as cash flows arising from financing activities in the Group's consolidated cash flow statement..

28. Financial Liabilities (cont'd)

			Non cash changes			
	1 January 2024	Financing cash flows (net)	Interest Accrual	FX Movements	Monetary gain loss	31 December 2024
Borrowings	3.532.354.308	(1.006.873.382)	21.753.060	362.716.083	(1.085.765.884)	1.824.184.185
	3.532.354.308	(1.006.873.382)	21.753.060	362.716.083	(1.085.765.884)	1.824.184.185

			Non cash changes			
	1 January 2023	Financing cash flows (net)	Interest Accrual	FX Movements	Monetary gain loss	31 December 2023
Borrowings	2.801.853.477	765.050.439	81.097.863	677.351.527	(932.145.158)	3.532.354.308
	2.801.853.477	765.050.439	81.097.863	677.351.527	(932.145.158)	3.532.354.308

The Group uses foreign exchange derivatives to hedge its future significant transactions and cash flows from financial risk. The Group is a party to various foreign currency forwards transactions and options depending on the management of exchange rate fluctuations. The derivative instruments purchased are mainly denominated in foreign currencies in which the Group operates.

29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

a) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.
The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 28, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.
The Group determines the amount of share capital in proportion to the risk level. The equity structure of the Group is arranged in accordance with the economic outlook and the risk attributes of assets.

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

a) Capital risk management (cont'd)

The Group monitors capital management by using the debt/equity ratio. This ratio is calculated by dividing the debt, net, by the total share capital. The net debt is calculated by deducting the value of cash and cash equivalents from the total debt. The total share capital is the sum of all equity items stated in the statement of consolidated financial position.

During 2024, the Group's strategy, which was unchanged from 2023 was to maintain the gearing ratio which is calculated by financial liabilities minus cash and cash equivalents and short-term financial liabilities. The gearing ratios at 31 December 2024 and 2023 were as follows:

	31 December 2024	31 December 2023
Financial Liabilities (Note: 29)	1.902.319.904	3.622.736.380
Less: Cash and Cash Equivalents and Short Term Financial Investments (Note: 34)	(7.708.804.418)	(4.252.151.742)
Net Debt	(5.806.484.514)	(629.415.362)
Total Equity	19.471.930.945	19.246.001.501
Total Capital	13.665.446.431	18.616.586.139
Gearing Ratio	-42%	-3%

b) Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.
Risk management is carried out under policies approved by the board of directors. The Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

b.1) Credit risk management

In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group monitors the credibility of the parties with whom they perform transactions and also takes into account the credit rating of the related instruments when making the investment preference. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously updated, and the aggregate value of transactions with related parties concluded is spread amongst approved counterparties.

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management (cont'd)

Before accepting any new customer, credit limits by customer are determined and defined after the assessment of the potential customer's credit quality.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. The Group's trade receivables cover a large number of customers within the majority and the construction sector. Ongoing credit evaluation is performed on the financial condition of accounts receivable and, where appropriate, credit guarantee insurance cover is purchased. Additionally, the Group management evaluates the trade payables and financial assets on a customer and asset basis at the end of the period and ensures that the required provisions for the non-collectible amounts are reflected in the consolidated financial statements.

Overview of the Group's exposure to credit risk

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)
b) Financial Risk Factors (cont'd)
b.1) Credit risk management (cont'd)

	Receivables					
	Trade Receivable		Other Receivable			
31 December 2024 **Credit risks exposed due to financial instrument types**	**Related party**	**Third Party**	**Related Party**	**Third party**	**Cash at Banks**	**Financial Inventsments**
Maximum credit risk exposure as of the statement of financial position date (A+B+C+D) (*)	**-**	**1.916.606.192**	**-**	**51.873.076**	**7.642.113.738**	**67.385.227**
- The part of the maximum risk that is secured by collateral etc. (**)	-	933.924.088	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	-	1.259.635.820	-	51.224.247	7.642.113.738	67.385.227
B. Net book value of assets that are past due but not impaired	-	551.099.360	-	-	-	-
- Past due (gross book value)	-	551.099.360	-	-	-	-
- The part of the net worth that is secured by collateral, etc.	-	125.171.945	-	-	-	-
C. Net book value of impaired assets	-	-	-	-	-	-
- Past due (gross book value)	-	105.871.012	-	648.829	-	-
-Impairment (-)	-	(105.871.012)	-	(648.829)	-	-
- The part of the net value that is secured by collateral, etc.	-	-	-	-	-	-
- Not past due (gross book value)	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-
- The part of the net worth that is secured by collateral, etc.	-	-	-	-	-	-
D. Off-balance sheet elements that include credit risk	-	-	-	-	-	-

(*) The factors that increase the credit reliability, such as guarantees received are not considered in the determination of the balance.
(**) Guarantees consist of guarantee letters, guarantee notes, and mortgages obtained from the customers..

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management (cont'd)

	Receivables					
	Trade Receivable		Other Receivable			
31 December 2023 **Credit risks exposed due to financial instrument types**	**Related party**	**Third Party**	**Related Party**	**Third party**	**Cash at Banks**	**Financial Invenstments**
Maximum credit risk exposure as of the statement of financial position date (A+B+C+D) (*)	**6.151.890**	**2.377.432.290**	-	**29.263.959**	**4.167.763.260**	**4.306.594.375**
- The part of the maximum risk that is secured by collateral etc. (**)	-	938.109.361	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	6.151.890	1.546.136.590	-	27.099.897	4.167.763.260	4.306.594.375
B. Net book value of assets that are past due but not impaired	-	683.000.581	-	-	-	-
- Past due (gross book value)	-	683.000.581	-	-	-	-
- The part of the net worth that is secured by collateral, etc.	-	182.779.915	-	-	-	-
C. Net book value of impaired assets	-	-	-		-	-
- Past due (gross book value)	-	148.295.119	-	2.164.062	-	-
-Impairment (-)	-	(148.295.119)	-	(2.164.062)	-	-
- The part of the net value that is secured by collateral, etc.	-	-	-	-	-	-
- Not past due (gross book value)	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-
- The part of the net worth that is secured by collateral, etc.	-	-	-	-	-	-
D. Off-balance sheet elements that include credit risk	-	-	-	-	-	-

(*) The factors that increase the credit reliability, such as guarantees received are not considered in the determination of the balance.
(**) Guarantees consist of guarantee letters, guarantee notes, and mortgages obtained from the customers.

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b) Financial Risk Factors (cont'd)

b.1) Credit risk management (cont'd)

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group, aiming to decrease credit risk by transacting only with parties who has credit assurance and where possible, obtaining sufficient guarantee. Credit risks which the Group is exposed, and credibility of customers are being watched continuingly. Credit risk is being controlled by the risk management committee through limits which are determined and annually controlled by the management.

Trade receivables comprise lots of customers spreaded to construction sector and geographic segments. Credit assessments are continuingly performed for trade receivables balances from customers and receivables are insured where necessary.

Aging of overdue receivables is as follows:

	31 December 2024	31 December 2023
Overdue 1-90 days	534.085.492	661.914.580
Overdue 3-6 months	1.058.056	1.311.293
Overdue 6-9 months	574	712
Overdue more than 1 year	15.955.238	19.773.996
Total overdue receivables	551.099.360	683.000.581
Part of guaranteed with collateral	(125.171.945)	(182.779.915)
	425.927.415	500.220.666

b.2) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. As of reporting date, the Group has no unused borrowings to decrease liquidity risk level.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities and its derivative financial instruments. The tables below have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b.2) Liquidity risk management (cont'd)

31 December 2024

Due dates on agreement	Carrying Value	Cash outflows according to agreements (I+II+III)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)
Non-derivative financial instruments					
Bank loans	1.824.184.185	2.032.853.512	68.218.960	787.747.770	1.176.886.782
Lease liabilities	78.135.719	173.072.453	8.718.700	13.620.517	150.733.235
Trade payables	1.611.250.451	1.611.250.451	1.611.250.451	-	-
Other payables	516.969.914	516.969.914	516.969.914	-	-
Payables due to personnel	95.960.113	95.960.113	95.960.113	-	-
Total liabilities	**4.126.500.382**	**4.430.106.443**	**2.301.118.138**	**801.368.287**	**1.327.620.018**

31 December 2023

Due dates on agreement	Carrying Value	Cash outflows according to agreements (I+II+III)	Less than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)
Non-derivative financial instruments					
Bank loans	3.532.354.308	4.059.961.132	63.996.279	1.471.112.030	2.524.852.823
Lease liabilities	90.382.072	200.198.413	10.085.198	15.755.286	174.357.929
Trade payables	1.172.026.798	1.172.026.798	1.172.026.798	-	-
Other payables	84.584.395	84.584.395	84.584.395	-	-
Payables due to personnel	82.126.940	82.126.940	82.126.940	-	-
Total liabilities	**4.961.474.513**	**5.598.897.678**	**1.412.819.610**	**1.486.867.316**	**2.699.210.752**

b.3) Market risk management

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Market risk exposures are supplemented by sensitivity analysis.

There is no change in Group's exposure to the market risks and the methods that the Group's measurement and management of these market risks.

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29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b.3) Market risk management (cont'd)

b.3.1) Foreign currency risk management

Transactions denominated in foreign currencies result in foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary and non-monetary assets and monetary and non-monetary liabilities at the reporting period are as follows:

	31 December 2024			
	TL Equvalent (Fuctional currency)	US Dollars	Euro	GBP
1. Trade receivables	50.954.672	967.207	458.167	-
2a. Monetary Financial Assets	2.012.083.986	51.607.208	5.200.681	7.079
2b. Non-Monetary Financial Assets	-	-	-	-
4. CURRENT ASSETS	**2.063.038.658**	**52.574.415**	**5.658.848**	**7.079**
6a. Monetary Financial Assets	-	-	-	-
8. NON-CURRENT ASSETS	-	-	-	-
9. TOTAL ASSETS	**2.063.038.658**	**52.574.415**	**5.658.848**	**7.079**
10. Trade Payables	(369.423.812)	(9.116.891)	(1.300.548)	-
11. Financial Liabilities	(827.762.029)	(12.144.518)	(10.869.382)	-
12a. Monetary Other Liabilities	(599.765)	(17.000)	-	-
13. CURRENT LIABILITIES	(1.197.785.606)	(21.278.409)	(12.169.930)	-
15. Financial Liabilities	(991.581.654)	(18.192.067)	(9.520.856)	-
16b. Monetary Other Liabilities	(13.426.695)	(298.232)	(79.077)	-
17. NON-CURRENT LIABILITIES	**(1.005.008.349)**	**(18.490.299)**	**(9.599.933)**	**-**
18. TOTAL LIABILITIES	**(2.202.793.955)**	**(39.768.707)**	**(21.769.863)**	**-**
20. Net foreign currency asset / (liability) position (9+18)	(139.755.297)	12.805.708	(16.111.015)	7.079
21. Net foreign currency asset / (liability) position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	(139.755.297)	12.805.708	(16.111.015)	7.079
23. Import	2.105.029.892	47.113.704	16.661.052	-
24. Export	4.813.528.697	147.831.318	1.222.401	-

29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b.3) Market risk management (cont'd)

b.3.1) Foreign currency risk management (cont'd)

	31 December 2023			
	TL Equvalent (Fuctional currency)	US Dollars	Euro	GBP
1. Trade receivables	428.957.058	10.084.998	6.789	-
2a. Monetary Financial Assets	3.467.238.955	78.574.786	2.708.279	4.503
2b. Non-Monetary Financial Assets	-	-	-	-
4. CURRENT ASSETS	**3.896.196.014**	**88.659.784**	**2.715.068**	**4.503**
6a. Monetary Financial Assets	-	-	-	-
8. NON-CURRENT ASSETS	-	-	-	-
9. TOTAL ASSETS	**3.896.196.014**	**88.659.784**	**2.715.068**	**4.503**
10. Trade Payables	(238.684.435)	(3.631.837)	(1.792.953)	-
11. Financial Liabilities	(1.299.282.305)	(30.569.542)	-	-
12a. Monetary Other Liabilities	(22.162.946)	(521.450)	-	-
13. CURRENT LIABILITIES	(1.560.129.686)	(34.722.830)	(1.792.953)	-
15. Financial Liabilities	(2.221.614.488)	(30.139.832)	(20.000.000)	-
16b. Monetary Other Liabilities	-	-	-	-
17. NON-CURRENT LIABILITIES	**(2.221.614.488)**	**(30.139.832)**	**(20.000.000)**	-
18. TOTAL LIABILITIES	**(3.781.744.174)**	**(64.862.662)**	**(21.792.953)**	-
20. Net foreign currency asset / (liability) position (9+18)	114.451.840	23.797.122	(19.077.885)	4.503
21. Net foreign currency asset / (liability) position of monetary items (1+2a+5+6a-10-11-12a-14-15-16a)	114.451.840	23.797.122	(19.077.885)	4.503
23. Import	2.619.665.357	68.722.097	6.965.547	8.020
24. Export	6.703.429.184	194.013.825	1.055.657	-

29. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b.3) Market risk management (cont'd)

b.3.1) Foreign currency risk management (cont'd)

Foreign currency sensitivity analysis

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and EURO.

The following table details the Group's sensitivity to a 20% increase and decrease in US Dollar and EURO against TL. 20% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 20% change in foreign currency rates. A positive value below indicates an increase in profit/loss and other equity items.

Due to the short and long-term loans being held in foreign currency, the payments to be made in foreign currency cause foreign currency risk in cases where the exchange rates rise against Turkish Lira. In addition, foreign exchange rate risk arising from exchange rate changes is exposed to the translation of foreign currency denominated assets or liabilities to Turkish Lira due to the Group's business activities with foreign companies. Exchange rate risk is monitored and limited by analyzing the foreign exchange position. The Group follows a policy to diversify the foreign exchange basket as much as possible in order to manage the risk of exchange arising from future transactions and losses and assets and liabilities.

	31 December 2024		31 December 2023	
	Profit / Loss		Profit / Loss	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case 20% appreciation of USD against TL				
1 - USD net asset / liability	90.357.841	(90.357.841)	202.287.491	(202.287.491)
2- Amount hedged USD risk (-)	-	-	-	-
3- USD net effect (1 +2)	90.357.841	(90.357.841)	202.287.491	(202.287.491)
In case 20% appreciation of Euro against TL				
4 - Euro net asset / liability	(118.371.492)	118.371.492	(179.445.814)	179.445.814
5- Amount hedged Euro risk (-)	-	-	-	-
6- Euro net effect (4 +5)	(118.371.492)	118.371.492	(179.445.814)	179.445.814
In case 20% appreciation of other currencies against TL				
7 - Other currencies net asset / liability	62.592	(62.592)	48.691	(48.691)
8- Amount hedged other currencies risk (-)	-	-	-	-
9- Other currencies net effect (7 +8)	62.592	(62.592)	48.691	(48.691)
TOTAL (3 + 6 +9)	(27.951.059)	27.951.059	22.890.368	(22.890.368)

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NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

b.3) Market risk management (cont'd)

b.3.1) Foreign currency risk management (cont'd)

Foreign exchange forward contracts

It is the policy of the Group to enter into foreign exchange forward contracts to manage the foreign currency risk associated with anticipated sales and purchase transactions out to 12 months.

The Group's policy has been reviewed and, due to the increased volatility in US Dollars, it was decided to hedge up for foreign currency forward risk arising on translation of the foreign operation. The Group utilises a rollover hedging strategy, using contracts with terms of up to 12 months.

b.3.2) Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. For the optimal hedging strategy, it is aimed to review the position of the balance sheet and to control the interest expenditures at different interest rates.

Interest rate sensitivity analysis
The details of the interest-bearing financial instruments of the Group are as follows:

	Interest Rate Position Table	
	31 December 2024	**31 December 2023**
Financial Instruments with fixed interest rate		
Time Deposits (TL)	5.922.611.053	993.810.868
Time Deposits (Foreign Currency)	1.679.874.940	3.097.393.143
Total Time Deposits (Note: 33)	7.602.485.993	4.091.204.010
Financial Liabilities (TL)		
Financial Liabilities (Foreign Currency)	3.156.864	11.457.486
Lease Liabilities (TL)	1.821.027.322	3.520.896.822
Lease Liabilities (Foreign Currency)	78.135.719	90.382.072
Total Financial Liabilities (Note: 29)	1.902.319.905	3.622.736.380

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30. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING)

31 December 2024	Financial assets at amortized cost	FVTPL	FVTOCI	Financial liabilities at amortized cost	İtfa edilmiş maliyetlerinden gösterilen finansal varlıklar	Carrying value
Financial assets						
Cash and cash equivalents	7.642.248.896	-	-	-	7.642.248.896	7.642.248.896
Trade receivables (including receivables from related parties	1.916.606.192	-	-	-	1.916.606.192	1.916.606.192
Financial investments	66.555.522	829.705	-	-	67.385.227	67.385.227
Other receivables	51.873.076	-	-	-	51.873.076	51.873.076
Financial liabilities	-	-	-	-	-	-
Financial payables	-	-	-	1.902.319.904	1.902.319.904	1.902.319.904
Trade payables	-	-	-	1.611.250.451	1.611.250.451	1.611.250.451
Other payables	-	-	-	516.969.914	516.969.914	516.969.914
Payables related to employee benefits	-	-	-	95.960.113	95.960.113	95.960.113

31 December 2023	Financial assets at amortized cost	FVTPL	FVTOCI	Financial liabilities at amortized cost	İtfa edilmiş maliyetlerinden gösterilen finansal varlıklar	Carrying value
Financial assets						
Cash and cash equivalents	4.173.183.522	-	-	-	4.173.183.522	4.173.183.522
Trade receivables (including receivables from related parties	2.377.432.290	-	-	-	2.377.432.290	2.377.432.290
Financial investments	4.306.458.170	136.205	-	-	4.306.594.375	4.306.594.375
Financial liabilities						
Financial payables	-	-	-	3.622.736.380	3.622.736.380	3.622.736.380
Trade payables	-	-	-	1.172.026.798	1.172.026.798	1.172.026.798
Other payables	-	-	-	84.584.395	84.584.395	84.584.395
Payables related to employee benefits	-	-	-	82.126.940	82.126.940	82.126.940

The Group management considers the carrying amount of financial assets approximate their fair values.

30. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND EXPLANATIONS ON HEDGE ACCOUNTING) (cont'd)

Fair Value of Financial Instruments

The fair values of financial assets and financial liabilities are determined as follows;

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

31. Monetary Gain/Loss

Non-monetary items	
Financial statement items	**(552.278.246)**
Inventory	436.006.105
Prepaid Expenses	31.484.911
Tangible Fixed Assets	481.355.902
Other Intangible Fixed Assets	2.134.572.611
Investment Properties	107.757.145
Investment Properties	658.921.506
Goodwill	20.838.890
Deferred Tax Assets	63.824.026
Deferred Tax Liabilities	(60.075.587)
Capital Adjustment Differences	(1.283.118.066)
Defined Benefit Plan Remeasurement Losses	42.053.084
Gains from Investments in Equity Instruments	348.929.058
Restricted Reserves Allocated from Profits	(1.191.179.680)
Retained Earnings	(2.427.526.481)
Right-of-Use Assets	83.878.331
Profit and Loss Statement Items	**(748.069.381)**
Revenue	(2.266.910.690)
Cost of Sales (-)	1.273.607.462
Marketing Expenses (-)	57.057.275
General Administrative Expenses (-)	48.823.798
Research and Development Expenses (-)	4.672.400
Income from Investment Activities	(273.736.204)
Expenses from Investment Activities (-)	89.004.916
Other Income from Main Activities	(67.509.408)
Other Expenses from Main Activities (-)	21.332.068
Financial Expenses (-)	294.944.914
Current Tax Expense	245.524.938
Financial Income	(174.880.850)
Monetary Gain / (Loss)	**(1.300.347.627)**

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32. DISCLOSURE OF OTHER MATTERS THAT MAY AFFECT CONSOLIDATED FINANCIAL STATEMENTS SIGNIFICANTLY OR IS NECESSARY FOR CONSOLIDATED FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND COMPREHENSIBLE

None.

33. EVENTS AFTER THE REPORTING PERIOD

With the decision of the Board of Directors dated February 12, 2025, it was decided to merge all assets and liabilities by taking over as a whole of Nuh Gayrimenkul İnşaat A.Ş., a subsidiary of the Company, in which the Company owns 100% of the shares.

34. CASH FLOW STATEMENT DISCLOSURE

	31 December 2024	31 December 2023
Cash on hand	135.158	29.707
Cash at banks	7.642.113.738	4.167.763.260
Demand deposits	39.627.746	76.559.250
Time deposits	7.602.485.993	4.091.204.010
Other Cash and Cash Equivalents	-	5.390.555
Cash and Cash Equivalents as shown in cash flows	7.642.248.896	4.173.183.522
Cash and Cash Equivalents	7.642.248.896	4.173.183.522

Explanations regarding the nature and level of risks in cash and cash equivalents are explained in note 29.

The details of the Group's term deposits with a maturity of less than 3 months as of December 31, 2024 and 2023 are as follows;

Currency	Interest rate (%)	31 December 2024
TL	47,63-51,00	5.922.611.053
US Dollars	1,97-4,00	1.532.903.340
Avro	3,00	146.971.600
		7.602.485.993

Currency	Interest rate (%)	31 December 2023
TL	14,00 - 18,50	993.810.868
US Dollars	0,50 - 4,50	3.050.363.346
Avro	1,75 - 3,40	47.029.797
		4.091.204.010

As of December 31, 2024, the maturities of term deposits vary between 3 and 90 days (December 31, 2023 - 3 to 90 days). Interest rates of term deposits are fixed.

CORPORATE GOVERNANCE COMPLIANCE REPORT (UFR)

	Yes	Partially	No	Exempt	Irrelevant	Explanation
1.1. FACILITATING THE USE OF SHAREHOLDERS' RIGHTS						
1.1.2 - Information and disclosures that may affect the exercise of shareholder rights are currently made available to investors on the partnership's corporate website.	X					
1.2. THE RIGHT TO RECEIVE AND EXAMINE INFORMATION						
1.2.1- The company management has refrained from taking any action that would make it difficult to carry out a special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The Company has ensured that the agenda of the General Assembly is clearly stated and that each proposal is submitted under a separate heading.	X					
1.3.7 - Persons who have privileged access to partnership information have informed the Board of Directors to be added to the agenda in order to provide information on the transactions they have made on their behalf within the scope of the activity of the partnership in the general assembly.					X	*There was no such transaction notification.*
1.3.8 - Members of the Board of Directors, other relevant persons, officials and auditors responsible for the preparation of the financial statements were present at the general assembly meeting.	X					
1.3.10- The amounts of all donations and aids and the beneficiaries are included in a separate item on the agenda of the General Assembly.	X					
1.3.11 - The General Assembly meeting was open to the public, including the stakeholders and the media, without the right to speak.	X					
1.4. RIGHT TO VOTE						
1.4.1 - There are no restrictions or practices that make it difficult for shareholders to exercise their voting rights.	X					
1.4.2- The company does not have any shares with privileged voting rights.	X					
1.4.3 - The company abstained from exercising its voting rights at the General Assembly of any partnership in which it participates in a mutual participation relationship that brings along the dominance relationship.					X	*Nuh Çimento does not have any mutual participation relationships that bring along the dominance relationship with.*
1.5. MINORITY RIGHTS						
1.5.1- The Company has paid maximum attention to the exercise of minority rights.	X					
1.5.2- Minority rights are also granted to those who have less than one twentieth of the capital in the articles of association, and the scope of minority rights have been extended by arranging them in the articles of association.			X			*Minority rights are not granted to shareholders who hold less than one twentieth of the share capital, and rights are provided within the framework of general regulations in the legislation. There has been no request from investors in the contrary direction.*
1.6. RIGHT TO PROFIT SHARE						
1.6.1 - The dividend distribution policy approved by the general assembly is disclosed to the public on the corporate website of the partnership.	X					
1.6.2 - The profit distribution policy contains minimum information in a clear way that will allow shareholders to predict the procedures and principles for distributing the profits that the partnership will receive in future periods.	X					
1.6.3 - The reasons for not distributing the profit and the way of using the undistributed profit are stated in the relevant agenda item.					X	*Dividend has been distributed.*
1.6.4 - The Board of Directors has reviewed whether a balance has been achieved between the interests of the shareholders and the interests of the partnership in the dividend distribution policy.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no impediments hindering the transfer of shares.	X					
2.1. CORPORATE WEBSITE						
2.1.1 - The corporate website of the company contains all the elements included in the corporate governance principle numbered 2.1.1.	X					
2.1.2- Shareholder structure (names, privileges, number and ratio of real person shareholders holding more than 5% of the issued capital) is updated on the corporate website at least every 6 months.	X					
2.1.4 - The information on the corporate website of the company has been prepared in foreign languages chosen according to needs, with the same content as Turkish.		X				*The website has been prepared in accordance with the matters specified in the Corporate Governance Principles. A large part of the site has been prepared so that foreign investors can use it.*
2.2. ANNUAL REPORT						
2.2.1 - The Board of Directors ensures that the annual report fully and accurately reflects the company's activities.	X					
2.2.2 - The annual activity report contains all the elements contained in principle numbered 2.2.2.	X					
3.1. COMPANY POLICY ON STAKEHOLDERS						
3.1.1- Rights of stakeholders are protected within the framework of relevant regulations, contracts and goodwill rules.	X					
3.1.3 - Policies and procedures regarding the rights of stakeholders are published on the corporate website of the company.		X				*Some of the policies and procedures regarding the rights of stakeholders are published on the company's website.*
3.1.4 - Necessary mechanisms have been established for stakeholders to report illegal and ethically inappropriate transactions.	X					
3.1.5 - The Company handles conflicts of interest among its stakeholders in a balanced way.	X					
3.2. SUPPORTING STAKEHOLDERS' PARTICIPATION IN COMPANY MANAGEMENT						
3.2.1 - Employees' participation in management is regulated by the articles of association or internal regulations.		X				*The participation of employees in management is not regulated by the articles of association or internal company regulations. Employee participation is supported through internal company practices.*
3.2.2 - Methods such as surveys/consultations have been applied to obtain the opinions of stakeholders in important decisions that have consequences for the stakeholders.	X					
3.3. THE COMPANY'S HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an equal opportunity employment policy and succession planning for all key managerial positions.	X					
3.3.2 - The criteria for personnel recruitment have been determined in writing.	X					
3.3.3 - The company has a Human Resources Development Policy and in this context, trainings are held for employees.	X					
3.3.4 - Meetings were held to inform employees about the financial situation of the company, remuneration, career planning, education and health.		X				*Informational meetings and trainings are held on health, education, occupational health and safety.*
3.3.5 - Decisions that may affect the employees have been notified to them and their representatives. The opinions of the relevant unions on these issues were also consulted.	X					
3.3.6 - Job descriptions and performance criteria were prepared in detail for all employees, announced to employees and used in remuneration decisions.	X					
3.3.7 - Measures such as procedures, trainings, awareness raising, targets, monitoring and complaint mechanisms have been taken to prevent discrimination among employees and to protect employees against physical, mental and emotional ill-treatment within the company.	X					
3.3.8 - The company supports the freedom of association and the effective recognition of the right to collective bargaining.	X					
3.3.9 - A safe working environment is provided for the employees.	X					
3.4. RELATIONSHIP WITH CUSTOMERS AND SUPPLIERS						
3.4.1- The company measured customer satisfaction and operated with an understanding of unconditional customer satisfaction.	X					
3.4.2 - When there is a delay in processing the customer's requests for the goods and services purchased, this situation is notified to the customers.	X					
3.4.3 - The company adheres to quality standards for goods and services.	X					
3.4.4 - The Company has controls to protect the confidentiality of sensitive information of customers and suppliers within the scope of trade secrets.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The Board of Directors has determined the Code of Ethics and published it on the corporate website of the company.	X					
3.5.2- The partnership is sensitive to social responsibility. It has taken measures to prevent corruption and bribery.	X					
4.1. FUNCTION OF THE BOARD OF DIRECTORS						
4.1.1- The Board of Directors ensures that strategies and risks do not threaten the long term interests of the company and that an effective risk management is implemented.	X					
4.1.2- The agenda and minutes of the meetings reveal that the board of directors discusses and approves the company's strategic goals, determines the resources needed and audits the performance of the management.	X					

	Yes	Partially	No	Exempt	Irrelevant	Explanation
4.2. PRINCIPLES OF ACTIVITY OF THE BOARD OF DIRECTORS						
4.2.1- The Board of Directors has documented its activities and submitted them to the information of shareholders.	X					
4.2.2- The duties and authorities of the board members are outlined in the annual activity report.	X					
4.2.3 - The Board of Directors has established an internal control system suitable for the scale of the company and the complexity of its activities.	X					
4.2.4- Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - Duties of chairman of the Board of Directors and chief executive officer (general manager) are separated and defined.		X				*The chairman of the Board of Directors and the chief executive officer are not the same person. However, it is not stated in the articles of association.*
4.2.7- The Board of Directors ensures the effective functioning of the investor relations department and the corporate governance committee, and has worked closely with the investor relations department and the corporate governance committee in resolving the disputes between the company and the shareholders and communicating with the shareholders.	X					
4.2.8 - The Company has taken out an executive liability insurance policy with an amount exceeding 25% of the capital in respect of damages that may be caused by the negligence of the members of the Board of Directors during the execution of their duties.	X					
4.3. STRUCTURE OF THE BOARD OF STRUCTURE						
4.3.9- The Board of Directors has established the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance	X					
4.4. THE FORMAT OF BOARD MEETING						
4.4.1 - All board members attended most of the board meetings either in person or electronically.	X					
4.4.2 - The Board of Directors has defined a minimum period for sending information and documents related to the agenda items to all members before the meeting.		X				*It is essential that information and documents related to the issues to be discussed at the board meeting are sent to all members prior to the meeting. However, there is no internal regulation for the minimum duration.*
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion to the board in written format, were presented to other members	X					
4.4.4 - Each member of the board has one voting right.	X					
4.4.5 - The manner in which the meetings of the Board of Directors will be held has been written down with the internal regulations of the company.		X				*All members of the Board of Directors are informed at the beginning of the year on how the board meetings will be held. However, there is no written internal regulation specific to this issue.*
4.4.6 -The memorandum of meeting of the Board of Directors reveals that all the items on the agenda have been discussed, and the memorandum is prepared in a way that includes dissenting opinions.	X					
4.4.7 - Members of the Board of Directors are restricted from taking on additional duties outside the company. Any duties undertaken by board members outside the company were disclosed to shareholders at the general assembly meeting.			X			*Members of the Board of Directors may assume other duties or assignments outside the company. It is not bound by certain rules and is not limited.*
4.5. COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS						
4.5.5 - Each member of the Board of Directors serves on only one committee.			X			*Due to the structure of the Board of Directors and due to the obligations required by the CMB Legislation, one member necessarily takes part in more*
4.5.6- The committees invited the people they deem necessary to take their opinions to the meetings and took their opinions.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report					X	*No consultancy services were received.*
4.5.8 - A report was prepared on the results of the committee meetings and presented to the members of the Board of Directors.	X					
4.6. FINANCIAL RIGHTS PROVIDED TO MEMBERS OF THE BOARD OF DIRECTORS AND MANAGERS WITH ADMINISTRATIVE RESPONSIBILITIES						
4.6.1 - The Board of Directors has conducted a board performance evaluation to evaluate whether it has fulfilled its responsibilities effectively.			X			*No special study has been carried out for the purpose of performance evaluation at the level of the Board of Directors.*
4.6.4 - The Company has not extended any loans or credits to any of its board members or executives with administrative responsibilities, or extended the term of any such loans or credits, or improved the terms of any such loans or credits, or extended any credit under the title of personal loan through third parties, or provided any guarantees such as surety in favor of them.	X					
4.6.5 - Remuneration given to the board members and executives with administrative responsibilities is disclosed on individual basis in the annual report			X			*In accordance with the Law on the Protection of Personal Data No. 6698, it is disclosed as the total amount instead of on a per-person basis.*

CORPORATE GOVERNANCE INFORMATION FORM (KYBF)

1. STAKEHOLDERS	
1.1. Facilitating the Use of Stakeholder Rights	
Number of investor conferences and meetings held by the company throughout the year	In 2024, a total of 29 meetings were held with investors and analysts through various engagements.
1.2. The Right to Receive and Examine Information	
Number of special auditor requests	-
The number of special auditor requests accepted at the general assembly meeting	-
1.3. General Assembly	
Link to the KAP announcement disclosing the information requested under Principle 1.3.1 (a-d)	https://www.kap.org.tr/tr/Bildirim/1246298
Whether the documents related to the general assembly meeting are presented in English simultaneously with Turkish	Not presented.
Within the scope of Principle 1.3.9, links to KAP announcements regarding transactions that do not have the approval of the majority of independent members	There are no transactions of this nature.
Links to KAP announcements related to related party transactions within the scope of Article 9 of the Communiqué on Corporate Governance (II-17.1)	There are no transactions of this nature.
Links to KAP announcements regarding common and continuous transactions within the scope of Article 10 of the Communiqué on Corporate Governance (II-17.1)	There are no transactions of this nature.
The name of the section on the company's corporate website containing the policy on donations and benefits	According to Article 26 of our Articles of Association, following the allocation of the first dividend, 5% of the remaining amount is allocated as a donation to the Nuh Çimento Education and Health Foundation, which was established by our company, to be paid in the manner and at the time determined by the Board of Directors.
Link to the KAP announcement containing the minutes of the general assembly meeting where the policy on donations and benefits was adopted	https://www.kap.org.tr/tr/Bildirim/1251776
Article number in the articles of association regulating the participation of stakeholders in the general assembly	Article 15
Information about the stakeholders participating in the general assembly	Without the right to speak at the General Assembly, it was made publicly accessible, including stakeholders and the media.
1.4. Rights to Vote	
Whether there is a concession regarding the vote	No
If there is a concession regarding the vote, privileged shareholders and their voting percentages	-
Shareholding rate of the largest shareholder	44,13%
1.5. Minority Rights	
Whether the minority rights are extended in the company's articles of association (in terms of content or ratio) or not	No
If the minority rights have been extended in terms of content and proportion, please specify the number of the relevant articles of association	-
1.6. Right to Profit Share	
Name of the section on the corporate website where the profit distribution policy is disclosed	https://www.nuhcimento.com.tr/wp-content/uploads/Surdurulebilirlik-Dokumanlari-TR.pdf
If the Board of Directors proposes not to distribute dividends, the text of the general assembly agenda item stating the reasons and the intended use of undistributed profits	Dividend distribution was made.
Link to the KAP announcement containing the minutes of the general assembly where the non-distribution proposal was discussed	-
General Assembly Meetings	
Date of the General Assembly	2/24/2024
Number of additional explanation requests submitted to the company regarding the general assembly agenda	0
Participation rate of shareholders to the general assembly	65,95%
The proportion of shares directly represented	0,10%
The proportion of shares represented by proxy	66,05%
The name of the section on the company's corporate website where the minutes of the general assembly meeting, showing the positive and negative votes for each agenda item	https://www.nuhcimento.com.tr/sirket-bilgileri/
The name of the section on the corporate website containing all the questions posed at the general assembly meeting and the answers provided to them	https://www.nuhcimento.com.tr/sirket-bilgileri/
Item or paragraph number of the minutes of the general assembly meeting related to related parties	None
The number of people who notified the Board of Directors and had the opportunity to access the partnership information in a privileged way (Insider list)	63
Link to the general assembly notification published on KAP	https://www.kap.org.tr/tr/Bildirim/1251776

2. PUBLIC DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
The names of the sections on the Corporate Website that contain the information required by the corporate governance principle numbered 2.1.1.	There is an "Investor Relations" section on our website containing the issues specified in the CMB Corporate Governance Principles.
The section on the Corporate Website containing the list of real person shareholders who own more than 5% of the shares directly or indirectly	There is no real person who owns more than 5% of the shares as a shareholder.
Languages in which the Corporate Website is prepared	Turkish and English
2.2. Annual Report	
2.2.2. page numbers or section names where the information specified in the corporate governance principle numbered 2.2.2. is included in the annual report	
a) The duties performed by the members of the Board of Directors and managers outside the company and the page number or section name containing the independence statements of the members	Board of Directors and Committees / Structure and Formation of the Board of Directors
b) Page number or section name of the information related to the committees established within the body of the Board of Directors	Board of Directors and Committees / Structure and Formation of the Board of Directors
c) Page number or section name of the information about the number of meetings of the Board of Directors during the year and the participation status of the members in the meetings	Board of Directors and Committees / Working Principles of the Board of Directors
ç) Page number or section name of the information on legislative amendments that may significantly affect the Company's activities	Other Matters
d) Page number or section name of information about important lawsuits filed against the company and their possible consequences	The Company's Activities and Important Developments Related to the Activities
e) Page number or section name of the information about conflicts of interest between the Company and the institutions from which it receives services such as investment consultancy and rating, and the measures taken to prevent them	Other Matters
f) Page number or section name containing information on cross-shareholdings where the direct participation rate in the capital exceeds 5%	There is no cross shareholding relationship
g) Page number or section name of information about corporate social responsibility activities related to employees' social rights, vocational training and other company activities that have social and environmental consequences	The Company's Activities and Important Developments Related to the Activities
3. BENEFICIARIES	
3.1. Company Policy Regarding Stakeholders	
The name of the section on the corporate website where the compensation policy is included	None.
The number of judicial decisions finalized against the company due to violation of employee rights	15
Title of the official related to the notification mechanism	Audit Committee and Head of Internal Audit
Information on access to the company's notification mechanism	https://www.nuhcimento.com.tr/iletisim/
3.2. Supporting the Participation of Stakeholders in the Management of the Company	
The name of the section on the corporate website containing the internal regulations related to the participation of employees in management bodies	None.
Governing bodies in which employees are represented	Blue collar employees are subject to a Collective Bargaining Agreement, and there is no governing body in which our other employees are represented.
3.3. The Company's Human Resources Policy	
The role of the Board of Directors in the development of a succession plan for key executive positions	https://www.nuhcimento.com.tr/surdurulebilirlik-dokumanlari/
The name of the section on the corporate website that includes the human resources policy on equal opportunities and recruitment criteria or a summary of the relevant articles of the policy	https://www.nuhcimento.com.tr/wp-content/uploads/Surdurulebilirlik-Dokumanlari-TR.pdf
Whether there is a share acquisition plan or not	There is no share acquisition plan.
The name of the section on the corporate website that includes the human resources policy on measures to prevent discrimination and ill-treatment or a summary of the relevant articles of the policy	https://www.nuhcimento.com.tr/wp-content/uploads/Surdurulebilirlik-Dokumanlari-TR.pdf
The number of judicial decisions finalised against the company due to liability related to occupational accidents	3
3.5. Code of Ethics and Social Responsibility	
The name of the section on the corporate website where the Code of Ethics policy is located	https://www.nuhcimento.com.tr/is-etigi-kurallari/
The name of the section on the corporate website that includes the corporate social responsibility report. If there is no corporate social responsibility report, the measures taken on environmental, social and corporate governance issues	The Company's Activities and Important Developments Related to the Activities
Measures taken to combat all forms of corruption, including retaliation and bribery	The Audit Department and Human Resources units work in coordination.

4. Board of Directors - I	
4.2. Principles of Activity of the Board of Directors	
Date of the latest Board of Directors performance evaluationi	None.
Whether independent experts are used in the performance evaluation of the Board of Directors	No
Whether all members of the Board of Directors have been acquitted	Yes
The names of the members of the Board of Directors to whom authority is delegated with the distribution of duties and the content of such authorities	No delegation of authority has been made among the members of the Board of Directors.
The number of reports submitted by the internal control unit to the supervisory board or other relevant committees	None.
The name of the section or page number of the annual report that includes the assessment of the effectiveness of the internal control system	Risks and Assessment by the Board of Directors
Name of the Chairman of the Board of Directors	Tevfik Bilgin
Name of the Chief Executive Officer/ General Manager	Kamil Gökhan Bozkurt (CEO) / Halim Tekkeşin (Genel Müdür)
Link to the KAP announcement stating the reason for the chairman of the Board of Directors and chief executive officer/general manager being the same person	They are different individuals.
YLink to the PDP announcement regarding the insurance of the damages that may be caused by the members of the Board of Directors during the execution of their duties for an amount exceeding 25% of the company's capital	Liability insurance has been obtained. There is no KAP disclosure available.
The name of the section on the corporate website that provides information on the diversity policy to increase the proportion of female board members	https://www.nuhcimento.com.tr/wp-content/uploads/Surdurulebilirlik-Dokumanlari-TR.pdf
The number and ratio of female members	One person - 7%

Structure of the Board of Directors

Name/Surname of the Member of the Board of Directors	Whether He/She Is an Executive Officer Or Not	Whether He/She Is an Independent Member Or Not	Date of First Election to the Board of Directors	Link to the KAP Disclosure of Independence Declaration	Whether the Independent Member has been Evaluated by the Nomination Committee	Whether There Is a Member Who Has Lost His Independence	Whether the member Has at Least 5 Years of Experience in the Field of Audit, Accounting and/or Finance
Tevfik Bilgin	Not in Executive Role	Not an Independent Member	3/27/2013		-	-	Yes
Fikret Eskiyapan	Not in Executive Role	Not an Independent Member	3/26/1994		-	-	-
Mehmet Eskiyapan	Not in Executive Role	Not an Independent Member	3/31/1984		-	-	-
Nurcan Yurtbilir	Not in Executive Role	Not an Independent Member	3/30/2017		-	-	-
Sinan Yurtbilir	Not in Executive Role	Not an Independent Member	3/27/2013		-	-	-
Ali Tanju Yılmaztürk	Not in Executive Role	Not an Independent Member	2/24/2024		-	-	-
Muharrem Eskiyapan	Not in Executive Role	Not an Independent Member	3/24/2010		-	-	-
Hasan Çuhacı	Not in Executive Role	Not an Independent Member	4/27/2011		-	-	-
Yılmaz Küçükçalık	Not in Executive Role	Not an Independent Member	3/27/2013		-	-	-
Dr. Vahdettin Ertaş	Not in Executive Role	Independent Member	3/29/2018	https://www.kap.org.tr/tr/Bildirim/1246298	Evaluated	No	Yes
İsmail Köksal	Not in Executive Role	Independent Member	3/28/2019	https://www.kap.org.tr/tr/Bildirim/1246298	Evaluated	No	Yes
Aclan Acar	Not in Executive Role	Independent Member	3/25/2021	https://www.kap.org.tr/tr/Bildirim/1246298	Evaluated	No	Yes
Tevfik Kınık	Not in Executive Role	Independent Member	3/25/2021	https://www.kap.org.tr/tr/Bildirim/1246298	Evaluated	No	Yes
Elif Bilgehan Müftüoğlu	Not in Executive Role	Independent Member	3/25/2021	https://www.kap.org.tr/tr/Bildirim/1246298	Evaluated	No	-

4. BOARD OF DIRECTORS-II	
4.4. The Format of the Board of Directors Meetings	
The number of Board of Directors Meetings held physically or electronically during the reporting period	23
Average attendance rate at Board of Directors meetings	100%
Whether an electronic portal is used to facilitate the work of the Board of Directors	Yes
In accordance with the working principles of the Board of Directors, how many days prior to the meeting the information and documents are presented to the members	1-10 days
The name of the section on the corporate website that includes information about the internal regulations governing the conduct of Board meetings	https://www.nuhcimento.com.tr/wp-content/uploads/Ana-Sozlesme-2.pdf
The upper limit set in the policy limiting the members from taking other duties outside the company	There is no restriction in this respect.
4.5. Committees Established within the Body of the Board of Directors	
Page numbers or section names of the annual report where information on board committees are presented	Board of Directors and Committees / Structure and Formation of the Board of Directors
Link to the KAP announcement in which the working principles of the committee were announced	https://www.kap.org.tr/tr/Bildirim/944493

Board of Directors Committees -I

Names of the Committees of the Board of Directors	The Name of the Committee Mentioned in the First Column as "Other"	Name-Surname of the Committee Members	Whether He/She Is the Chairman of the Committee	Whether He/She is a Member of the Board of Directors or Not
Corporate Governance Committee	-	Dr. Vahdettin ERTAŞ	Yes	Board Member
Corporate Governance Committee	-	İsmail KÖKSAL	No	Board Member
Corporate Governance Committee	-	Aclan ACAR	No	Board Member
Corporate Governance Committee	-	Mehmet ESKİYAPAN	No	Board Member
Corporate Governance Committee	-	Sinan YURTBİLİR	No	Board Member
Corporate Governance Committee	-	Hasan ÇUHACI	No	Board Member
Corporate Governance Committee	-	Serap AKTAŞ	No	Not a Board Member
Nomination Committee	-	Dr. Vahdettin ERTAŞ	Yes	Board Member
Nomination Committee	-	İsmail KÖKSAL	No	Board Member
Nomination Committee	-	Fikret ESKİYAPAN	No	Board Member
Nomination Committee	-	Mehmet ESKİYAPAN	No	Board Member
Nomination Committee	-	Sinan YURTBİLİR	No	Board Member
Audit Committee	-	Dr. Vahdettin ERTAŞ	Yes	Board Member
Audit Committee	-	İsmail KÖKSAL	No	Board Member
Audit Committee	-	Elif Bilgehan	No	Board Member
Audit Committee	-	Aclan ACAR	No	Board Member
Audit Committee	-	Tevfik KINIK	No	Board Member
Early Detection of Risk Committee	-	Dr. Vahdettin ERTAŞ	Yes	Board Member
Early Detection of Risk Committee	-	İsmail KÖKSAL	No	Board Member
Early Detection of Risk Committee	-	Tevfik KINIK	No	Board Member
Early Detection of Risk Committee	-	Ali Tanju YILMAZTÜRK	No	Board Member
Early Detection of Risk Committee	-	Muharrem ESKİYAPAN	No	Board Member

4. BOARD OF DIRECTORS-III	
4.5. Committees Formed within the Body of the Board of Directors-II	
Specify the section of the annual report or corporate website where information is provided about the activities of the Audit Committee (page number or name of the section)	Board of Directors and Committees / Structure and Formation of the Board of Directors
Specify the section of the annual report or the corporate website where information is provided about the activities of the Corporate Governance Committee (page number or name of the section)	Board of Directors and Committees / Structure and Formation of the Board of Directors
Specify the section of the annual report or the corporate website where information is provided about the activities of the Nomination Committee (page number or name of the section)	Board of Directors and Committees / Structure and Formation of the Board of Directors
Specify the section of the annual report or corporate website where information is provided about the activities of the Early Detection of Risk Committee (page number or name of the section)	Board of Directors and Committees / Structure and Formation of the Board of Directors
Specify the section of the annual report or corporate website where information is provided about the activities of the Remuneration Committee (page number or name of the section)	The activities of the Remuneration Committee are carried out by the Corporate Governance Committee.
4.6. Financial Rights Provided to Members of the Board of Directors and Managers with Administrative Responsibilities	
Page number or section name of the annual report where information is provided about operational and financial performance goals and whether they have been achieved	Our Contributions to the Economy and Sustainability Goals
The name of the section of the corporate website containing the remuneration policy for executive and non-executive members	https://www.nuhcimento.com.tr/wp-content/uploads/Surdurulebilirlik-Dokumanlari-TR.pdf
Page number or section name of the annual report where the remuneration and all other benefits provided to Board Members and executives with administrative responsibilities are presented	Related party disclosures are indicated in the disclosures note of the financial statements.

Board of Directors Committees -II

Names of Board of Directors Committees	The Name of the Committee Mentioned in the First Column as "Other"	Ratio of Non-Executive Directors	Ratio of Independent Members in the Committee	Number of Physical Meetings Held by the Committee	Number of Reports Submitted to the Board of Directors on the Activities of the Committee
Corporate Governance Committee	-	86%	43%	1	1
Nomination Committee	-	100%	40%	2	2
Audit Committee	-	100%	100%	5	5
Early Detection of Risk Committee	-	100%	60%	6	6

DIVIDEND DISTRIBUTION TABLE

NUH ÇİMENTO SANAYİ A.Ş.
2024 Period Dividend Payment Table (TL)

1	Paid in Capital/Issued Capital		150,213,600
2	Total Legal Reserves (According to Statutory Income Statements)		374,237,238
	Information on privileges in profit distribution if any in the Articles of Association		
		According to CMB	According to Statutory Records
3	Current period profit / loss (=)	2,835,675,108	2,132,284,098
4	Taxes payable (-)	1,001,168,062	300,999,202
5	Net profit (=)	1,834,507,046	1,831,284,896
6	Previous years losses (-)	-	-
7	General Legal reserves (-)	-	-
8	DISTRIBUTABLE NET PROFIT FOR THE PERIOD (=)	1,834,507,046	1,831,284,896
	Dividend Advances Distributed During the Year	435,619,440	435,619,440
	Net Distributable Profit/Loss for the Period Net of Dividend Advances	1,398,887,606	1,395,665,456
9	Donations made during the year (+)	34,740,718	-
10	Net Distributable Profit added donations	1,433,628,324	1,395,665,456
11	First dividend to Shareholders	923,153,128	923,153,128
	- Cash	923,153,128	923,153,128
	- Bonus	-	-
	Total	923,153,128	923,153,128
12	Dividend to privileged shareholders	-	-
13	Distributed other dividend	-	-
	- Dividend to the Board Members	-	-
	- Dividend to the Employees	-	-
	- Other	-	-
14	Dividend to redeemed shareholders	-	-
15	Secondary dividends to shareholders	701,055,395	701,055,395
16	General legal reserves	194,526,612	194,526,612
17	Statutory reserves	-	-
18	Special reserves	-	-
19	EXTRAORDINARY RESERVES	-	-
20	Other Resources to be ditributed	328,568,277	328,568,277

DIVIDEND RATIO TABLE

		TOTAL AMOUNT OF DIVIDEND DISTRIBUTED		TOTAL DISTRIBUTED DIVIDEND/NET DISTRIBUTED PROFIT	DIVIDEND PER SHARE WITH NOMINAL VALUE OF TL 1	
	GROUP	AMOUNT (TL)	BONUS (TL)	RATIO (%)	AMOUNT (TL)	RATIO (%)
NET	(*)	1,659,860,280	-	90.48	11.05	1105.0000
	Total	1,659,860,280	-	90.48	11.05	1105.0000

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