

ÇAN 2 TERMİK A.Ş.
REMUNERATION POLICY

I. OBJECTIVE

This Remuneration Policy ("Policy") was drafted by Çan2 Termik A. Ş. ("Company") in order to set out the principles of remuneration of the members of the Board of Directors and executives with administrative duties at Çan2 Termik A. Ş. within the framework of the Turkish Commercial Code No. 6102 ("TCC") and the Capital Markets Law No. 6362 ("CML") and the regulations of the Capital Markets Board ("CMB" or the "Board"), including the Corporate Governance Communiqué No. II-17.1 ("Corporate Governance Communiqué") and the Corporate Governance Principles ("Corporate Governance Principles") contained in its annex.

The purpose of this Policy is to ensure that the Company's remuneration policies are planned, executed and administered in accordance with relevant legislation and the scope and structure of the Company's activities, long-term objectives and strategies, ethical values and internal balance by providing equal opportunities to persons on equal terms and without discrimination on the basis of race, nationality, religion and gender.

II. APPLICATION

The Policy and its amendments are presented to the shareholders for their information at the general assembly. The procedures and policies for remuneration are included in the annual report. They are also available on the Company's website under Corporate Governance in the Investor Relations section.

III. AUTHORISED COMMITTEE and SCOPE

The Board of Directors is responsible for the implementation and development of this policy. The Corporate Governance Committee monitors, reviews and reports on remuneration practices on behalf of the Board of Directors.

The Corporate Governance Committee shall formulate and submit to the Board of Directors a proposal for the remuneration of the members of the Board of Directors and executives with administrative duties, taking into account the remuneration principles set out in this Policy. The Committee acts within its authority and responsibilities and makes recommendations for the attention of the Board of Directors; however, the final decision-making authority rests with the Board of Directors. The Board of Directors ensures the effectiveness of the Policy by evaluating it once a year.

The Board of Directors submits a proposal to the General Assembly on the form and amount of remuneration of the members of the Board of Directors, taking into account the recommendation of the Corporate Governance Committee.

IV. REMUNERATION

Payments to members of the board of directors and executives with administrative duties consist of monthly salaries. Confidentiality of salaries, bonuses and other personal rights is essential.

In determining the remuneration of the members of the board of directors and executives with administrative duties, the Company's activity, size, internal balance, objectives, contribution to the decision-making process, responsibility assumed, type of work performed, merit, experience, performance, macroeconomic data of the market, salary policies applied in the same industry for similar positions, industry data, inflation data, international standards and legal obligations, profitability rate and performance of the Company are taken into account.

The members of the Board of Directors receive remuneration as determined each year by the general assembly. Within the framework of the Corporate Governance Principles, no dividends, stock options or remuneration plans dependent on the company's performance are used in the remuneration of independent members of the Board of Directors, and care is taken to ensure that the remuneration of independent members of the board of directors is at a level that preserves their independence.

Payments to executives with administrative duties consist of monthly salaries approved by the Board of Directors. The remuneration of executives with administrative duties is set to encourage high performance and work effort and to be competitive with the industry. Bonus payments are determined on the basis of Company performance and individual performance in order to increase the efficiency and performance of executives with administrative duties, to ensure continuity of performance and to reward managers who add value to the Company. Performance-based payments, especially bonus payments, are not guaranteed in advance.

Care is taken to ensure that this policy and the remuneration practices within it do not include incentive schemes that could be detrimental to the interests of partners' employees and clients. The wages are reviewed and updated once a year.

V. EFFECTIVENESS

This policy enters into force as per the decision of the Board of Directors dated 14.01.2021 and numbered 2021/01.

Amendments to the Policy are subject to the decision of the board of directors.