ALKİM ALKALİ KİMYA ANONİM ŞİRKETİ

ANNUAL REPORT FOR THE PERIOD 01.01.2022 TO 31.12.2022

Our Esteemed Shareholders

I greet you with love and respect and hope that our meeting, where we will evaluate the results of 2022, will be productive.

First of all, we are deeply saddened by the devastating earthquakes that struck our country in early February, centered in Kahramanmaraş and affecting many provinces in the Southeastern Anatolia Region. I wish God's mercy to our citizens who lost their lives, condolences to their relatives and a speedy recovery to our injured citizens.

The Russia-Ukraine war that started in February 2022 has become a new test for global economies. The war seriously delayed the global recovery from the coronavirus (Covid-19) pandemic, while concerns over energy and food security reached alarming levels.

The year 2022 was a year of fluctuations and uncertainties that emerged with the war. The conditions of war also led to difficulties in the procurement of raw materials, making it difficult to obtain potassium chloride, one of the raw materials for potassium sulfate. We are aware that these difficulties will not be the first and the last.

Despite all these challenges, our company achieved many successes both financially and operationally in 2022. In a challenging year in 2022, Alkim managed to maintain its strong financial structure and achieve a strong growth momentum. While expanding our business in our core markets, we successfully maintained our financial discipline. With consolidated revenues of TL 2,797 million and net profitability of TL 667 million, Alkim Kimya exceeded its 2022 targets and ended the year with this great success.

I would like to take this opportunity to thank the entire Alkim Family, who worked uninterruptedly with great dedication and labor in this troubled period to achieve successful results.

It is our greatest wish that a period in which the wheels of the economy will turn again and more strongly, and a year in which stability and predictability will prevail in our country.
In 2023, we aim to further strengthen our balance sheet and continue to distribute high dividends through our profitability-oriented strategy, pricing discipline and cost reduction projects. All our future achievements will be possible with the contribution, trust and support of our shareholders.

We are proud to be one of the cornerstones of the Turkish economy and to continue our activities successfully with the slogan "Chemistry of Success", which is identified with the Alkim brand, the greatest value we have. With this sense of responsibility, we will continue to support the development of our country's economy in 2023, increase our presence and activities in the global business environment, create value for our stakeholders and move forward without compromising our goal of becoming a global player in the field of chemistry.

With its strong growth story, contribution to national employment, high export performance, ability to create value for all stakeholders and social sensitivity, our company plays a valuable role in the development of the national economy. I am confident that we will further increase our success as economies normalize and healthy growth momentum is restored.

On behalf of our Board of Directors, I would like to express my gratitude to our valued business partners, our customers, who are very valuable to us, and our shareholders, who have always supported us on this path that we are walking with determination, and wish them health and well-being.

Yours respectfully.

M. Reha Kora
Mechanical Engineer, MSc
Chairperson of the Board of Directors

1. GENERAL INFORMATION

1.1. REPORT PERIOD January 1, 2022 – December 31, 2022

1.2. CORPORATE NAME: ALKİM ALKALİ KİMYA ANONİM ŞİRKETİ

1.3. TRADE REG. NO. 274053

1.4. MERSIS NUMBER: 0-0540-0447-9000014

1.5. CONTACT DETAILS:

HEAD OFFICE :İnönü Cad. No:13 Taksim Beyoğlu/ ISTANBUL
DAZKIRI FACILITIES :Koralkim Sodyum Sülfat Tesisi Acıgöl Mevkii Dazkırı/AFYONKARAHİSAR
CİHANBEYLİ FACILITIES :Bolluk Sodyum Sülfat Tesisi Bolluk Gölü Mevkii Cihanbeyli/KONYA
ÇAYIRHAN FACILITIES :Çayırhan Sodyum Sülfat Tesisi Abdioğlu Deresi Mevkii Çayırhan Nallıhan/ANKARA

1.6. INTERNET ADDRESS : http://www.alkim.com

PHONE NUMBER : (212) 292 22 66

1.7. INFORMATION ON THE BOARD OF DIRECTORS, AUDITING BOARD, EXECUTIVES AND EMPLOYEES

1.7.1. BOARD OF DIRECTORS

The members of the Board of Directors were appointed for a term of office of three years at the Ordinary General Meeting held on March 25, 2021. The names, surnames and terms of office of the members of the Board of Directors are as follows; The Board of Directors of the Company consists of nine members.

Name and Surname	Profession	Title:	Position Start Date – End Date
M. Reha KORA	Mechanical Engineer, MSc	Chairperson	25.03.2021 25.03.2024
A. Haluk KORA	Mechanical Engineer, MSc	Senior Vice-Chairperson	25.03.2021 - 25.03.2024
Arkın KORA	Physics	Vice Chairperson	25.03.2021 - 25.03.2024
Ferit KORA	Business Administration	Vice Chairperson	25.03.2021 - 25.03.2024
Svitlana KORA	Business Administration	Member	25.03.2021 - 25.03.2024
Tülay KORA	Business Administration	Member	25.03.2021 - 25.03.2024
E. Hale KOSİF	Communication and Sociology	Member	25.03.2021 - 25.03.2024
Nazım BARBAROSOĞLU	Mechanical Engineer, MSc	Independent Member	25.03.2021 - 25.03.2024
Hıdır Mehmet ÇOLPAN	Banker and Bureaucrat	Independent Member	25.03.2021 - 25.03.2024

1.7.2. AUDITING BOARD

- Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi (Ernst &Young (01.01.2022 - 31.12.2022)
- Certified Public Accountant Yüksel Kadıoğlu, Tax Auditing under a Full Attestation Agreement pursuant to the Tax Procedure Law. (01.01.2022 - 31.12.2022)

1.7.3. AUTHORITIES GRANTED TO THE MEMBERS OF THE BOARD OF DIRECTORS, THE MEMBERS OF THE AUDITING BOARD, AND THE SENIOR EXECUTIVES AND, THE LIMITATIONS THEREON

The chairperson and members of the Board of Directors as well as the senior executives and the auditing board members are granted the authorities to represent, manage and audit the Company in accordance with the pertinent provisions of the Turkish Commercial Code and of the Articles of Association of the Company.

1.7.4. COMMITTEES FORMED WITHIN THE BOARD OF DIRECTORS

The committees formed within the Board of Directors have been created as follows in line with the Corporate Governance Principles published by the Capital Market Authority, with the resolution adopted by the Board of Directors on March 31, 2021 pursuant to the new memberships of the Board of Directors elected at the Ordinary General Meeting held on March 25, 2021.

Audit Committee Members	Hıdır Mehmet Çolpan - Chairperson of the Audit Committee - (Independent Member of the Board of Directors) M. C. Nazım Barbarosoğlu - Member of the Audit Committee (Independent Member of the Board of Directors)
Corporate Governance Committee Members	M. C. Nazım Barbarosoğlu - Chairperson of the Corporate Governance Committee (Independent Member of the Board of Directors) A. Haluk Kora - Member of the Corporate Governance Committee (Senior Vice-Chairperson of the Board of Directors) Ferit Kora - Member of the Corporate Governance Committee (Chairperson of the Board of Directors) E. Hale Kosif - Member of the Corporate Governance Committee (Member of the Board of Directors) Hıdır Mehmet Çolpan - Member of the Corporate Governance Committee (Independent Member of the Board of Directors) Çağla Koçel - Member of the Corporate Governance Committee (Manager of the Investor Relations)
Early Detection of Risk Committee Members	M. C. Nazım Barbarosoğlu - Chairperson of the Early Detection of Risk Committee (Independent Member of the Board of Directors) Tülay Kora - Member of the Early Detection of Risk Committee (Member of the Board of Directors)

1.7.5. EXECUTIVES

The senior executives holding positions during the activity year of 2022:

NAME AND SURNAME	PROFESSION	POSITION
Nihat Erkan	Civil Service	General Coordinator
İlhan Kınacı	Chemical Engineer, MSc	General Manager
Mustafa Güresti	Economics	Assistant General Manager in charge of Accounting and Financial Affairs
Sonay Demirer	Geophysics Engineer - MBA	Assistant General Manager in charge of Sales and Marketing
Hakan Acun	Chemical Engineer, MSc	Technical Manager
Berna Sarı	Business Administration	Accounting Assistant Manager
Mustafa Gülgönül	Finance	Accounting Assistant Manager
Mehmet Gül	Electrical Engineer	Business Manager, Çayırhan
Ünal Arık	Mechanical Engineer	Business Manager, Dazkırı-Koralkim Facilities
Talip Aydeniz	Administrative Sciences	Business Manager, Cihanbeyli
Galip Çavdar	Mining Engineer	Manager of Mine Affairs
Ferruh Çalışkan	Economics	Human Resources Manager
Çağla Koçel	Economics	Investor Relations Manager

1.7.6. NUMBER OF EMPLOYEES

Average number of employees in 2022:

Management and Office Personnel	Production	TOTAL
55	**480**	**535**

Number of employees as of 31.12.2022:

Management and Office Personnel	Production	TOTAL
55	**439**	**494**

Data shown at the foregoing table is for the Alkim Kimya and sub-contractors.
Number of the employees of Alkim Kağıt Sanayi ve Ticaret A.Ş. is excluded.

1.8. AMENDMENTS TO THE ARTICLES OF ASSOCIATION DURING THE PERIOD

There has been no amendments to the Articles of Association within the activity period of 2022.

1.9. INFORMATION ON THE CAPITAL AND SHAREHOLDING STRUCTURE OF THE COMPANY AND, DISTRIBUTION OF DIVIDENDS

1.9.1. CAPITAL

The Company's Paid Registered Capital: TL 150.000.000.

The Company went public in 2000 by means of public offering by fully restricting the preferential rights of the existing shareholders.
Alkim Kimya is listed at the Istanbul Stock Exchange under the code ALKIM.

Free Float Rate is 57,62%.

1.9.2. Shareholding Structure

Additional Definition Group	**Nominal**	**Nominal / Capital**	**Capital (TL)**
Shares Traded in the Stock Exchange	86.425.882	57,62 %	150.000.000,00
Closed Shares	63.574.118	42,38 %	

Real persons holding 5% and more of the capital:

Mehmet Reha Kora	8,79%
Ferit Kora	8,19%
Özay Kora	7,49%
Tülay Kora	6,52%
Adem Haluk Kora	1,67%

Legal entities holding 5% and more of the capital:

Kora Holding A.Ş. 17%

1.9.3. PREFERRED SHARES

i. Privileges regarding the election of the Board of Directors

Out of the members of the Board of Directors, three members are elected among the candidates nominated by the Group "A" shareholders, two members by the Group "B" shareholders, two members by the Group "C" members, one member by the Group "D" shareholders and, one member by the Group "E" members.

1.9.4. DISTRIBUTION OF DIVIDENDS IN THE LAST FIVE YEARS

The distribution of the dividends within the Company takes place according to a policy relating thereto established by the Company pursuant to the pertinent provisions of the Turkish Commercial Code and the Capital Markets Board.

TL 56.585.312,87 of dividends was distributed from the distributable net period profit for 2018
TL 84.039.214,43 of dividends was distributed from the distributable net period profit for 2019
TL 28.107.710,41 of dividends was distributed from the distributable net period profit for 2020
TL 134.021.513,73 of dividends was distributed from the distributable net period profit for 2021 (In 2021, TL 78.090.009,54 of dividends was distributed from the distributable net period profit for 2020, and TL 55.931.504,19 of dividends was distributed from the distributable net period profit for 2019.)

- In 2022, TL 119.402.482,11 of dividends was distributed from the distributable net period profit.

1.10. ACTIVITIES OF THE MANAGEMENT BOARD MEMBERS WITH THE COMPANY IN ACCORDANCE WITH THE PERMIT GRANTED AT A GENERAL MEETING

In the activity period of 2022, there has been no transaction performed by or on behalf of the members of the management boards with the Company in accordance with the permit granted at a general meeting and, no such activities subject to the non-competition rules have been performed by them or on their behalf.

1.11. DIRECT OR INDIRECT SUBSIDIARIES OF THE COMPANY AND, ITS SHARE PERCENTAGES THEREIN

Subsidiaries are the enterprises where Alkim Alkali Kimya A.Ş. holds 50% or more than 50% of the shares, has the voting right for or represents or has the right to appoint the majority of the management, within the framework of the capital and management relationships, whether directly or through its other subsidiaries. The names of the subsidiaries included into the consolidated financial statements and, the shares of the parent company and of other subsidiaries in their capitals are as follows:

Subsidiaries held by the parent	Shares directly held by the parent (%)	Shares indirectly held by the parent (%)	Shares not held by the parent (%)
Alkim Kağıt	79,93	-	20,07
Alkim Sigorta	50,00	39,96	10,04

Activities	Country	Subject of Activities
Alkim Kağıt Sanayi ve Ticaret A.Ş.	Turkey	Manufacturing and sales of paper products
Alkim Sigorta Aracılık Ltd. Şti.	Turkey	Insurance intermediary services

1.11.1. PAPER INDUSTRY

Alkim Kağıt Sanayi ve Ticaret Anonim Şirketi was established in 1997 at the Organized Industrial Zone, Kemalpaşa, İzmir as a business unit of Alkim Alkali Kimya A.Ş. On June 30, 1999, the capital held by Alkim Alkali Kimya A.Ş. was separated by means of capital in kind, and it started to operate under the name of Alkim Kağıt Sanayi ve Ticaret A.Ş. and was offered to public by means of capital increase as of November, 2020.

It was approved by the Capital Market Board on 20.10.2022 to increase the capital of the Company from TL 52.500.000 to TL 183.750.000 by means of a capital increase through bonus issues in the total amount of TL 131.250.000, to be fully met from the available equity items. 79,33% of the shares in the capital of Alkim Kağıt is held by Alkim Kimya and, the free float rate is 20,07%. Alkim Kağıt is listed at the Istanbul Stock Exchange under the code ALKA.

It is considered one of the important manufacturers in Turkey in the field of printing house, writing-printing and office paper. The manufacturing facilities are capable of manufacturing equipment pool featured products (such as light-weight coated paper, coated paper, ivory, glass paper, wet strength label paper, soap paper, special paper for religious books). Akredite Laboratory is the quality control laboratory.

The amount of paper produced varies depending on the type and weight of the paper, but the annual production is about 75.000 tons to 90.000 tons. One may consider that it has been operating at full capacity during the recent years.

86.827 tons of paper has been manufactured in 2022, and all the products manufactured have been sold to domestic and foreign markets.

Furthermore, Alkim Kimya, has authorized its Board of Directors for sale of a part of or whole of its shares in its affiliation Alkim Kağıt Sanayi Ticaret A.S. that is traded in Istanbul Stock Exchange (BİST) as per the resolution passed by the Ordinary General Meeting held on 28.03.2022, however, to date the sale of the said shares did not materialize.

1.11.2. INSURANCE SERVICES

Alkim Sigorta Aracılık Hiz. Ltd. Şti. examines all the technical details and assesses with great care with respect to the insurance coverage for all the factory buildings, machinery and equipment, manufacturing and storage locations, management buildings, facilities, fixed or mobile construction equipment, fixtures, inventories of raw materials and semi-finished products, transportation vehicles within the entire Group as well as the foreign and domestic transportations and shipments and, other activities and procedures relating thereto and, makes great efforts to minimize all risks in connection therewith.

Alkim Sigorta has been established to provide accurate and sufficient insurance coverage for all the economic assets of the group with a great potential and, is currently operating in good stand.

2. FINANCIAL BENEFITS PROVIDED TO THE MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR EXECUTIVES

Attendance fees may be paid to the members of the board of directors in accordance with the pertinent provisions of the Turkish Commercial Code. The remunerations to be paid each year to the members of the Board of Directors are determined by means of a resolution adopted at a General Meeting upon the respective proposal of the shareholders.

Dividends up to 4% of the net profit may be distributed to the members of the board of directors based on the article 16 of the articles of association provided that this must be approved at a general meeting. However, to date, this rate has never exceeded 1,5%. It is applied in the range of 0,75% - 1%.

Executive members of the Board of Directors may be paid monthly payments not exceeding the wage of the General Manager, in accordance with the policy as set forth for the senior executives.

The remunerations paid to the senior executives are determined based on their positions, legal liabilities and seniorities. The annual determination of the said rights is based on the results and realization of the targets of the Company.

The form and amount of the remunerations to be paid are determined by the board of directors.

It was accepted at the General Assembly Meeting held on March 28, 2022 to pay a gross remuneration of TL 6,200 per month to the members of the Board of Directors.

Financial Benefits Provided to the Members of the Management Board and Senior Executives of Alkim Alkali Kimya A.Ş.
Period: 01.01.2022 / 31.12.2022

Attendance fees, remunerations, bonuses, gratuities	:	TL 10.912.579,08
Dividends to the Board of Directors	:	TL 1.206.085,68
Allowances, accommodation, representation and insurance expenses	:	TL 258.578,40
Total	**:**	**TL 12.277.243,16**

3. MANUFACTURING ACTIVITIES

3.1. ÇAYIRHAN MINING BUSINESS

The largest reserve and the most advantageous manufacturing site in respect of logistics owned by Alkim is the underground mine site of glauberite located in Çayırhan, Ankara. The underground solution mining business operates under the scope of a patent owned by Alkim. Alkim's mining license for glauberite is 94,8 km^2. This license was obtained from the General Directorate of Mineral Research and Exploration (MTA) as a result of a tender. The reserve of glauberite that has been determined by means of drillings carried out by MTA only in an area of 9,45 km^2 is 196 million tons. The total area of the mining site is 94,87 km^2. Considering that 196 million tons of reserve have been found in 1/10 of the license area, it is obvious that the total reserve will be a significant amount. The facility generates a significant part of the steam and electricity energy internally consumed.

By means of a special method, for which the discovery right belongs to Mehmet Reha Kora and, the patent is held by Alkim Alkali Kimya A.Ş., the underground deposit of glauberite was divided into panels in a certain order and exploded accordingly.

A hot, weak solution is injected to this reserve of glauberite, the surface area of which has been expanded due to the explosion. The glauberite was dissolved underground within a certain process, and separated into sodium sulphate and gypsum. The patent is about how these underground panels to be formed, how the explosions are to be carried out, how to carry perform these very precision separation process, and which methods are to be used to take out the sodium sulphate solution. This is a company secret. The sodium sulphate solution derived from the dissolved glauberite is taken to the surface with the help of a special system, gathered at various scales using various panels, automatic density measurements take place on the main lines with the help of computer-controlled distribution pumps, inspections are carried out with the help of a full automated SCADA system using a special computer program and, transferred to the sodium sulphate facilities that are kilometers away through the pipe lines. Since the pipe lines are insulated with special methods, the solution temperature never drops below 32,6 ^{0}C.

This solution called rich solution is processed at the factory and turns into refined sodium sulphate at the end of the crystallization and evaporation processes. This refined sodium sulphate is transferred to the customers in big-bag packages or bulk.

SODIUM SULPHATE MANUFACTURING FACILITIES, ÇAYIRHAN

The Çayırhan Sodium Sulphate Facilities have the power plant to generate its own steam and electric energy requirement and all kinds of technical, administrative and social infrastructure installations and various by-units and all the support systems that are prerequisite for a chemical installation of this scale. The high-pressured steam generated in the powder coal fueled - viscose bedded steam boiler at our facility is passed from an opposite pressured turbine and meets 1/3 of the steam requirement necessary for the process, as well as the power requirement of the entire Facility. During the construction of this facility; all auxiliary units have been constructed at the size and capacity to meet the requirements of the additional investments in the following years.

Our infrastructure investments are in progress in order to increase the capacity of the Çayırhan Facilities, from 300.000 tons/year up to 390.000 tons/year.

INVESTMENTS

Routine maintenance & repair & improvement efforts are being performed at the facilities.

A 10-year heavy maintenance was carried out on the Siemens 2.66 MW Turbine in the Çayırhan Sodium Sulphate Facilities on February, 2022.

The preparation works for the new underground production panels planned to be constructed in the Mine Site are in progress. The construction of the Panel 15 has been completed, and the construction of the Panel 14 and the Panel 16 is in progress.

In addition to the cement factories, feasibility studies have started for the manufacturing of gypsum so that it would be possible to get even more advantage thereof available in our mining license area.

Studies are in progress to construct a new ash site for the 2 units of Fluidized-Bed Steam Boilers available in our facilities.

R&D WORKS

R&D efforts to get refined anhydride sodium sulphate from glauberite mine by means of solution mining have been in progress in 2022.

The capacity utilization ratio at the Çayırhan Sulphate Facilities with the world’s most modern technologies in this field has reached 95%.

For the patent containing our own invention in respect of solution mining, which we implement in the mine site, a use certificate was obtained from the Turkish Patent Institution in 2017.

MANUFACTURING OF GYPSUM

The shipment from the gypsum manufacturing facility to cement factories has started and, 47.844 tons of gypsum were shipped during 2022.

3.2. AFYONKARAHİSAR – DAZKIRI KORALKİM FACILITIES

ACIGÖL LAKE BUSINESS ESTABLISHMENTS

The production of refined sodium sulphate, potassium sulphate, refined salt (sodium chloride) and dried salt takes place at the Dazkırı Koralkim Facilities.

Koralkim Sodium Sulphate Facility, a Natural Lake Business, covers an area of 20 km^2. At the facility, there is a Sodium Sulphate Unit called K 1 and a Refined Salt Unit called K 2. 99,5% pure of anhydride-refined sodium sulphate and 99.9% pure of refined salt are manufactured, and potassium sulphate that contains at least 52% pure of K_2O. The facility generates all the steam and electric energy consumed. (3,5MWh)

Glauber salt that is precipitated in the production pools located in the Acıgöl Open Pit Mine is processed at our facilities operating with the progressive evaporation process and anhydride refined sodium sulphate is obtained at minimum 99,5% of purity.

Again, similarly the raw salt (Nacl) precipitated in the ponds existing in the Open Pit Mine is fed to the staged evaporation process and, minimum 99,5% purity of refined salt (sodium chloride) is obtained.

The facilities have a steam power plant and a cogeneration system to generate its own steam and electric power. The facility generates a significant percentage of the steam and electric energy consumed. It has also all types of technical, administrative and social infrastructure facilities, various axillary units and all the supporting system that need to be within in a chemical facility of this size. Like in other facilities, the Koralkim Facilities operate under computer control.

Refined table salt and dried salt are manufactured in the Koralkim Facilities by making use of waste steam and electric power and, using special alloy evaporators and exchangers in the system.

Refined sodium sulphate and refined salt manufactured in the facilities are shipped through bulk trailers and big-bags according to the requirements of customers.

The dimensions of the production ponds of our Acıgöl Open Field Operation in Dazkırı district: For the production of crystal (sodium sulphate): 13,18 km^2, and for the production of salt (sodium chloride):5,53 km^2.
The lake water is first transferred to the evaporation pools and, then to the production pools for cooling during the summer months.

The sodium sulphate inside the solution is crystalized due to the cold weather during the winter months and, subsided to the pool bottom. This glauberite salt is used as the raw material for the production of sodium sulphate. It is melted, filtered and re-crystalized, and becomes refined refine anhydrite sodium sulphate by means of graded evaporation at the facilities.

The salt solution left at the surface of the glauberite salt in the production pool is transferred to the salt pools by means of channels and pumps. Raw salt is derived at the salt pools when it reaches a certain concentration due to the hot weather during the summer months.

The top solution that is left after the raw salt has been obtained and, that is purified as much as possible from sodium sulphate and sodium chloride was taken to a new pool and levelled up to the required level of concentration and settled down the pool as kainit for the first time this year. Kainit is a raw material with a high possibility of being used for the production of potassium chloride and potassium sulphate.

DAZKIRI KORALKİM MANUFACTURING FACILITIES

At the Dazkırı Koralkim Facilities, the capacity of manufacturing sodium sulphate is 180.000 tons/years, the capacity of manufacturing potassium sulphate is 50.000 tons/year, the capacity of manufacturing dried salt is 30.000 tons/year and, the capacity of manufacturing refined salt is 30.000 tons/year.

The investment for Potassium Sulphate has started at the Dazkırı Koralkim Facilities as planned. Since potassium sulphate does not contain chloride like leonite fertilizer, it plays a significant role for the growth of chloride-sensitive plants.

The most important advantage of this investment of Alkim is that it has one of the raw materials and, this fertilizer is not manufactured in Turkey and nearby geography.

One of the strategic advantage from this investment is that Alkim has sodium sulphate, one of the two raw materials used to manufacture potassium sulphate fertilizer, and that the glauberite salt, which it produces without any energy consumption under natural conditions of the lake operations of Alkim allowing solar concentration and making use of the cold weather during the winter months, may be used as raw sulphate.

In spite of the pandemic conditions, we have achieved to complete the installation of a complex facility with the efforts a great number of teams for the supply of machines and equipment both nationally and internationally. The product obtained in this manner is of high quality.

The importance of potassium sulphate completely manufactured from natural resources will increase incrementally in the agricultural sector of our country. The modern agriculture started to use advanced irrigation technologies, which has made it necessary to use the water resources of our country in an efficient manner. Considering this fact, an extremely advanced technology has been preferred for the production of potassium sulphate.

In addition to being extremely suitable for organic agriculture with its high potassium oxide content and almost zero chlorine, potassium sulphate manufactured by Alkim is completely suitable for drip irrigation technologies in agriculture with its 100% water solubility feature. These properties make it very valuable natural fertilizer at the market. A superior level of quality has been achieved in the production of potassium sulphate within a very short period of time.

The Potassium Sulphate Fertilizer Facility was added by the Republic of Turkey Ministry of Agriculture and Forestry to our Production License Certificate No. 872 on December 6, 2021.

With this investment we made, we will be able to meet the entire requirement in our country for potassium sulphate and, the excess quality will be exporter to the neighbouring countries. In this way, potassium sulphate that has been met by import up until today will be manufactured in our country for the first time, resulting in a great contribution to our country's economy.

For the manufacturing of potassium, potassium chloride that is imported, and crystal sodium sulphate, which is our own raw material. Russia and Belarus supply about 40% of the needs for the global potassium chloride market, and these countries are the closest to us logistically.

The Russia - Ukraine War and, the embargoes imposed due to this war, have caused significant difficulties in the supply and trade of fertilizers worldwide, and the prices of raw materials and energy have significantly increased. Our stock of raw materials have run out of and thus our manufacturing of SOP has been temporarily suspended. We still sell products out of the current stocks.

Accordingly, the first export of potassium sulphate was to Egypt in January, 2022 in the amount of 475 tons.

Our company is carefully monitoring the developments in the entire industry both for the supply of raw materials and the sales of finished products. At this stage, we are continuing to work on the supply of potassium chloride within a wider geography. We are constantly in contact with the world's leading manufacturers of potassium.

R&D WORKS

As is known, both raw sodium sulphate and raw salt are obtained at Acıgöl. Carried out in line with the Potassium Sulphate Facility Investment at Acıgöl, the R&D works, which are intended to derive potassium sulphate directly from the lake water and, effectively make use of potassium and magnesium compounds found at the lake water at a low density as a benefit for the country's economy, are about to be completed. At both Cihanbeyli Tersakan Lake and, Acıgöl, there are low-density potassium and magnesium derivatives at the top solution that is left after the sodium sulphate and then raw salt has been obtained.

The top solution that is left after the raw salt has been obtained and, that is purified as much as possible from sodium sulphate and sodium chloride was taken to a new pool and levelled up to the required level of concentration and settled down the pool as kainit for the first time this year. Kainit is a raw material with a high possibility of being used for the production of potassium chloride and potassium sulphate.

The purpose of these works is to obtain all the minerals inside the both lakes in a productive manner making use of a natural operation process thanks to evaporation by the sun during the summer months and, the crystallization by cold weather during the winter months.

Since there is a low-density potassium and magnesium in these lakes, the maximum amount of potassium sulphate and magnesium sulphate to be obtained in this manner is limited.

Inspections and evaluations that have been carried out by the Ministry of Environment, Urbanization and Climate Change in connection with the project "Salt Production" (Potassium Chloride, Potassium Sulphate) listed on the Annex-II to the Environmental Impact Assessment Regulations have resulted in a decision stating that "Environmental Impact Assessment is Not Necessary".

3.3. KONYA CİHANBEYLİ BOLLUK FACILITIES

LAKE BUSINESS ESTABLISHMENTS

The dimensions of the production ponds of our Bolluk Lake and Tersakan Lake Operations in the Cihanbeyli district are: 5,15 km^2 for crystal (sodium sulphate) manufacturing; and 3.72 km^2 for salt (sodium chloride) manufacturing. The capacity of melting, evaporation, drying and packaging as process at the Cihanbeyli Manufacturing Facilities is 80.000 tons/year. However, the production takes place depending on the quantity of the raw material (natural sodium sulphate crystal derived through natural ways from the pools) obtained. The average of the last five years is about 46.000 tons/year of sodium sulphate.
Our capacity for leonite is 5.000 tons/year while our capacity for magnesium chloride solution is 8.000 tons/year.

The lake water from Bolluk Lake and Tersakan Lake is first transferred to the evaporation pools and, then to the production pools for cooling during the summer months. The sodium sulphate inside the solution is crystalized due to the cold weather during the winter months and, subsided to the pool bottom. This glauberite salt is used as the raw material for the production of sodium sulphate. It is melted, filtered and re-crystalized, and becomes refined refine anhydrite sodium sulphate by means of graded evaporation at the facilities.

The salt solution left at the surface of the glauberite salt in the production pool is transferred to the salt pools by means of channels and pumps. Raw salt is derived at the salt pools when it reaches a certain concentration due to the hot weather during the summer months.

At the Tersakan Lake, Konya, the solution left at the surface of the raw salt is transferred to the magnesium pools for the production of magnesium derivatives and, then the raw material obtained from the mixed magnesium pool is shipped to the factory for the production of leonite fertilizer.

And the magnesium chloride solution is evaporated as a raw material or partially, processed accordingly and, sent to the locations where it is to be used.

Lithium will have reached the densest concentration at this final pool. R&D works continued for the Lithium found during the analyses carried out on the bottom muds of the Lake Tersakan in the previous periods. Some analyses were carried out on the mud samples from certain depths on the lake bottom in the Lake Tersakan for this purpose. Studies for enrichment of lithium concentrations in the lake solutions and, trials for lithium carbonate production were carried out in the laboratory in the Bolluk Facilities. Works at a laboratory scale are continuing in this respect.

At the meeting of the Board of Directors held on 28.09.2022, it was resolved to disassembly the Sodium Sulphate units from the Konya Cihanbeyli Bolluk Lake Facilities and transfer them together with the steel constructions to the Çayırhan Sodium Sulphate Facilities with a reserve of about 190 million tons. In order to process the raw material formed in the production ponds of our Tersakan Plant in this winter season to obtain refined sodium sulfate of around 45.000 tons/year and to keep the significant added value that this will bring within the company, dismantling and transportation have been postponed until the fall of 2023. Production of raw salt, leonite and magnesium derivatives will continue at our Cihanbeyli Plant.

MANUFACTURING FACILITIES

At the Konya Cihanbeyli Bolluk Facilities, the crystal (glauber salt) obtained from the open site operations located in Tersakan and Bolluk Lakes is processed through the progressive evaporation process and anhydride - refined sodium sulphate product is obtained. These facilities have a power plant generating its own steam and electric power and also employ all technical, administrative and social infrastructure facilities as well as various auxiliary units and all supporting systems, which should be employed in a chemical facility of that size. Alkim Alkali Kimya's entire facility is operating under computer control. The high pressured steam generated at the power plant of our facility is initially passed from an opposite pressured turbine and both the steam requirement necessary for the process is met, and also the power necessary to partially meet the power requirement of the entire facility is generated. Sodium sulphate of high quality produced is shipped to the market in bulk or in Big Bags of 1 – 1,5 tons and other normal bags.

Leonite fertilizer (magnesium-potassium sulphate) is manufactured with the help of a special process applied by Alkim by means of making use of excess of the steam energy from the Bolluk Facilities.

Magnesium chloride solution used by the general directorate of highways and municipalities to prevent icing on roads is manufactured with the necessary concentration and content at the magnesium chloride evaporators integrated within the Bolluk Facilities and, transferred to the consumption points by tankers.

Magnesium sulphate and crystal magnesium chloride as well as magnesium oxide have been manufactured in the Bolluk Facilities as a pilot plant. A Domestic Goods Certificate is obtained for the magnesium chloride solution.

4. PRODUCTS AND THEIR CHARACTERISTICS

Our sodium sulphate business are located, Çayırhan, Ankara; Dazkırı, Afyonkarahisar and, Cihanbeyli, Konya.

The Business Unit in Çahırhan, Ankara manufactures sodium sulphate, the Business Unit in Dazkırı, Afyonkarahisar manufactures sodium sulphate, potassium sulphate and salt,

the Business Unit in Cihanbeyli, Konya manufactures salt, magnesium chloride, magnesium sulphate and leonite fertilizer in addition to sodium sulphate.

Sodium sulphate, sodium chloride and magnesium components considered to be the main business operations of Alkim are manufactured in lake and underground mines licensed for a long period.

Total area of the manufacturing and preliminary evaporation ponds and storage & transfer ponds and channels in the lake plants of the Company (saltpans) is about 28 km^2. In our mining facilities, we have all types of heavy construction machines, jumbo drillers, road headers, excavation machines, loader, dozer, heavy tractors, normal and swamp type excavators, trucks, light trucks and pick-ups, freight train, etc. general and special service type vehicles and machines belonging to our company.

All precious equipment, tools, devices, facilities, storages, bunkers, various service workshops, administrative buildings, lodging buildings etc. are completely owned by the Company.

The world's sodium sulphate production is 24 million tons per year. Asia represents 61% of this production with the capacity of 13,7 million tons per year. Chine is the world leader in respect of the production of sodium sulphate, and it is followed by Spain with a capacity of 1,8 million tons per year. Turkey is the second largest manufacturer in Europe after Spain and, the largest manufacturer in the Middle East.

4.1. SODIUM SULPHATE

Sodium sulphate (Na_2SO_4) represents the main production of Alkim. Sodium sulphate is one of the raw materials used to manufacture natural potassium sulphate and at the sectors of detergent, paper, glass, textile, chemical and animal feed. It is used during the process to obtain pulp at the paper industry; as a main filling agent and auxiliary product for bleaching at the detergent industry; as homogenizer and air bubble preventer at the glass production industry. Besides, it is a basic raw material for the animal feed industry and for the production of various chemicals. And for the textile industry, which is an important area of usage, it is used to ensure that dark colored dyes are homogenous and permanently attached to the fabric at the dyeing plants.

The operations that started when H. Vedat Kora, the founder of the company, obtained licenses for Acıgöl, Afyon in 1952, have continued at Bolluk Lake in Cihanbeyli, Konya in 1956 and, at Tersakan Lake in Cihanbeyli, Konya in 1960. These licenses obtained for the business operations are one of the first mining licenses obtained in the republic period.

As a result of the acquisition of the site found by MTA in the district of Çayırhan, Ankara in 1992 as a result of a tender, sodium sulphate started to be obtained from the underground reserves of glauberite.

Production is realized through the collection of the raw-material (glaubersalt) formed by transferring the waters (solutions) of the Tersakan and Bolluk in Konya-Cihanbeyli and of the Acıgöl in Afyonkarahisar-Dazkırı Lake establishments, containing alkaline salts into the large production ponds (Saltpan Method) and subjecting to evaporation here, thus increasing the concentration and in cold weather conditions by special methods and transportation to our Sodium Sulphate Facilities in order to be processed. At the Sodium Sulphate Facility in Çayırhan, sodium sulphate solvent are obtained by means of melting the glauberite cores that are partly brought to surface through underground solvent mining at the mechanical melting facility and, the processing thereof is realized at the crystallization and evaporation units.

The total manufacturing capacity of sodium sulphate at all the facilities when measured by the machine - equipment capacities is 470.000 tons/year. However, the Business Units in Cihanbeyli and Dazkırı works with the crystal sulphate raw material naturally derived from the bitter lakes therein, the actual production amounts are in proportion to the raw material amounts derived during the current season. Since the raw material is derived at the discretion of our company from the definite reserve underground at the business unit in Çayırhan, which is the largest one within the organization of our company, these facilities located therein operate at full design capacities.

In the Acıgöl facilities, the total area of sodium sulphate manufacturing ponds is 5.400.000 m^2 while the pre-evaporation bonds are located in an area of 7.780.000 m^2.

The total area of salt manufacturing ponds is 4.208.000 m^2 while the salt pre-evaporation bonds are located in an area of about 1.324.000 m^2. Normal lake operation activities are continued on an area of 18.712.000 m^2 (18,7 km^2) in total. The operations in the Lake Tersakan and the Lake Bolluk facilities are carried out in twelve manufacturing ponds located in a total area of 8.875.000 m^2. The method of underground solution mining is applied for the production in the Sodium Sulphate Mining Site, Çayırhan.

4.2. MANUFACTURING OF SODIUM CHLORIDE (SALT)

Sodium chloride (salt) is manufactured in natural lake environment at our Acıgöl Facility located in Afyonkarahisar – Dazkırı, Tersakan Lake Facility and Bolluk Lake Facility located in Konya – Cihanbeyli.

Raw salt is used in the textile and chemical industries, dried salt is in the pickled products and animal feed additives and, refined salt is used as industrial salt and food salt.

There is a production capacity of about 25.000 tons of raw salt in total per year on the salt production site at the Lake Business Units in Cihanbeyli, Konya (3,72 km^2) depending on the amount of the top solution of the crystal sulphate derived in the previous season.

Since there are major similarities between the production process of sodium sulphate and the production process of refined table salt at this factory, it is possible to process the raw salt manufactured at the Lake Tersakan in order to get refined table salt at the same facility.

The size of the pre-evaporation ponds used for raw materials in the Acıgöl facilities located in Dazkırı, Afyonkarahisar is 1,32 km^2 while the size of the total manufacturing ponds is 4,20 km^2 and, the size of the ponds in total is now about 5,53 km^2. Our production capacity of raw salt per year herein is about 200.000 tons depending on the amount of the top solution of the crystal sulphate derived in the previous season.

At the Salt Manufacturing Facility, which has been integrated into the main production process of our Dazkırı Sodium Sulphate Facilities, daily 115 tons and annually 35.000 tons of refined salt as well as daily 90 tons and annually 30.000 tons of dried salt can be manufactured.

Alkim has a food certificate for the salt manufacturing.

Alkim has completed the salt investments and the construction of the planes salt production pools, which it had started in 2002 when the Monopoly Law was amended, in 2004 at the business in Cihanbeyli, Konya and, then in 2005 – 2006 at the business in Acıgöl, Afyon. Raw material is released to the market partially on as is basis and partially processed in the various forms of finished salts such as washed salt, dried salt, refined salt. The salt manufactured in these methods conform the requirements of the TSE and the Turkish Food Codex in respect of quality.

4.3. MANUFACTURING OF MAGNESIUM CHLORIDE SOLUTION

Liquid magnesium chloride ($MgCl_2$) is manufactured in the lake facilities, in addition to normal sulphate and raw salt operations performed therein. This product is used especially for the manufacturing of fire-resistant sheets. Magnesium chloride solution that has been for many years in developed countries for anti-icing on roads has started to be used in our country for the last a few years; the demanded quantities increase year by year.

4.4. MANUFACTURING OF LEONITE (POTASSIUM – MAGNESIUM SULPHATE) FERTILIZER

Alkin manufactures Leonite (Potassium Sulphate Fertilizer Containing Magnesium), which has not been manufactured in Turkey up until today and, which plays an important role for the growth of chloride-sensitive plants such as citrus fruits, tobacco, cotton, corn, banana and tea, and possesses a certificate for "Suitable for Organic Agriculture". The manufacturing capacity of leonite is 5.000 tons/ year.

4.5. POTASSIUM SULPHATE FERTILIZER

Potassium sulphate is a very valuable potassium source for the soil.

The root and structural health of plants and their durability against diseases or harsh seasonal conditions are directly depending on the amount of potassium they could reach. Potassium has a strong impact to get vivid and physically voluminous vegetables and fruits with beautiful colors and also better taste. As a matter of fact, "chlorine-free potassium sulphate" should be used for the protection of certain vegetables and fruits. Potassium also supports the productivity of the soil.

With the natural potassium sulphate we started to manufacture by means of using natural raw materials, we have brought this valued nutrition for the soil which is the need of our country to the farmers.

Potassium sulphate completely soluble in water is the right choice for the drip irrigation systems.

Potassium sulphate from Alkim is natural, has a very high rate of K_2O and purity, has almost zero chloride, contains no heavy metal, no acid, is pH neutral, soluble 100% in water, EKOTAR certified and suitable for organic agriculture.

5. INFORMATION ON THE SALES AND MARKETING FACILITIES

5.1. MAJOR CUSTOMERS OF THE PRODUCTS

Sodium sulphate is a very important raw material used in particular in the detergent and glass industries as well as the paper, textile dyeing and animal feed industries. It is an essential content for the manufacturing of powder detergents and, found in the formulations of laundry detergents as a filling material. In addition, it ensures that all the raw materials of the powder detergent are in the package in a certain balance. And it acts like a catalyst when the detergent contacts the water. For the paper industry, sodium sulphate is the most important raw material used for the production of pulp, which is the raw material of paper and, for cooking the fibers. It has also a critical function in the production of frits for the glass industry. Use of sodium sulphate in the textile industry ensures that the dye passes through the fabric in a homogenous manner.

The permanent customers of Alkim Alkali Kimya A.S. are: All of the detergent producers in our country. (Unilever, Türk Henkel, Procter & Gamble, Hayat Kimya, ABC,…). In the export market on the other hand, the glass and detergent factories in Ukraine, Romania, Bulgaria, Greece, Lebanon, West and South Africa, Congo, Ivory Coast, Angola, some countries in Central Africa, Morocco, Algeria and Egypt are the directly permanent customers. About 13% of the production has been exported depending on the domestic consumption.

It is the basic and primary policy of Alkim to meet the requirements and demands for sodium sulphate in Turkey. Since this matter is always in the first priority in the sales planning, our amount of export and the share of export in our sales can vary according to the domestic demand in the related period.

We are the only high quality sulphate manufacturer in Turkey and nearby geography and the absolute market leader with the dominant position in the market.

The powder detergent industry is the largest area of use for sodium sulphate. Consumption of detergent varies depending on the population and use of washing machines in the countries.

A considerable amount of powder detergent formulations manufactured in our country is composed of natural sodium sulphate from Alkim.

The Middle East is an important market considering the fast population increase and increasing number of washing machines used therein.

According to surveys carried out by detergent manufacturers, the annual consumption of detergent per person is estimated to be 7 kg and, an about 25 kg of detergent be consumed in each house in our country that is expected to have a population of 100 million people by 2050. All the detergent manufacturers in our country are the permanent customers of Alkim.

As the use of sodium sulphate in detergent increases in our country and in the Middle East in parallel with quickly increasing population therein, it is notable that sodium chloride started to be used as filler in some certain brands for the last two years. In the laboratories of our company, detailed analyses of all powder detergent brands on the market are carried out, and the rate of sodium sulphate and sodium chloride changes in their formulations is monitored in what direction and at what speed.

In addition to sodium sulphate, we also manufacture considerable amount of raw salts, washed salt, dried salt (industry type salt) and refined common salt. Salt (NaCl) is a very important product in the textile, chemical, health and animal feed industries and also used as defroster.

This product of perfect quality manufactured at our potassium sulphate facility commissioned as of November 2022 started to be offered to the market. We work with leading distributors on potassium fertilizers. Our potassium sulphate, which has a much higher added value than sodium sulphate, has attracted great interest in both domestic and international markets from the very first moment it was produced. Potassium sulphate is a very valuable fertilizer for the soil. In addition to being extremely suitable for organic agriculture with its high potassium oxide content and almost zero chlorine, it is completely suitable for drip irrigation technologies in agriculture with its 100% water solubility feature.

Other products: Magnesium chloride ($MgCl_2$) is used as defroster in the highways and for the production of fire resistant boards. Leonite is a natural fertilizer containing magnesium as one of the most important sources of potassium sulphate sources for vegetables.

5.2. SALES AND MARKETING ACTIVITIES

Alkim ships to its customers packaged and bulk products through silo busses. We also ship our products on "**continuous – 7/24 and on demand basis**" upon the customer's request through the warehouse – Sulphate Transfer Line in Muallimköy- Gebze. Considerable amount of the sales from Alkim is affected under annual contracts. Alkim performs all its domestic and foreign sales by itself; there is no separate sales-marketing company.

5.3. AVERAGE SALES PRICES FOR SODIUM SULPHATE AND SALT ON YEARLY BASIS

The prices of sodium sulphate, potassium sulphate and leonite are determined as per the leonite global market conditions, while the prices of salt are determined as per the domestic free market conditions.

5.4. INFORMATION ON PRODUCTION AND SALES FIGURES

PRODUCTION FIGURES

ALL FACILITIES	2021	2022
Sodium Sulphate	358.965 Tons	400.294 Tons
Potassium Sulphate	2.403 Tons	2.236 Tons
Raw Salt	150.417 Tons	194.279 Tons
Washed Raw Salt (by means of washing Raw Salt)	160.259 Tons	153.559 Tons
Refined Salt (produced from Washed Salt)	26.610 Tons	2.803 Tons
Anhydride Sodium Chloride	576 Tons	977 Tons
Magnesium Chloride Solution	2.571 Tons	4.870 Tons
Leonite (Potassium Sulphate containing Magnesium Salt)	972 Tons	1.217 Tons
Gypsum	56.171 Tons	47.845 Tons

SALES FIGURES

ALL FACILITIES	2021	2022
Sodium Sulphate	359.777 Tons	395.230 Tons
Commercial Type of Sodium Sulphate	3.321 Tons	4.929 Tons
Total Sales of Sodium Sulphate	**363.098 Tons**	**400.159 Tons**
Potassium Sulphate	1.011 Tons	3.518 Tons
Raw Salt	34.831 Tons	59.134 Tons
Washed Raw Salt	123.033 Tons	120.793 Tons
Refined Salt	32.033 Tons	1.259 Tons
Anhydride Sodium Chloride	70 Tons	1.483 Tons
Total Sales of Salt	**189.967 Tons**	**182.669 Tons**
Magnesium Chloride	2.948 Tons	4.493 Tons
Leonite (K_2SO_4 containing Mag. Salt)	694 Tons	1.072 Tons
Gypsum	56.171 Tons	47.845 Tons

In 2022, 94.746 tons of sodium sulphate and 1.000 tons of potassium sulphate have been exported abroad. Our exports amounted to 14,1 million USD.

Our export sales are made by means of cash against documents, cash against goods, confirmed letter of credit or cash in advance before the loading according to the condition of the respective country and customers.

5.5. INTERNAL CONTROL SYSTEM AND AUDITING ACTIVITIES

The internal control mechanism of our company is being conducted by committee responsible for the auditing and comprising of the members eligible to be independent members amongst the members of the existing board of directors. The said committee has charged the auditing group in the matter of supervision of the setting up of the internal auditing mechanism and control of its effectiveness. The auditing group audits the internal control mechanism in determined periods as per the annual auditing plans that it has obtained the approval for and notifies the upper management of its opinions on the matters that it observes. The audit committee, in turn, investigates the said matters and makes suggestions for the board of directors. The committee in charge for the audit considers such opinions and provides information with respect to the required precautions to the general manager.

5.6. INVESTMENT EXPENSES

The investment expenses made in all the businesses of Alkim Kimya in 2022 are TL 21.624.664 in total.

6. FINANCIAL POSITION

6.1. ANALYSIS AND ASSESSMENT BY THE MANAGEMENT BODY OF THE FINANCIAL POSITION AND OPERATING RESULTS, ACHIEVEMENT OF PLANNED ACTIVITIES AND COMPANY'S POSITION ACCORDING TO THE DETERMINED STRATEGIC TARGETS

In the 2022 activity period of our company; the sales and production targets planned in line with the requirements of our customers have been fulfilled and in the consolidated financial statements, the profit before tax is TL 840.784.246 and, the net profit of the period is TL 667.669.148.

6.2. COMPANY'S SALES, EFFICIENCY, INCOME GENERATION CAPACITY, PROFITABILITY AND DEBT/ EQUITY RATIO COMPARED TO PREVIOUS PERIODS, AND INFORMATION ON OPERATING RESULTS AND FORWARD-LOOKING EXPECTATIONS

All the ratio calculations for the financial structure of the Company are detailed in the section 6.6 hereof.
As of the activity period of 2022, the consolidated turnover is TL 2.796.944.467 and, the gross profit from commercial activities is TL 882.359.657.

6.3. DETERMINATION AND ASSESSMENT OF THE MANAGEMENT BODY WITH RESPECT TO WHETHER THE CAPITAL IS UNRETURNED OR WHETHER THE COMPANY IS DEEPLY IN DEBT

As of today, the capital is not unreturned and, the consolidated equity is TL 1.247.542.862 (the portion thereof representing the main partnership is TL 1.101.059.473). The financial debts/ equity ratio is 5%.

6.4. PRECAUTIONS FOR THE IMPROVEMENT OF THE FINANCIAL STRUCTURE

Since the financial structure of the company is strong no improvement is required. The liquidity ratio is 1.81%. This ratio indicates that the sum of the total cash & cash equivalent assets and receivables of the company is more than the two times the short term debts (short term liabilities) of the company and thus that the company's financial structure is very strong.
The registered capital of the parent company is TL 150.000.000.

6.5. INFORMATION ON THE POLICY FOR DIVIDEND DISTRIBUTION AND IF THERE WILL BE NO DISTRIBUTION, THE REASON AND A PROPOSAL WITH RESPECT TO HOW THE UNDISTRIBUTED PROFIT WILL BE USED

The "Profit Distribution Policy" of our Company is determined according to the Law of Capital Market, relevant communiqués, Turkish Trade Law and corporate governance practices.

There is no privilege with respect to the dividends among the share types and, each shareholder is entitled to dividends in proportion to the shares held by him/her in the capital.

Considering the benefits of the shareholders and of the Company in accordance with the approvals of the board of directors and the general meeting of shareholders as well as the applicable legislations, the determination of the proportions of the payments of the dividends in cash is based on the financial structure, liquidity status and investment requirements of the Company and, it is principle to make distributions as much as possible. The Profit Distribution Policy can be found at our corporate internet site.

6.6. FUNDAMENTAL RATIOS AS PER THE DATA CONTAINED IN THE CONSOLIDATED FINANCIAL STATEMENTS

The capital adequacy of the company has been evaluated as per the Turkish Commercial Code No. 6102, article 376 and the respective regulations, which has resulted in the fact that the capital is not uncovered and it is sufficient. Some financial ratios and basic indications calculated based on the information contained in the financial statements independently audited are as follows:

	2021	2022
LIQUIDITY RATIOS		
Current Ratio	2,55	3,27
Liquidity Ratio	1,77	1,81
Cash Ratio	1,01	0,59
FINANCIAL STRUCTURE RATIOS		
Total Liabilities / Equity	0,56	0,40
Total Financial Debts / Equity	0,10	0,05
Short Term Liabilities ./ Total Assets	0,29	0,23
Long Term Liabilities / Total Assets	0,07	0,05
Tangible Fixed Assets / Equity	0,36	0,27
PARENT COMPANY PROFITABILITY RATIOS		
Assets / Profitability Ratio	0,25	0,38
Equity / Profitability Ratio	0,39	0,54
Gross Profit Margin	0,28	0,32

7. RISKS AND ASSESSMENT BY THE MANAGEMENT BOARD THEREOF

7.1. INFORMATION ON THE RISK MANAGEMENT POLICY TO BE APPLIED BY THE COMPANY FOR PERCEIVED RISKS

The management policy for the financial risks is set by the financial department under the control of the senior management in accordance with the policies and strategies approved by the board of directors. The Board of Directors prepares the principles and policies with a general coverage in order to manage, in principal, the exchange, interest and capital risks and, follow the financial and operational risks.

7.2. INFORMATION ON EFFORTS AND REPORTS OF THE EARLY DETECTION AND MANAGEMENT OF RISKS COMMITTEE

It holds regular meetings and reports to the Board of Directors for the purpose of the early detection of the risks that would jeopardize the existence of the company, its development and continuation in accordance with the regulations related to the corporate management of the Turkish Commercial Code and The Capital Market Board, the required precautions related to the determined risks and the implementation of the remedies and the management of the risk. In addition, it advises the opinions to the Board of Directors with the purpose of determining the risk limits, defining, assessing and managing the risks and, carries out the required investigations on the subject of compliance with the limits.

7.3. FUTURE PREDICTIONS

Since the production and sales - supply and demand balance in the sodium sulphate sector, which is the main field of activity of our company, is settled on a global basis, there are no rapid fluctuations in prices as in some other commodities. Considering the rapid population growth, especially in our country and the Middle East, and the increase in the use of washing machines, it is predicted that the consumption of sodium sulphate will continue to increase in our region.

On the other hand, it is noteworthy that sodium chloride has started to be used as a filler substance in some brands in the last two years. In the laboratories of our company, detailed analyses of all powder detergent brands on the market are carried out, and the rate of sodium sulphate and sodium chloride changes in their formulations is monitored in what direction and at what speed.

In order to continue the development and growth of our company and to go beyond the production of sodium sulphate, which it is now specialized in, by using this main product as a raw material, it had made R&D conflicts for a long time and decided to produce potassium sulphate with the thought of what we can do with a much higher added value and which cannot be obtained in our country and in our nearby geography. Our SOP (Potassium Sulphate) Facility, which we completed on time with great success under pandemic conditions, was commissioned in November 2021.

Our product, which was obtained in excellent quality in this new facility, has begun to be put on the market. We work with leading distributors on potassium fertilizers. Our potassium sulphate, which has a much higher added value than sodium sulphate, has attracted great interest in both domestic and international markets from the very first moment it was produced. Potassium sulphate is a very valuable fertilizer for the soil. In addition to being extremely suitable for organic agriculture with its high potassium oxide content and almost zero chlorine, it is completely suitable for drip irrigation technologies in agriculture with its 100% water solubility feature.

It is expected that our potassium sulphate production and sales will contribute significantly to our company's turnover and profitability.

7.4. FUTURE RISKS WITH RESPECT TO SALES, PRODUCTIVITY, INCOME GENERATION CAPACITY, PROFITABILITY, DEBT/ EQUITY RATIOS AND SO ON

All the ratios are detailed in the section 6.6 hereof. In addition, the section 4.3 hereof indicates the production and sales figures in comparison with the figures achieved in the previous year.

8. INDUSTRY IN WHICH THE COMPANY OPERATES AND ITS POSITION THEREIN

The main activity of our company is the production of the sodium sulphate, sodium chloride (salt), potassium sulphate and magnesium containing components in the lakes and underground mines for which we received long-term privilege licenses within the frame of the Mining Law.

Alkim is the largest manufacturer in Turkey for sodium sulphate, which is an indispensable raw material for many industries and, also one of the largest sodium sulphate manufacturers in the world. Alkim is the second largest manufacturer in Europe. In addition, it is a member of the European Chemical Industry Council (CEFIC) and of the Sodium Sulphate Producers Association (SSPA).

All companies organized in a well-established corporate structure require some certain functions and abilities from suppliers. Among the qualifications sought for is a Quality Management System in the facilities, where the production takes place. Therefore, our company that maintains a successful corporate structure is the world's first corporation to possess the "TS ISO EN 9001:2008 Quality Management System' that is the basis of the management systems in the sodium sulphate manufacturing sector. Our company started this journey of quality with TSE in 1996 and, documented it with the TS EN ISO 14001:2004 Environmental Management System in, 2011 proving the importance it attaches to the environment at national and international levels. Further, it also obtained the TS 18001:2008 (OHSAS) Occupational Health and Safety Management System Certification proving the value it gives to the concept of Occupational Health and Safety.

Alkim is being evaluated in the trustworthy suppliers category due to the fact that whole of the properties sought for the suppliers especially by our international customers are being applied in our company.

In addition to the ISO and EIE certificates the company activities have been approved by Sedex and Achilles. These certificates are requested by some international customers.

Alkim's products are fully derived from natural sources and thus not chemically classified and exempted from the applications of REACH (Registration, Evaluation, Authorization and Restriction of Chemicals).

69% of sodium sulphate produced in Europe is consumed by the detergent manufacturers. Further, 9% of sodium sulphate is consumed by the chemical industry, 8% by the glass industry, 4% by the textile industry and 3% by the paper industry. 7% of the total production is consumed by other industries.

The area where the sodium sulphate is consumed the most is the production of laundry detergent. The ratio of the consumption of detergents varies depending on the population of the respective country and the mechanization ratio therein. The detergent consumption has already reached a certain level in developed countries, while it is gradually improving in the Middle East and Africa, where Turkey takes the most strategic point in terms of location.

It is expected that the detergent industry will grow and, thus the consumption of sodium sulphate will increase and, it is foreseen that the consumption amount will significantly increase as the number of washing machines used in houses rises. This indicates that the Middle East and Africa are a large and significant market for the consumption of sodium sulphate.

Alkim has always pursued such a policy balancing the production capacity of sodium sulphate and the demand amount.

Our potassium sulphate plant, which was put into operation at the end of 2021, is a highly technological factory, it is extremely superior in terms of efficiency compared to its peers in the world. In 2022, as a result of the embargo imposed due to the Ukraine - Russia war, our facility could not operate for most of the year due to the lack of raw material supply. We estimate that the interest that this investment will bring to our company will be clearly visible in our financial statements starting from 2023.

9. OTHER CONSIDERATIONS

9.1. INDEPENDENT- PUBLIC AUDITS WITHIN THE FISCAL PERIOD

During the activity period of 2022, the sworn public accountant audits have been conducted within the frame of independent external audit and finance terms of the CMB.

9.2. OWN SHARES ACQUIRED BY THE COMPANY

The Company did not realize any acquisitions for its own shares during the activity period of 2022 and in the previous periods and there is no acquisition.

9.3. LEGAL ACTIONS AGAINST THE COMPANY THAT MAY AFFECT THE FINANCIAL POSITION AND OPERATIONS AND POSSIBLE CONSEQUENCES THEREOF

There is no legal action against the Company that may affect the financial position and operations of the parent company.

Legal proceedings and judicial process are in progress for the receivables of Alkim Kağıt Sanayi ve Ticaret AŞ.' an affiliate of the Company, from a main dealer. All respective developments are transparently and publicly shared by the Company with the investors through the Public Disclosure Platform. Provisions were set aside in 2015 and 2016 for this receivable.

9.4. ADMINISTRATIVE AND JUDICIAL SANCTIONS ON THE MEMBERS OF THE MANAGEMENT BODIES DUE TO CONTRARY ACTIONS TO THE PERTINENT LEGISLATION

There is no action within the Company contrary to the pertinent legislation. The management board and the members thereof strictly comply with the pertinent provisions of the applicable legislations and there have been no administrative and judicial sanctions on the management boards and the members thereof.

9.5. INFORMATION ON THE ACHIEVEMENT OF THE TARGETS SET IN THE PREVIOUS PERIODS AND ENFORCEMENT OF THE RESOLUTIONS ADOPTED IN GENERAL MEETINGS

The targets set in the previous periods have been achieved and the resolutions adopted in the general meetings (dividend distributions, managerial policies) have been enforced in specified periods.

9.6. INFORMATION ON ORDINARY GENERAL MEETING HELD WITHIN THE ACTIVITY PERIOD

The Ordinary General Meeting of Alkim Alkali Kimya A.S. for 2021 has been held on the date of 28.03.2022 at 14:00 hours at The Marmara Taksim İstanbul. The invitation for the meeting has been announced at least 21 days prior as provided by the law and the main articles of association and as to contain the agenda and the modification text, in the Turkish Trade Registry Gazette's issue dated 2 March 2022 and number 137; in a national newspaper dated 2 March 2022 and in the corporate website of http://www.alkim.com; furthermore by notifying the meeting date, venue, agenda and modification text by registered mail to the shareholders that are registered in the share book.

The Ordinary General Meeting has been realized with the participation of the shareholders representing the 83.616.360,08 TL portion of the 150.000.000 TL shares and within the electronic general assembly applications and the results of the General Assembly Meeting has been disclosed to the public at the address of http://www.kap.gov.tr on the date of 28.03.2022.

9.7. INFORMATION ON EXTRAORDINARY GENERAL MEETING HELD WITHIN THE ACTIVITY PERIOD

There has been no extraordinary general meeting within the activity period of 2022.

9.8. DONATIONS AND AIDS FROM THE COMPANY WITHIN THE PERIODS

In the activity period of 2022, the donation and grant of TL 35.400 have been made.

9.9. INFORMATION ON THE ISSUED MARKETABLE SECURITIES

There is no marketable security issued by the Company.

9.10. SIGNIFICANT ISSUES AFTER THE END OF THE FISCAL PERIOD

None.

9.11. COMMERCIAL – FINANCIAL RELATIONS OF THE SUBSIDIARIES WITH ALKİM ALKALİ KİMYA A.Ş.

There is no commercial or financial relation with Alkim Kağıt Sanayi ve Ticaret A.Ş. There is a commercial relation with Alkim Sigorta Aracılık Hizmetleri Ltd. Şti. due to the insurance services; however, there is no financial relation therewith.

9.12. INFORMATION ON LEGAL CHANGES THAT WOULD SIGNIFICANTLY AFFECT THE ACTIVITIES OF THE COMPANY

Our company closely monitors any legislative amendments that may affect the activities and, there has been no such amendment that may significantly affect the activities within the activity year of , 2021.

9.13. THE INFORMATION ON CONFLICTS OF INTEREST BETWEEN THE COMPANY AND CORPORATIONS, FROM WHICH IT RECEIVES CONSULTANCY AND RATING SERVICES AND, THE MEASURES TAKEN TO AVOID THEM

Not applicable.

10. AFFILIATES AND SUBSIDIARIES

10.1. ALKİM KAĞIT SANAYİ VE TİCARET A.Ş.

Alkim Kağıt Sanayi ve Ticaret A.Ş. has been an important bond paper manufacturer in Turkey from the incorporation up until today. Alkim Kağıt manufactures high-grade paper pulp, coated paper and photocopy paper and, serves to the printing and packaging industry.

The paper manufactured in this manner is packaged within the converting facilities in the required sizes for the printing, press and similar consumers. High-quality photocopy papers prepared at the A3-A4 production line, one of the most important departments of the facility, are highly preferred and intensively demanded at in the local and foreign markets.

86,827 tons of gross productions were achieved in 2022 and, all the products have been sold to domestic and foreign markets, which resulted in a turnover of TL 1.844.707.692 and, the profit before tax of TL 606.971.898 and, the net profit for the period of TL 476.809.036.

The average number of personnel of the Company as of December 31, 2022 is 211. (The average number of personal as of December 31, 2021 was 208)
Alkim Kağıt made an investment expense of TL 85.426.288 in 2022.

In addition, the Company spent TL 8.449.808 (2021: TL 5.632.261) on underground and aboveground arrangements, buildings, machinery, equipment and fixtures.

	01 January – 31 December 2021	**01 January – 31 December 2022**
Attendance Fees to the Board of Directors	TL 464.400	**726.300 TL**
Remunerations to the Senior Executives	TL 4.148.526	**8.958.438 TL**
Board of Directors Share Right	TL 1.138.965	**1.382.584 TL**

Our facilities established with a maximum design capacity of 55,000 tons/year, where high-grade printing, office papers are manufactured, have achieved to employ such technological advances and high level of productivity to compete with the largest paper facilities in Europe within a period of 10 years based on technology investments starting from the very beginning.

As a result of revisions in respect of productivity and capacity increases starting from 2000, the actual annual capacity reached 80.000 tons/year and, thereafter increased to an amount of 90.000 tons/years with continuous capacity improvements during 2011, 2013 and 2014.

In the paper production facilities, the annual capacity may vary depending on the type and weight in grams of the products. The major portion of our production and sales is composed of high-grade and photocopy paper in 70-80 gr/m²; however, our factory also produces paper in different weights within 60 gr/m² – 240 gr/m².

Every phase of the production in the Alkim Paper Facilities is being controlled by DCS (Distributed Control System) and QCS (Quality Control System), the production is made in the utmost quality and supplied for the services of the printing sector. The papers manufactured with these systems are of high quality as per the respective paper standards. The following types of papers are manufactured at this facility: high-grade offset, photocopy, single and double sided coated papers within a range from 60 gr/m^2 to 220 gr/m^2.

The range of production includes label papers, soap packaging papers, envelope papers and blueprint papers, white kraft papers, cup papers and ivory papers.

Alkim Kağıt Sanayi ve Ticaret A.Ş. realized full capacity production and sales also in 2021.

Paper manufactured in our facilities using the products, storage, inventory control system is automatically controlled from all stages of the production to the delivery to the customers by means of a barcode system and, all measures are taken for customer satisfaction.

Alkim Kağıt generates steam electricity power for its own requirements with two cogeneration plants with a total generation capacity of 10,7 MW. Attaching great importance to the nature and environment since the day of its establishment, Alkim Kağıt has the ISO 9001, ISO 14001, ISO 50001, OHSAS 18001 certificate and FSC certification.

Alkim Kağıt is making a modernization investment to increase production and energy efficiency as well as production quality by renewing the construction of the 1st and 2nd press section of the existing production line, converting it into a hydraulic system and renewing the control systems related to the section. A material event disclosure was made by the company on 24.05.2022.

The Company has also decided to purchase a second-hand paper machine with a capacity of 125.000 tons/year, which can produce high grammage, with its equipment, and made a material event disclosure on 28.06.2022.

10.2. ALKİM SİGORTA ARACILIK HİZMETLERİ LTD. ŞTİ.

Alkim Sigorta Aracılık Hizmetleri Ltd. Şti. was incorporated in 04.12.2002 with a total capital of TL 20,000 subscribed by Alkim Alkali Kimya A.Ş. at 50% and by Alkim Kağıt Sanayi ve Ticaret A.Ş. at 50% and, the capital was increased to TL 80.000 in 2008 upon the resolution of the board of shareholders. The said capital increase was registered on 24.10.2008 and the resolution thereon was published on the Turkish Trade Registry Journal, issue no. 7179 on 31.10.2008.

It has increased its capital to TL 100.000 upon a resolution adopted at a general meeting held in 2014 using the retained profits from 2012, the said capital increase was registered on 21.05.2014 and, published through the Turkish Trade Registry Journal, issue no. 8577 on 27.05.2014.

Alkim Alkali Kimya A.Ş. was elected by the Board of Shareholders as Company Manager in line with the resolution adopted at the ordinary general meeting held for 2022 for a term of office of 1 years to carry out the business operations of the Company and, Berna Sarı was appointed to represent the said legal entity and, Deniz Yücel Alarçin was appointed as Insurance Agency Manager.

The right to act as an agency has been withdrawn from Anadolu Anonim Türk Sigorta Şirketi and Allianz Sigorta A.Ş. as of December 2002.

Pursuant to a resolution adopted at the Ordinary General Assembly Meeting held on 23.03.2022, during which the business operations in 2021 were deliberated upon, the profit for 2021 was not distributed to the shareholders but maintained within the company.

Alkim Sigorta has been established to provide accurate and sufficient insurance coverage for all the economic assets of the group with a great potential and, is currently operating in good stand.

The portfolio size of Alkim Sigorta Aracılık Hiz. Ltd. Şti. in respect of the insurance values as of the end of 2022 is TL 312,50 million and, maintains its status as a “big corporate agency” in the insurance sector with a portfolio size of about .- TL 4.457.913 in respect of the gross amount of the policies.

On 18.04.2022, a Service Agreement Elementary Insurances Consultancy was entered into IBS Sigorta ve Reasürans Brokerliği A.Ş. Insurances that could not be proceeded with Anadolu Insurance or Allianz Insurance through our agency, are processed through IBS Insurance. Our portfolio on the side of IBS Insurance is TL 2.992,80 billion in terms of insured amount, and about TL 12.876.828 in terms of net premiums.

The majority of our customers is group companies.

Portfolio Distribution as of the end of 2022	On the basis of Insurance Value	On the basis of Insurance Premium
ALKİM ALKALİ KİMYA A.Ş.	159,27 Million TL	
ALKİM KAĞIT SAN.VE TİC. A.Ş.	76,72 Million TL	
OTHER COMPANIES AND PERSONS	76,51 Million TL	
TOTAL PORTFOLIO SIZE	**312,50 Million TL**	**4,46 Million TL**

INFORMATION ABOUT CORPORATE GOVERNANCE

SECTION I - CORPORATE GOVERNANCE PRINCIPLES

II.17.1. Clarifications as per the Article 8 "Corporate Governance Compliance Reports" of the Corporate Governance Communique

a) Alkim has established its understanding on management on the principles of equality, transparency, accountability and responsibility. Our Company attaches great importance to the compliance with the respective regulations of the Capital Markets Boards (CMB) in its corporate governance applications. The corporate governance applications implemented within the framework of the Capital Market Board's Legislation, has great importance for the sustaining of the Alkim Alkali Kimya A.Ş.' activities in an efficient and transparent manner and to provide the highest added value for its shareholders. The corporate governance compliance reports issued using the templates of the Corporate Governance Report (UFR) and of the Corporate Governance Information Form (CGIF) available on the Public Disclosure Form (PDP) as per the resolution no. 2/49 adopted by the Capital Market Board on 10.01.2019 have been published on the PDP. The Corporate Governance Compliance report (URF) and the Corporate Management Information Form (CMIF) are made available through **www.kap.gov.tr**.

Under the scope of the Corporate Governance Communique Serial No. II-17.1 that entered into force in 2022, all the mandatory principles have been fully complied with, while most of the non-mandatory principles have been complied with. Although it is intended to be fully in compliance with the non-mandatory Corporate Governance Principles, this full compliance has not been achieved yet due to various reasons such as difficulties experienced in the application of some principles, on-going discussions continued in our country at both the national and international platforms in respect of compliance with some certain principles and, since some certain principles do not match with the current structure of the Company. Studies are in progress on the principles not fully put into practice yet, which will be assessed to decide if they need to be put into practice as a result of the evaluation carried out administratively, legally and technically in a way as to contribute to the efficient management of our Company.

b) Our clarifications concerning the said non-mandatory principles not applied by the Company yet are as follows:

- Principle no. 1.5.2: Minority rights has also been granted to those holding less than twentieth of the capital as per the articles of association and, extended the scope of the minority rights under the articles of association.
Description: Because of assurance concerning minority rights pursuant to the Turkish Commercial Code, the Capital Market Law and other applicable regulations, our Articles of Association has no provision intended to grant minority rights to those holding less than twentieth of the capital and, extended the scope of the minority rights thereunder.

- Principle no. 2.1.4: The information contained on the corporate website of the company is also prepared in foreign languages selected according to the needs with the same content as the Turkish version.
Description: Although most of the Turkish content is translated into English, some documents are submitted in Turkish on the website. It is planned to pay attention to ensuring that the information on the corporate website is also shared in English thereon with the same content of the Turkish text thereof.

- Principle no. 3.2.1: The participation of the employees in the management is regulated under the articles of association or by means of internal directives.
Description: Through the open door policy applying in the company and the information meetings held with the participation of the employees, the employees are indirectly participating in the management, but this is not regulated under the articles of association and internal directives.

- Principle no. 4.3.9: A target for the percentage of the female board members has been set as 25% at minimum and, a policy has been crated to attain this target.
Description: A percentage of 25% at minimum for the female board members has been considered. The percentage of the female board members in the company is 33%. However, there

is no policy concerning the target of 25% at minimum for the female board members in the company.

- **Principle no. 4.4.7:** There is a restriction on the board members precluding them to take offices outside the company.
Description: There is no restriction on the board members precluding them to take offices outside the company considering that it would be beneficial to the company. No change is provided in the upcoming period to the existing application which is considered to have caused no negative situation in respect of corporate governance.

- Principle no. 4.5.5: Each board member takes place in only one committee.
Description: Due to the reason that the number of members of the Board of Directors being limited, the members of the Board of Directors may take office in more than one committee. A member who takes place in more than one committee ensures communication between the respective committees and, enhances the opportunity for cooperation. It has been observed that it has not caused any setback, discrepancy and conflict of interest during the activities of the committees.

- Principle no. 4.6.1: The board of directors carries out self-criticism and performance assessment in respect of both the board, members and those with administrative responsibilities.
Description: No performance assessment has taken place on the Board of Directors.

- Principle no. 4.6.5; Remunerations given to each board member and executive with administrative responsibilities have been explained on the annual report.
Description: The sum of the benefits made available to the Board of Directors and the senior executive is collectively reported in the financial report. The Remuneration Policy submitted to the General Assembly for information is made available on the corporate website. It is not planned to disclose the remunerations given to each executive with administrative responsibilities pursuant to the Personal Data Protection Law No. 6698.

There has been no information received that a conflict of interest has occurred among the stakeholders as of today due to the principles attached to the Corporate Governance Communique but not complied with yet during the activity period ending as of December 31, 2022 and the Corporate Governance Committee has found that there has been no such conflict of interest. In addition, the compliance with the non-mandatory principles is being assessed for each principle separately and, it may be possible to make attempts to comply with some certain principles considering the requirements of our shareholders.

SECTION II: SHAREHOLDERS

2.1. Investor Relations Department

For the purpose of executing the relation between the company and the investors in accordance with the applicable legislation and facilitating the use of investor rights, the Investor Relations Unit has been established and plays an effective role in the protection and use of the shareholding rights, particularly the right to demand and review information.

Save for the information considered to be confidential and trade secrets not disclosed to the public about the company, the requests of the shareholders verbally and in writing for information about the company are fulfilled and, the records in connection with the answers thereto are regularly maintained by the Investor Relations Unit.

All information and disclosures that may affect the exercise by a shareholder of their rights are update and made available to the shareholders through the corporate internet site of the Company.
The information pertaining to the person taking part in the department is indicated herein below:

Çağla Koçel, Investor Relations Department Manager, Tel: 212 292 2266, e-mail: cagla.kocel@alkim.com
Licenses: CMB Advanced Level License (202906),
CMB Derivative Instruments License (303980),
CMB Corporate Management Gradation Expertise License (701390)

The Investor Relations Unit continues its operations reporting to General Coordinator Nihat Erkan and General Manager İlhan Kınacı

The Investor Relations Unit has carried out the operations for the purpose of ensuring communication between the company and the investors focusing on the duties as indicated in the Communique, Article 11, Paragraph 5.

The Investor Relations Unit plays an effective role in the protection and use of the shareholding rights, particularly the right to demand and review information, and fulfils the following duties: The main activities carried out under the responsibility of the Investor Relations Unit are summarized below; accordingly it will ensure that:

a. Communication between the shareholders and the company is enhanced.

b. The shareholders are informed accurately, consistently and in due time.

c. Communication and exchange of information take place between the Board of Directors on one hand and the capital market regulators and participants on the other hand; the rights of being a shareholder are in compliance with the applicable regulations, and the articles of association.

d. The fulfilment of the obligations resulting from the Capital Market Legislation are observed and the information management activities are carried out, including all issues related to the corporate governance and public disclosure.

e. Information management operations concerning capital markets and investor relations are carried out.

f. The communications between the investor and the company, as well as the logs of the other information and documents are kept in a healthy, safe and updated manner, and the written information requests of the company's shareholders regarding the company are being replied as per the respective laws and regulations.

g. The General Meetings are performed in accordance with the applicable legislation, articles of association and the other regulations of the company, and at any General Meeting, the documents that the shareholders can make use of are being prepared.

h. Meetings with investors and analysts are held accordingly, presentations are made, and the questions from investors and analysts are answered according to the company's strategies

ı. Communication with the Istanbul Stock Exchange (BIST), the Capital Markets Board (CMB) and the Central Registry Agency (CRA) is managed on behalf of the company.

i. The section "investor relations" on the company's corporate web sites are properly managed.

j. Questions from inside and outside the company within the scope of investor relations are responded accordingly.

k. An investors relations report is prepared on an annual basis.

The Unit has periodically submitted to the Board of Directors its report containing the activities carried out within the period and the opinions and recommendations of the investors considered significant as well as the comments and assessments of the brokerage houses about the company. The report on the activities carried out in 2022 was submitted to the members of the Board of Directors on January 25, 2023.

Taking into consideration the provisions of, Communiqué on Material Events of CMB, Material Events Disclosures have been disclosed to public through Public Disclosure Platform (KAP-Kamuyu Aydınlatma Platformu). Twenty-five special situation explanations have been made at Public

Disclosure Platform (PDP) within the activity period of 2022. Our special situation explanations are being kept in an updated manner under the Investors tab of our corporate Internet site **http://www.alkim.com**.

The communications with the investors and the abstracts of the telephone calls made during the activity period are recorded and archived electronically. During the year of 2022, one hundred and eighty-six phone calls have been realized with our investors.

The questions delivered to our company by the partners via e-mail have been answered in accordance with the provisions of the Capital Market Legislation, the CMB regulations and the articles of association. Our partners have requested seventy-nine written information by electronic mail during the year and the written feed-back to them had been made by electronic mail.

2.2. Exercise by the Shareholders of the Right to Information

No distinction is made among the shareholders in the use of the right to demand and review information by the shareholders. Each shareholder has the right to demand and review information. There is no such arrangement in the articles of association that may restrict the right to information.

In exercising the shareholding rights, legislation, Articles of Association and other in-company regulations are complied with and measures to ensure that such rights are exercised are taken and all shareholders are treated equally. The primary objective of the Company is to allow for shareholders to exercise the right to information and give the information objectively and fully within the framework of the laws.

Every kind of subject related to the Public disclosure obligation is being presented in compliance with the legislation and the main articles of association and within this scope the special situation explanations of importance pertaining to the investors are disclosed to the public timely and in compliance with the legislation in the Public Disclosure Platform (PDP).

The verbal and written information demands of the investors and shareholders have been answered in accordance with the Capital Market Legislation, CMB regulation and the decisions within 2022, excluding the confidential information and trade secrets, the related information and documents have been delivered to the shareholders with the equality principle.

For the purpose of expanding the rights to information of shareholders and enabling them to exercise their rights healthily within the framework of the legislation in force, the Corporate Website **http://www.alkim.com** of the Company is used effectively. Within this scope, the Corporate Governance Principles and information and documents prescribed by regulatory authorities are presented to use of shareholders in Turkish and English languages on Corporate Website of the Company.

2.3. General Meetings

An announcement for a General Meeting is made in such a manner to ensure that it is received by the shareholders as many as possible through the Public Disclosure Platform (KAP) and the Electronic General Meeting System (EGKS) as well as the corporate internet site of the Company and the Turkish Trade Registry Gazette at least three weeks beforehand. In addition, an information document is prepared and disclosed to the public in relation with the agenda items before the respective general meeting. All announcements and notifications are in compliance with the Turkish Commercial Code (TCC), the Capital Market Board Legislation, the regulations and resolutions of the Capital Market Board and, the Articles of Association.

A notification clearly indicates the meeting date and time, the meeting location in such a manner that does not cause any hesitation, the agenda items, the respective authority of the state and, where the annual report and financial statements as well as other general meeting documents may be examined. Accordingly, the respective annual report, financial reports, other documents on which the agenda items are based, and the proposal for profit distribution are made available in such places where the shareholders may easily access including the registered office and electronical environment as from the date of the respective announcement.

Furthermore, a detailed explanation is made available for each agenda item in the "General Meetings" under the section "Investors" of the corporate internet site of the Company: **http://www.alkim.com**, and other information described under the principles about the general meetings is made available to the investors.

During the preparation of the agenda for a General Meeting, each proposal is indicated under a separate heading and, the headings of the agenda items are described in such a manner not to cause any different interpretation. The words "other", "miscellaneous" etc. are avoided in the agenda items.

It is important that a general meeting is held in such a manner that does not cause any inequality among the shareholders and that the shareholders may attend occurring cost as least as possible.

As per the article 25 of the Articles of Association of the Company; the holders of the right to participate in a General Meeting may participate in these meetings through the electronic medium in accordance with the article 1527 of the Turkish Commercial Code. In all the General Meetings to be held, as per this term of the Articles of Association, the holders of the right and their representatives are provided to use their rights through established system as per the requirement of the relevant legislation. Therefore, the required infrastructure for the investors desiring to participate into the General Meeting in the electronic medium and to vote through the Electronic General Meeting System (EKGS) has been prepared, the announcement with regards to this aspect has been made and participation into meeting in the electronic medium has been provided.

The Members of the Board of Directors relating to subjects of specific nature on the agenda, other related persons, officials being responsible in preparation of financial tables and auditors are present in the General Meeting in order to be able to make the necessary information and reply the questions asked.

In case a shareholder controlling the management, the members of the board of directors, the executives in charge of administration and, their spouses and relatives by blood and marriage has made a significant transaction that may cause a conflict of interest with the company or its affiliates and/ or they has made a commercial business within the scope of the activities of the company or its affiliates on their own behalf or on behalf of others or participated in another company operating in the same type of activities as the company in the capacity of a general partner, this will be included in a separate agenda item and recorded in the minutes of the respective general meeting by means of providing detailed information thereon to the shareholders.

Any transaction performed by the members of the Board of Directors under the scope of articles 395 and 396 of the Turkish Commercial Code is submitted to the general meeting for information.

Information on related party transactions, guarantees, liens and mortgages given to third parties is submitted to the respective General Meeting under a separate agenda item.

Minutes of the General Meetings may be found at: **http://www.alkim.com**, the Public Disclosure Platform (KAP) and the Turkish Trade Registry Gazette.

Any announcement and notification for a General Meeting will indicate:

a. General Meeting agenda items, meeting location, date and time, the form of a proxy for those who will appoint a proxy at the General Meeting and, the principles about the preparation of proxies;

b. That the General Meeting will be held in a physical and electronic environment and, in case of a general meeting held in electronic environment, the Electronic General Meeting System (EKGS) provided by the Central Registry Agency (MKK) will be used to ensure that the shareholders may appoint a proxy, provide a proposal, express opinion and cast votes and, the right holders who prefers to attend a general meeting under electronic environment in person or by means of a proxy will act in accordance with the respective principles of the EKGS;

c. That a shareholder who prefers to attend a General Meeting in a physical environment is required to present their identities or powers of attorney if they wish to exercise their rights in relation with their shares recorded under the List of Shareholders' in person or through their proxies;

d. That the financial statements including annual reports, Independent External Audit Company Reports, the proposal of profit distribution by the Board of Directors, the previous and current form of the draft in case of an amendment to the Articles of Association will be made available at the Registered Office and the corporate internet site of the Company at least three weeks before the meeting date for review by the shareholders.

The financial statements of the 2022 activity year, the annual report of the Board of Directors, the auditing reports and the Board of Directors profit distribution proposal together with the other information and documents to be disclosed as per the legislation, have been made ready for the shareholders perusal at the company headquarters at the address of **İnönü Cad. No:13 Taksim Beyoğlu/Istanbul** and, the corporate internet site.

It was ensured that the meetings had been held in an easily accessible central location within the city so that as many shareholders as possible could meet and cast vote in the General Meeting of our Company. The conditions required for the shareholders in order to participate in the General Meeting and the samples of the proxy to be utilized by the persons participating in the meeting by representing the shareholders have been notified by announcement.

The Ordinary General Meeting for 2021 within the previous activity period has been held on the date of 28.03.2022 at 14:00 hours at The Marmara Taksim İstanbul. The invitation for the meeting has been announced at least 21 days prior as provided by the law and the main articles of association and as to contain the agenda and the modification text, in the Turkish Trade Registry Gazette's issue dated 2 March 2022 and number 137; in a national newspaper dated 2 March 2022 and in the corporate website of **http://www.alkim.com**; furthermore by notifying the meeting date, venue, agenda and modification text by registered mail to the shareholders that are registered in the share book.

The Ordinary General Meeting has been realized with the participation of the shareholders representing the 83,616,360.08 TL portion of the 150,000,000 TL shares and within the electronic general assembly applications and the results of the General Assembly Meeting has been disclosed to the public at the address of **http://www.kap.gov.tr** on the date of 28.03.2022.

During the General Meeting the shareholders have utilized their rights to ask questions both orally and in the written form and the questions asked by the shareholders have been answered by the company's management and have been recorded in the minutes. In the matters not related to the agenda, the shareholders have been provided with possibility of explaining their opinions and asking questions under the equal conditions, after all the items in the agenda have been discussed. During the General Assembly Meeting, the chairperson of the meeting provided direct answers for all questions that were asked by the shareholders at the General Assembly Meeting and that were not considered as trade secret, as well not caused inequality of opportunity pursuant to the legislation because of being disclosed to public. No proposal was submitted by the shareholders concerning an agenda item during the General Meeting.

The Company's Grants and Donations Policy" has not changed within the period. Shareholders have been informed with a separate agenda item in the general assembly meeting of the amount and beneficiaries of all donations and aids made within the period and the policy changes in line with the policy approved by the General Assembly.

2.4. Voting Rights and Minority Rights

The shareholders are previously informed of the procedure how to vote in general meetings. The Company avoids any application that makes difficult to exercise the voting rights and, provides each shareholder with the opportunity to exercise their respective voting rights in the easiest and most appropriate manner whether in person or through electronic means.

There is no provision in the articles of association that prevents a shareholder from voting by means of a proxy not a shareholder.

Utmost care is taken in the Company for the exercise of minority rights. There has been complaint or criticism to the Company in this respect during 2022.

2.5. Entitlement to Dividends

The distribution of dividends of our company; is realized within the framework of the Turkish Commercial Code and The Capital Markets Board Law and the terms of the company's main articles of association within the time periods determined by the General Meeting. Each shareholder is entitled to dividend in proportion to his/her shares. There is no privilege granted with respect to the profit distribution. The profit to be distributed is determined at the General Meeting considering the liquidity position of the Company and the investments to be made. "The "Dividend Distribution Policy" has been established and announced at the **http://www.alkim.com** corporate Internet address and the shareholders are informed in the General Assembly meeting. Dividend policy is provided in the annual report.

A resolution is adopted in an Annual General Meeting held on March 28, 2022, upon which a dividend of 79,6017% in gross (71,6415% in net) according to the results of activities in 2021 and, the dividends started to take place from April 21, 2022.

ALKİM ALKALİ KİMYA A.Ş. DIVIDEND POLICY

Our Company's dividend policy is determined in line with the Capital Market Board, the pertinent communiqués of the Capital Market Board, the pertinent provisions of the Turkish Commercial Code and of the articles of association, as well as the corporate governance principles.

There is no privilege with respect to the dividends among the share types and, each shareholder is entitled to dividends in proportion to the shares held by him/her in the capital.

Considering the benefits of the shareholders and of the Company in accordance with the approvals of the board of directors and the general meeting of shareholders as well as the applicable legislations, the determination of the proportions of the payments of the dividends in cash is based on the financial structure, liquidity status and investment requirements of the Company and, it is principle to make distributions as much as possible, provided that it shall not be less than the amount and percentage as identified by the Capital Market Board.

In every year, the Board of Directors takes decision on the profit distribution and presents this to the approval of the General Assembly and this profit distribution recommendation is announced to public in accordance with the law and legislation and published in **http://www.alkim.com** address. The proposal may be accepted or refused at the General Meeting.

In case the board of directors proposes not to distribute any dividend, it shall explain the reasons to the shareholders at the respective general meeting, which shall be included in the respective annual report and, published through the internet site.

The dividends to be distributed may be in the form of cash, bonus shares or the combination of these options in line with the respective resolution adopted at the respective General Meeting.

The date on which the dividends are to be distributed shall be determined at the respective general meeting in line with the pertinent provisions of the Capital Market Law and of the Turkish Commercial Code, provided that it shall be within the legal periods. The dividends may be paid in instalments with the equal or different amounts in accordance with the pertinent communiqués of the Capital Market Board, provided that a resolution shall be adopted at the general meeting with respect thereto. This policy shall be submitted to the first general meeting for the approval of the shareholders. This policy shall be submitted to the first general meeting for the approval of the shareholders.

In case of any amendment to the dividend policy, the resolution of the board of directors pertaining thereto and, the reason thereof shall be disclosed to the public in accordance with the principles for the special disclosures to the public.

The distribution of dividend advances shall take place by means of granting respective authorities to the board of directors limited to the fiscal period pertaining to the resolution adopted at the respective general meeting, in accordance with the Capital Market Board, the pertinent communiqués of the Capital Market Board, the pertinent provisions of the Turkish Commercial Code and of the articles of association, as well as the corporate governance principles.

2.6. Share Transfers

Article 20 of the Articles of Association contains the shares and sales as well as legal transfers of registered shares.
Transfer of the registered shares is subject to the pertinent provisions of the Turkish Commercial Code and the Capital Market Law.

SECTION III: PUBLIC DISCLOSURES AND TRANSPARENCY

3.1. Corporate Web Site and Contents

Corporate Web Site is actively used to maintain the relations with the shareholders in a more efficient and fast manner and, keep in touch with the shareholders in accordance with the Corporate Governance Principles issued by the Capital Market Board. The information placed on the site are continuously updated under the responsibility of the Investor Relations Section. Information contained in the Corporate Web Site is in consistence with the disclosures pursuant to the respective legislations and, there is no conflicting or missing information.

Required arrangements have been made to the corporate website in accordance with the pertinent requirements of the corporate governance principles and, the information and required conditions as set forth in article 1.11.5, section II, the Corporate Governance Principles issued by the Capital Market Board have been fulfilled. In addition to the disclosures pursuant to the respective legislations, the Corporate Internet Site of the Company at **http://www.alkim.com** in Turkish and English includes:

☐ Corporate Identity
☐ Corporate Governance
☐ Financial Statements and Periodical Financial Statements
☐ Special Event Disclosures
☐ Share Certificates and Investors
☐ Press Releases and Presentations
☐ Information society Services

3.2. Annual Report

The Annual Report of the Board of Directors is prepared with such details as to enable the public to access full and accurate information on the activities of the Company and in accordance with the "Regulations on the Determination of Minimum Content of Companies' Annual Reports" published in the Official Gazette no. 28395 of 28 August 2012, and the Communique Serial No. II-14.1 "Terms Related to Financial Reporting in Capital Market" published in the Official Gazette no. 28676 of 13.06.2013 and, the Capital Market Board’s Corporate Governance Communique Serial No. II.17.1 published on the Official Gazette no. 28871 of 03.01.2014. The company’s annual report is being prepared in compliance with the relevant legislation and the Principles that are mandatory to implement.

The annual report reflects the flow of the actions and transactions concerning the respective accountancy period of the company, the financial condition in all aspects in a correct, complete, truthful and honest manner considering the rights and benefits of the company.

The annual report does not contain any misleading, exaggerated and misguiding statements and misrepresentations by means of paying attention to details so that the shareholders could reach any type of information in a complete and accurate manner.

In case a member of the board of directors does not agree on information contained in the respective annual report, such issues contested by that member and the reasons thereof are indicated therein. No objection has been made in this regard during the activity period of the year 2022. The Corporate Governance Principles Compliance Form and the Corporate Governance Information Form are also reported in the respective annual report.

SECTION IV: STAKEHOLDERS

4.1. Informing the Stakeholders

A stakeholder in relation with the Company is a third person in direct relation with the Company. The stakeholders are invited to a meeting or informed by telecommunication means whenever it is necessary. Considering the fact that a cooperation with the stakeholders is for the benefit of the Company in the long term, the Company respects and safeguards the rights of the stakeholders arising from the respective legislations, mutual contracts and agreements. The Company provides all stakeholders including the managers, employees and representatives with an opportunity to communicate to the management in respect of their concerns about possible illegal or unethical transactions. It is among the duties of the Audit Committee to examine such complaints submitted to the Company.

4.2. Participation of the Stakeholders in the Management

There is no special arrangement formed in the articles of association of the Company for the participation of the stakeholders in management. Further, there is no internal directives issued by the management in this respect. The rights of the stakeholders are protected under the pertinent legislations.

4.3. Human Resources Policy

Our Human Resources Policy is to bring the productivity of our personnel to the highest level through using the performance evaluation, training and similar human resources instruments in accordance with the target and strategies of our Company. A high motivated and successful team has been formed as a result of the combination of the knowledge of our company of more than fifty years, its skilled and experienced management with the personnel consider their future as important in such a company and working appropriate for work discipline, human relations and a respectful working atmosphere.

We have a Human Resources Department continuing its activities for this purpose and Mr. Ferruh Çalışkan is the Manager of our Human Resources Department.

Our Company encourages the employees to attend the meetings that they need and that are approved by the Company so that they could receive professional and personal training. It keeps such information and documents to that end and, follow up the contribution thereof to the performance of the respective business operations.

Alkim Alkali Kimya A.Ş. provides the employees with family and children allowances on a monthly basis and, such personnel satisfying the necessary conditions are also provided with fuel allowance once a year and, also holiday allowances during religious holidays and, social payments are made in Ramadan in the form of supplies.

4.4. Codes of Conduct and Social Responsibility

Codes of Conduct applied by the Company and all employees must comply with have been determined within a period of efforts more than 50 years. These Codes of Conducts are in integration with the professional policies of Alkim, the applicable legislations, international practices and the general principles of honesty and integrity. Other than this general perspective, it is the responsibility of all the people in Alkim for protecting the country's benefits, being aware of the fact that we operate on the country's natural sources and acting accordingly, safeguarding the nature and environment and always putting the quality first and operating in teamwork. Codes of conduct are monitored by the superiors of the employees in a hierarchical structure. In case of any behaviour contrary to these codes, the required actions are taken by the immediate superior, unit chief, line manager, assistant general manager and general manager respectively in accordance with the Company's regulations on human resources and personnel. Code of conducts is available at **http://www.alkim.com**.

SECTION V - BOARD OF DIRECTORS

5.1. Structure and Formation of the Board of Directors

By means of strategic resolutions, the board of directors maintains the balance of the risks, growth and returns of the Company at the best possible level, supervises the long term benefits of the Company by means of rationalist and prudent understanding of management and, manages and represents the Company according to these principles.

Turkish Commercial Code, Capital Market Legislation, Capital Market Board Communiqué and Decisions are fulfilled in the formation and election of the Board of Directors. Principles in this subject are also mentioned in the Articles of Association. The Company is managed and represented by a Board of Directors composed of nine members elected by the shareholders in a general meeting among the shareholders. There are two independent members in the Board of Directors of the Company.

The board of directors has defined the strategic targets of the Company, identified the labour and financial resources it may need and, audits the performance of the management of the Company. It observes the compliance of the Company's operations with the articles of association, the internal regulations and policies.

By means of strategic resolutions, the board of directors maintains the balance of the risks, growth and returns of the Company at the best possible level, supervises the long term benefits of the Company by means of rationalist and prudent understanding of management and, manages and represents the Company according to these principles.

The board of directors are identified in a way as to ensure that the members could work productively and creatively, take fast and rational decision, that the respective committees are formed and, could organize their respective operations in an efficient manner.

The number of the members of the Board of Directors has been determined as nine during the Ordinary General Meeting held on 25 March 2021 and the following names are elected as the Board Members. The members of the Board of Directors have been elected to serve for a duration of three years as per the article 9 of our main articles of association. The members of the Board of Directors were announced on the Trade Registry Gazette, issue no. 10306 on 09.04.2021.

Name & Surname and Profession	Position	Duties Undertaken Outside of the Partnership	Whether Executive/Independent Member of the Board of Directors	Term of Office
M. Reha KORA Mechanical Engineer, MSc	Chairperson of the Board of Directors	—	Executive Member	25.03.2021 - 25.03.2024
A. Haluk KORA Mechanical Engineer, MSc	Senior Vice-Chairperson of the Board of Directors	Vice-Chairperson of the Board of Directors in the companies within the Group	Executive Member	25.03.2021 - 25.03.2024
Arkın KORA Physics	Vice-Chairperson of the Board of Directors	Member of the Board of Directors in the companies within the Group	Non-Executive Member	25.03.2021 - 25.03.2024
Ferit KORA Business Administration	Vice-Chairperson of the Board of Directors	Chairperson of the Board of Directors in the companies within the Group	Non-Executive Member	25.03.2021 - 25.03.2024
Svitlana KORA Business Administration	Board Member	Member of the Board of Directors in the companies within the Group	Non-Executive Member	25.03.2021 - 25.03.2024
Tülay KORA Business Administration	Board Member	Member of the Board of Directors in the companies within the Group	Non-Executive Member	25.03.2021 - 25.03.2024
E. Hale KOSİF Sociology and Communication	Board Member	Member of the Board of Directors in the companies within the Group	Non-Executive Member	25.03.2021 - 25.03.2024
Hıdır Mehmet ÇOLPAN Banker and Bureaucrat	Board Member	Consultant	Independent Member	25.03.2021 - 25.03.2024
M. C. Nazım BARBAROSOĞLU Mechanical Engineer, MSc	Board Member	Entrepreneur	Independent Member	25.03.2021 - 25.03.2024

İLHAN KINACI - General Manager

İlhan Kınacı received a master’s degree from the Department of Chemical Engineering, the Faculty of Chemical Engineering, Istanbul University in 1975. He started to work as a Chemical Engineer M.Sc. in the Dalaman Business, the General Directorate, SEKA and, retired therefrom in 2002. He started to hold the position of Business Manager in the Sodium Sulphate Facilities, Çayırhan for Alkim Kimya on March 1, 2011 and, was promoted to the position of General Manager on July 1, 2018.

5.2. The Board of Directors’ Principles of Operation

The Board of Directors meets and adopts resolutions pursuant to the pertinent provisions of the Turkish Commercial Code and of the respective legislations. The meeting agenda of the Board of Directors are set forth by means of negotiations with the Chairperson, Members and General Manager.

All information and documents about the agenda of the meeting of the Board of Directors are made available to the members of the Board of Directors by means of an equal information flow 10 calendar days before the meeting so that the members may ask for inclusion of an item to the agenda. An electronic mail is sent to the members of the Board of Directors containing an invitation letter, in which the meeting date, time, location and agenda items are indicated. The resolutions of the Board of Directors are based on the meeting and resolution quorums as set forth under the Turkish Commercial Code, the Capital Market Board and the respective regulations.

The meetings of the Board of Directors are held at the registered office, significant resolutions of the Board of Directors are disclosed by means of the Public Disclosure Platform (KAP) and, special disclosures are also published through the corporate internet site of the Company.
The chairperson of the Board of Directors and the General Manager of our company are different persons.

In the activity period of 2022, there has been no transaction performed by or on behalf of the members of the management boards with the Company in accordance with the permit granted at a general meeting and, no such activities subject to the non-competition rules have been performed by them or on their behalf.

5.3. Structure of the Board of Directors

There are nine members of the Board of Directors. Majority of the members of the Board of Directors are non-executive. There are two independent board members.

For the Corporate Management Committee that carries out the duties of the Nomination Committee within the framework of the relevant legislation, two independent nominees have been nominated and the report regarding whether the nominees possess the criteria to be independent or not has been presented to the Board of Directors on the date of 26.02.2021. During the activity year of 2022 no situation has arisen to eliminate the independency of the independent members. The declarations of the independent members on this matter are presented.

All the members of the Audit Committee have been elected among the members of the Board of Directors. The members of the committees have sufficient knowledge and experience in the field of accounting and financing.

There are three female board members of our Company in line with the Corporate Governance Principles. Our female members are Ms. Tülay Kora, Ms. Svitlana Kora and Ms. E. Hale Kosif.

During the activity period, no situation has arisen to eliminate the independency of the independent members.

5.4. Form of the Board Meetings

The Board of Directors actively fulfils its duties. The chairperson of the board of directors talks to other members and the general manager to identify the agenda items to be deliberated during the meetings of the board of directors. It submits such information and documents in connection with the agenda items to the board members before the meeting granting a sufficient period of time.

Each board member has one vote in the board of directors.

Sixteen meetings of the Board of Directors have been held during 2022 and, the majority of the members attended each meeting. There has been no agenda item opposed and recorded in the minutes during the meetings of the Board of Directors in 2022. There has been no agenda items opposed by the independent members and, no issue occurred to disclose to the public. The members of the Board of Directors are not entitled to weighted vote or veto right.

5.5. Board of Directors Committees

In order to fulfil the duties and the responsibilities of the Board of Directors in a healthy manner, the Committee Responsible for the Auditing, the Committee for Corporate Management, and the Committee for Early Detection of the Risk have been formed within body of the Board of Directors. The areas of duty of the committees, the working principles thereof and which members are to attend thereto have been identified by the Board of Directors, and disclosed to public on the corporate website and the Public Disclosure Platform.

The chairpersons and members of all of the three committees have been elected based on the board resolution of March 31, 2021.

Since the partnership structure of our Company and the number of Board Members are limited, some of the Board Members undertake duty in more than one committees.

The frequency of the meetings of the committees is sufficient and, all the efforts are put down on paper and, recorded. The information about their operations and, the reports on the results of the meetings are submitted to the Board of Directors.

The chairpersons of the committees are appointed among the independent members of the board of directors. The Corporate Governance Committee consists of six members, the Early Detection of Risk Committee consists of two members and, the Audit Committee consists of two members. All the members of the Audit Committee are independent board members.

The chairperson of the Board of Directors and the General Manager do not take place in the committees.

The Board of Directors' committees have not received any consultancy services concerning the committees' activities during the period.

The frequency of the meetings of the committees is sufficient and, all the efforts are put down on paper and, recorded.

All the members of the Audit Committee have been elected among the members of the Board of Directors. The chair persons of the Corporate Governance Committee and the Early Detection of Risk Committee are independent members of the Board of Directors. The Corporate Governance Committee consists of six members, the Early Detection of Risk Committee consists of two members and, the Audit Committee consists of two members.

There are two Independent Members of the Board of Directors of our Company. M.C. Nazım Barbarosoğlu and Hıdır Mehmet Çolpan, the independent board members, take place in all three committees formed within the Board of Directors.

Audit Committee

It carries out the supervision of the accounting system of the company, disclosure of the financial information to the public, independent auditing and internal control and the operation and efficiency of the internal auditing system, determines the methods and the criteria to be implemented in the matters of investigation of complaints coming to the company regarding the company's accounting and internal control system, their resolution, evaluation of the company employees, company's accounting and independent auditing aspects notifications within the framework of confidentiality, notifies its determinations and the evaluations and the proposals on its area of duty and responsibility to the Board of Directors in writing and its evaluations regarding the compliance of the annual and interim financial tables to be disclosed to the public with the reality and accuracy of the accounting principles that the company pursues, by obtaining the opinions of the responsible managers and independent auditors of the company together with its own evaluations and notifies to the Board of Directors in writing.

The Audit Committee has convened five times during activity period of the year 2022 and the decisions taken have been presented to the Board of Directors.

At the meeting of the Board of Directors of Alkim Alkali Kimya A.Ş. held on 31.03.2021, as per the Corporate Governance Principles annexed to the Corporate Governance Communique Serial No. II-17.1 issued by the Capital Market Board and, the other respective regulations, it was resolved that the Audit Committee shall be established with the participation of M.C. Nazım Barbaraosoğlu and Hıdır Mehmet Çolpan, each of whom is a Board Member, and that Hıdır Mehmet Çolpan shall act as the Chairperson of the Audit Committee.

Audit Committee Members:

Hıdır Mehmet Çolpan - Chairperson of the Audit Committee - (Independent Member of the Board of Directors)
M.C. Nazım Barbarosoğlu - Member of the Audit Committee - (Independent Member of the Board of Directors)

Corporate Governance Committee

The corporate governance committee identifies whether the respective corporate governance principles are applied, the reasons if not applied and, any possible conflict of interest that may arise to the failure to comply with these principles, provides suggestions to the board of directors to improve the applications of the corporate governance principles. It also supervises the operations of the "Investor Relations Department'

At the meeting of the Board of Directors of Alkim Alkali Kimya A.Ş. held on 31.03.2021, as per the Corporate Governance Principles annexed to the Corporate Governance Communique Serial No. II-17.1 issued by the Capital Market Board and, the other respective regulations, it was resolved that the Corporate Governance Committee shall be established with the participation of A. Haluk Kora, Ferit Kora, E. Hale Kosif, M.C. Nazım Barbarosoğlu, and Hıdır Mehmet Çolpan, each of whom is a Board Member, and Çağla Koçel, who is the Investor Relations Department Manager and, that M.C. Nazım Barbarosoğlu shall act as the Chairperson of the Corporate Governance Committee.

Corporate Governance Committee Members:

M. C. Nazım Barbarosoğlu - Chairperson of the Corporate Governance Committee (Independent Member of the Board of Directors)
A. Haluk Kora - Member of the Corporate Governance Committee (Vice-Chairperson of the Board of Directors)
Ferit Kora - Member of the Corporate Governance Committee (Member of the Board of Directors)
E. Hale Kosif - Member of the Corporate Governance Committee (Member of the Board of Directors)
Hıdır Mehmet Çolpan - Member of the Corporate Governance Committee-(Independent Member of the Board of Directors)
Çağla Koçel - Member of the Corporate Governance Committee-(Manager of the Investor Relations)

The Corporate Governance Committee also carries out the duties of the Committee for the Nominations and the Salary Committee. The tasks and responsibilities of the Corporate Governance Committee in respect of the committees for the nominations and remunerations as per the corporate governance are detailed in the working principles.

The Corporate Governance Committee informs the Board of Directors in writing of its findings and recommendations concerning the scope of its tasks and responsibilities. Accordingly, the Corporate Governance Committee has sent three notifications to the Board of Directors in 2022.

Early Detection of Risk Committee

It conducts the works with the purpose of defining the risks that would jeopardize the existence of the company, its development and continuation; forming the models to avoid crises and, the management systems; early detecting the risks thereof; enforcing all the measures related thereto and, managing the risks accordingly. The chairperson of the Early Detection of Risk Committee is elected among the independent board members as per the Corporate Governance Principles.

At the meeting of the Board of Directors of Alkim Alkali Kimya A.Ş. held on 31.03.2021, as per the Corporate Governance Principles annexed to the Corporate Governance Communique Serial No. II-17.1 issued by the Capital Market Board and, the other respective regulations, it was resolved that the Early Detection of Risk Committee shall be established with the participation of Tülay Kora and M.C. Nazım Barbarosoğlu, each of whom is a Board Member, and that M.C. Nazım Barbarosoğlu shall act as the Chairperson of the Early Detection of Risk Committee.

Early Detection of Risk Committee Members:

M.C. Nazım Barbarosoğlu - Chairperson of the Early Detection of Risk Committee (Independent Member of the Board of Directors)
Tülay Kora - Member of the Early Detection of Risk Committee (Member of the Board of Directors)

The committee immediately provides the board of directors its findings in respect of the area of its own tasks and responsibilities as well as its respective assessments and suggestions in writing. The Early Detection of Risk Committee has convened six times during activity period of the year 2022 and the decisions taken have been presented to the Board of Directors.

5.6. Financial Rights Granted to the Board Members and Executives with Administrative Responsibilities

The rights, benefits and salaries provided for the members of the Board of Directors and for the upper level managers and the criteria for the determination of these and the basis of the salary allotments are mentioned in the Salary Policy, and the information on the said policy has been given to the shareholders in the Ordinary General Assembly Meeting and the Salary policy has been disclosed to the public on the PDP and corporate Internet site.

During the Ordinary General Meeting held on March 28, 2022, the remuneration policy to be applied within the year has been deliberated, and it has been resolved to pay each member of the Board of Directors a gross amount of TL 6.200 per month. The members of the Board of Directors of our Company receives fixed remunerations per month. It has been included into the General Meeting's agenda as a separate item and presented for the information of our partners.

Dividends up to 4% of the net profit may be distributed to the members of the board of directors based on the article 16 of the articles of association provided that this must be approved at a general meeting. This amount to be distributed to the members of the Board of Directors may not exceed 10% of the paid capital.

The company does not provide any debt to any board member or top level manager, not make credits available, not supply credit under private credit title by means of third parties or does not establish guarantees like surety on its behalf.

5.7. Curriculum Vitae and Declarations of Independence of the Independent Board Members

- **HIDIR MEHMET COLPAN**

Hıdır Mehmet Çolpan was born in 1949 in Sivrihisar. He graduated from the Department of Economics and Statistics, Middle East Technical University in 1973. He received master's degree in the Department of Financing and Investment, Exeter University in 1979.

He worked in the General Directorate of Research, Turkish Central Bank between 1975 and 2004.

DECLARATION OF INDEPENDENCE

I hereby state that I intend to serve as an "Independent Member" of the Board of Directors of Alkim Alkali Kimya A.Ş. (Company) based on criteria laid down in the Corporate Governance Principles of the Capital Markets Board specified in the Communique on Corporate Governance (11-17.1), which was issued by the Capital Markets Board and promulgated in the 28871st issue of the Official Gazette on January 3, 2014 and the applicable legislation and the articles of incorporation.

a) There was no employment relationship with the Company and partnerships in which the company has management control as defined in Turkey Financial Reporting Standards 10 or has significant influence under Turkey Accounting Standards 28 and shareholders who control the company's management or have significant influence over the company and legal entities where such shareholders hold management control and myself, my spouse, and relatives by blood or marriage up to the second degree which involves employment at managerial position and that I did not own more than 5% of the capital or voting rights or privileged shares or had a material business relationship in the past five years,

b) I did not assume key positions and responsibilities as an executive or acquired an interest (5% or more) and/or served as a member of the board of directors within any company from which the company purchased a significant amount of services or products, including the company's audit (including tax audit, statutory audit, and internal audit), rating, and consultancy under agreements concluded in the past five years,

c) I have professional education, knowledge and experience to dully perform the duties I shall assume for the position of an independent board member

ç) I have not worked / will not work for any public agency or institution on full time basis currently /after my election as a member except for working as a lecturer in a university provided that it is consistent with the applicable legislation,

d) I am a resident of Turkey pursuant to the Income Tax Law numbered 193 and dated 12/31/1960,

e) I have strong ethical standards, professional reputation, and experience for making positive contributions to the Company's operations and maintaining my impartiality regarding any conflict of interest between the company and shareholders and freely making decisions by taking account of the rights of stakeholders,

f) I will spare time for performing representational functions on behalf of the company, which the Board of Directors may assign to me, as well as the company's affairs so that I will be able to monitor the company's operations and fully discharge the tasks that I have undertaken,

g) I have not served as a member of the company's Board of Directors for more than six years in the past ten years,

ğ) I have not served as an independent board member in more than three companies controlled by the company or its controlling shareholders or more than five companies listed in the stock,

h) I was not registered and announced on behalf of a legal entity elected as a board member.

I hereby inform the Board of Directors, shareholders, and all stakeholders accordingly.

Date : 22.02.2021
Name and Surname: : HIDIR MEHMET ÇOLPAN

- **M. C. NAZIM BARBAROSOĞLU**

Mehmet Celadet Nazım Barbarosoğlu was born in 1956 in Istanbul, received his secondary school education from Kadıköy Anatolian High School, undergraduate education from the Department of Mechanical Engineering, University of Bradford and, master's degree from the Department of Automatic Control Engineering, University of Bradford.He worked as an engineer in the department of heating and ventilation at Atatürk Airport for Arı-Alarko between 1981 and 1982. He held the positions of the sales representative for construction equipment and mining machines, trucks, forklifts, marine engines, concrete machines, cranes and trailers; the manager of second hand sales, services, spare parts; Assistant General Manager and Board Member for Enka Pazarlama İhracat, İthalat A.Ş. between 1983 and 1998. He served as Chairperson of the Board of Directors for Big Mak. A.Ş. between 1999 and 2006. He is currently holding the position of Chairperson of the Board of Directors for Okman Mühendislik Makine Sanayi ve Ticaret Ltd. Şti.

DECLARATION OF INDEPENDENCE

I hereby state that I intend to serve as an "Independent Member" of the Board of Directors of Alkim Alkali Kimya A.Ş. (Company) based on criteria laid down in the Corporate Governance Principles of the Capital Markets Board specified in the Communique on Corporate Governance (11-17.1), which was issued by the Capital Markets Board and promulgated in the 28871st issue of the Official Gazette on January 3, 2014 and the applicable legislation and the articles of incorporation.

a) There was no employment relationship with the Company and partnerships in which the company has management control as defined in Turkey Financial Reporting Standards 10 or has significant influence under Turkey Accounting Standards 28 and shareholders who control the company's management or have significant influence over the company and legal entities where such shareholders hold management control and myself, my spouse, and relatives by blood or marriage up to the second degree which involves employment at managerial position and that I did not own more than 5% of the capital or voting rights or privileged shares or had a material business relationship in the past five years,

b) I did not assume key positions and responsibilities as an executive or acquired an interest (5% or more) and/or served as a member of the board of directors within any company from which the company purchased a significant amount of services or products, including the company's audit (including tax audit, statutory audit, and internal audit), rating, and consultancy under agreements concluded in the past five years,

c) I have professional education, knowledge and experience to dully perform the duties I shall assume for the position of an independent board member

ç) I have not worked / will not work for any public agency or institution on full time basis currently /after my election as a member except for working as a lecturer in a university provided that it is consistent with the applicable legislation,

d) I am a resident of Turkey pursuant to the Income Tax Law numbered 193 and dated 12/31/1960,

e) I have strong ethical standards, professional reputation, and experience for making positive contributions to the Company's operations and maintaining my impartiality regarding any conflict of interest between the company and shareholders and freely making decisions by taking account of the rights of stakeholders,

f) I will spare time for performing representational functions on behalf of the company, which the Board of Directors may assign to me, as well as the company's affairs so that I will be able to monitor the company's operations and fully discharge the tasks that I have undertaken,

g) I have not served as a member of the company's Board of Directors for more than six years in the past ten years,

ğ) I have not served as an independent board member in more than three companies controlled by the company or its controlling shareholders or more than five companies listed in the stock,

h) I was not registered and announced on behalf of a legal entity elected as a board member.

I hereby inform the Board of Directors, shareholders, and all stakeholders accordingly.

Date	:	22.02.2021
Name and Surname:	:	MEHMET CELADET NAZIM BARBAROSOĞLU

5.8. Risk Management and Internal Control Mechanism

The Early Detection of Risk Committee is responsible for carrying out works in order to early detect the risks that may jeopardize the existence, improvement and continuity of the Company, take necessary measures in connection with such risks detected and, manage these risks in an efficient manner, and reviews the risk management systems.

The company implements the risk management by considering the decisions of the Early Detection of Risk Committee. The Early Detection of Risk Committee has convened regularly and made the reporting to the Board of Directors within the terms of the Turkish Commercial Code and the Capital Market Board Legislation.

The partnerships, the shares of which are traded at stock exchange, must form an audit committee consisting of at least two members as per the respective Corporate Governance Principles. The independent audit corporation, from which the company receives the respective services, and the services to be received therefrom are identified by the audit committee and, submitted to the board of directors for approval at the respective general meeting. The Board of Directors identifies the audit committee to be appointed as per the respective Corporate Governance Principles as the committee in charge of the financial reporting. However, this does not relieve the board of directors from its responsibilities for the preparation, presentation and accuracy of the financial statements.

The audit committee supervises the accounting system, the disclosure of the financial information to the public, the independent audits and, the functioning and efficiency of the internal control and internal audit systems of the company.

We can state that one of the non-assignable and inalienable tasks of the board of directors of a stock corporation is the internal audit as per the pertinent provisions of articles 366 and 375 of the Turkish Commercial Code. Further, the Turkish Commercial Code, article 366, paragraph 2 provides that the board of directors may form committees and commissions, where the members of the board of directors may participate in order to follow up the progress of the works, to prepare report on the subjects to be presented to it, to have its resolutions to be implemented or for the purpose of internal auditing.

5.9. Company's Strategic Targets

The basic target of our company is to realize the production at the maximum efficiency in the sodium sulphate, potassium sulphate and sodium chloride (salt) mines being operated and to market this particularly in our country, as well as the close neighbours and to the World. Our Company is the world's sixth largest sodium sulphate manufacturer and committed itself to maintaining this position and makes great efforts for even going further.

Since the reserve of our mining licenses within Çayırhan is significantly high, it is the general policy of Alkim to increase our power in the sodium sulphate industry by means of increasing the capacity from time to time considering the demand for sodium sulphate that increases in our country and the region, without harming the supply and demand equilibrium.

This product of perfect quality manufactured at our potassium sulphate facility commissioned as of November 2022 started to be offered to the market. We work with leading distributors on potassium fertilizers. Our potassium sulphate, which has a much higher added value than sodium sulphate, has attracted great interest in both domestic and international markets from the very first moment it was produced. Potassium sulphate is a very valuable fertilizer for the soil. In addition to being extremely suitable for organic agriculture with its high potassium oxide content and almost zero chlorine, it is completely suitable for drip irrigation technologies in agriculture with its 100% water solubility feature.

The Board of Directors and the Management continuously supervise the conditions of the Company in line with the strategic goals. During the meetings of the board of directors held frequently and periodically, the conditions of the Company are reviewed and, new targets and strategies are developed depending on changing conditions. Monthly reports with respect to the achievement of the said targets are submitted to the Board of Directors, which then assesses such reports.

SECTION VI. SUSTAINABILITY INFORMATION

The "Communique (II-17.1.a)" on Amendment to the Corporate Governance Communique (II-17.1)", through which necessary additions have been made to the articles 1 and 8 of the Corporate Governance Communique so that the basic principles that the publicly traded companies are expected to disclose while carrying out their Environmental, Social and Corporate Governance works as per the Corporate Governance Communique, serial no. II-17.1 (Framework of Compliance with Sustainability Principles) are shared with the stakeholders, was published on the Official Journal on October 2, 2020.

The corporations are expected to provide a clarification on the annual reports concerning whether the sustainability principles are applied, if not, a reasoned description for the reason of, and the impacts of the environmental and social risk management due to the failure to these principles.

The basic provisions concerning the content and publication of the Sustainability Principles are determined and announced by the Capital Market Board.

The application of the Sustainability Principles are voluntarily and, the shareholders have been informed of the Framework of Compliance with Sustainability Principles concerning the sustainability principles.

SUSTAINABILITY PRINCIPLES COMPLIANCE STATEMENT

The Corporate Governance Communique, serial no. II-17.1 was published on the Official Journal, no. 28871, on January 3, 2014.
Our Corporate Governance Committee has analyzed the "Communique (II-17.1.a)" on Amendment to the Corporate Governance Communique (II-17.1)", published on the Official Journal on October 2, and the Framework of Compliance with Sustainability Principles.

The "Framework of Compliance with Sustainability Principles" sets forth the basic principles that the publicly traded companies are expected to disclose while carrying out the Environmental, Social Corporate Governance Management (ESM). Although the implementation of these principles are voluntarily, the corporations are required to report on whether they are complied with on the principle of "Comply or Disclose".

Accordingly, our Company has adopted the concepts of "equality", "transparency", "accountability" and "responsibility", which are the foundation of the corporate governance, and pays utmost attention to complying with the secondary regulations and decisions of the Capital Market Law ("CML") and the Capital Market Board ("CMB).

Our company attaches great importance to the application of the Corporate Governance Principles that are not mandatory. It has been decided to issue necessary regulations to comply with the framework at the maximum extent. There are already such regulations similar to those principles within the company. The company will make efforts to get over legal and restriction based obstacles. There has been no conflict of interest among the stakeholders up until today with respect to those principles not fully complied with.

In case of any conflict of interest that may arise in the future due to the failure to comply with these Principles that are not currently complied with, necessary investigations shall be made under the leadership of the Corporate Governance Committee, which is a management organ of our Company, the results thereof shall be shared with the Board of Directors, and necessary arrangements shall be made and, our organization is suitable for and award of these issues.

Efforts will continue to be made in order to ensure that the respective mechanisms within the framework of the said principles during the performance of the corporate governance practices and improve our corporate governance practices.

Based on the decision no. 34/977 adopted by the Capital Market Board on 23.06.2022 in accordance with the Corporate Governance Communique, serial no. II-17.1, the disclosures that are required to be made by corporations with shares exchanged on Primary Market, Star Market and Sub-Market on the Exchange Market for the compliance with the sustainability principles are to be made by means of using the following template of Sustainability Report through the Public Disclosure Platform (KAP) starting from the reports for 2022.

GENERAL PRINCIPLES

With the awareness of its social and environmental responsibilities, Alkim Alkali Kimya aims to be sensitive to the environment, to prevent environmental pollution and to continuously improve its environmental performance in all its activities and continues all its activities in this direction. With the awareness of environmental responsibility, it primarily determines the risks in each of its activities, and eliminates or minimizes these effects by making improvement studies. In this context, our Company, which focuses on creating value for today and the future, makes regulations in order to comply with the Sustainability Principles to the maximum extent.

At Alkim Kimya, sustainability, environmental management issues are evaluated and carried out through regular meetings with the environmental team, established within the scope of our environmental management system. In these meetings, the steps to be taken to reach our environmental targets set every year and to reach the targets are evaluated and studies are carried out in line with our environmental policy.

The Company does not have any lawsuits filed against it regarding environmental, social and corporate governance issues.

Attaching great importance to nature, the environment and quality since its establishment, Alkim Alkali Kimya has the first ISO 9001 Quality Management System in the world. In addition, it has a laboratory with ISO 14001 Environmental Management System, which proves the value it attaches to the environment, ISO 45001 Occupational Health and Safety Management System, which shows that its employees work in healthy environments and the value they attach to occupational health in their activities and the Accreditation Certificate, which is the TS EN ISO 17025 standard document, which proves the accuracy of the analyses of the products it produces.

ENVIRONMENTAL PRINCIPLES

Due to the negative effects of climate change, natural resources are decreasing and ecosystems are being damaged. With the awareness that it is an important responsibility to minimize the effects of climate change and to protect natural resources that future generations will need, our company works to be a company that respects nature, as stated in its Environmental Policy.

Since the day it was founded, it continues its productions by aiming to carry out improvement works and to have a minimum impact on the environment, as in every other subject. The Company, which complies with the requirements of the TS EN ISO 14001 Environmental Management System document that it has owned since 2011, has achieved a significant reduction in the amount of waste with its waste management plans.
In 2021, the Company received a "Basic Level Zero Waste Certificate" for five years.

Alkim Kimya carries out studies with the awareness of its responsibility within the scope of reducing natural resource consumption.

Our company has made significant improvements in recent times when energy costs have increased, and continues to do so. In this context, it aims to work more efficiently by starting to work on obtaining the ISO 50001 Energy Management System certificate in the upcoming period.

Efforts to replace the low efficiency electric motors working on the production line of the factory with more efficient electric motors (IE4) continue. In addition, research on the use of solar energy from renewable energy sources continues.

Our company aims to achieve a decrease in the amount of energy consumption in the coming years.

Alkim Kimya, within the framework of the global warming problem, carries out its activities with the awareness of its responsibility in reducing greenhouse gas (CO_2) emissions.

Within the scope of the verification studies carried out by accredited institutions every year, when the last five years of the Company are taken as reference, it has been noted that although an increase is observed in the total production amount, an improvement has been achieved in the emission amounts per unit production.

Studies show that Alkim Alkali Kimya A.Ş. fulfils its part in the issue of global warming, which is emerging in the world. The company, without forgetting its responsibility towards the world, continues its efforts to implement projects that will reduce greenhouse gas emissions.

Water is one of our most important natural resources. Despite the decreasing rainfall due to the effect of climate change, water resources need to be managed effectively due to the increase in production and consumption. Alkim Kimya continues its activities aiming to ensure minimum water consumption.

Since 2011, our company, which complies with the requirements of the TS EN ISO 14001 Environmental Management System certificate it owns, monitors and evaluates the amount of water consumption.

Alkim Kimya aims to decrease the consumption of other natural resources, especially water consumption, in the coming years.

HUMAN RESOURCES

Alkim Kimya is a well-established company that creates added value to our country's economy with its knowledge, technology and products it produces. With the awareness that the most important value that carries us to this success is human resources, our employees are a part of our business and are our business partners with whom we share our successes.

Our company continues on its way by creating an effective and productive working environment for its employees who adopt the values of honesty, transparency, efficiency, respect for people and the environment.

Alkim Kimya, based on laws, corporate values and ethical rules in human resources practices, is built on equal opportunity.

Human Resources follows an objective, systematic and development-oriented approach in all processes, from recruitment to career management, from training and development to performance management. Implements competitive compensation and benefits strategies that are compatible with market conditions.

Alkim Kimya does not discriminate on the basis of race, color, age, nationality, gender or belief while conducting all kinds of relations with its employees. As with all recruitment processes, equal opportunity is also provided to our employees. Employees' performance is managed and career and development plans are created with the right planning, succession and career management to bring good talents to our institution.

Our company has integrated its management and employees, which is fully committed to ethical values, has seen all its employees as family for generations, and thus has an employee structure with a high job loyalty.

Transferring Insider Information

Our employees shall never share non-public information with third parties for any reason, either for their own benefit or for the benefit of someone outside the Company. It is forbidden for those who can access inside information to gain benefits for themselves and/or third parties by using this information. Those who have access to inside information are the chairperson and members of the board of directors of the publicly traded company, senior managers, auditors, as well as those who may have information during the performance of their profession and duties, and the persons whose names have been determined, who may have direct or indirect information due to their contacts.

Anti-Bribery and Anti-Corruption

Alkim Kimya aims to present its approach to bribery and corruption clearly and to protect the image of the company. In this direction, as a part of the sensitivity it shows in business ethics, "Anti-Bribery and Anti-Corruption Policy has been implemented and it is announced on the corporate website of our company under the heading Investors Corporate Governance.

Due to the fact that it is a legally punishable act besides business ethics Employees are expected to show sensitivity in this regard and to be seen as a part of their personal duties and responsibilities independent of working life.

Sustainability Compliance Status

Our company aims at maximum compliance with the "Sustainability Principles Compliance Framework", which was prepared in line with the amendment dated 02.10.2020 made in the Corporate Governance Communiqué of the Capital Markets Board, and taking into account the interests of all stakeholders, especially the shareholders, it aims to continue its efforts to improve the compliance with the aforementioned principles.