



Corporate Governance and Credit Rating Services, Inc.

Corporate Governance Rating Report



21 December 2022

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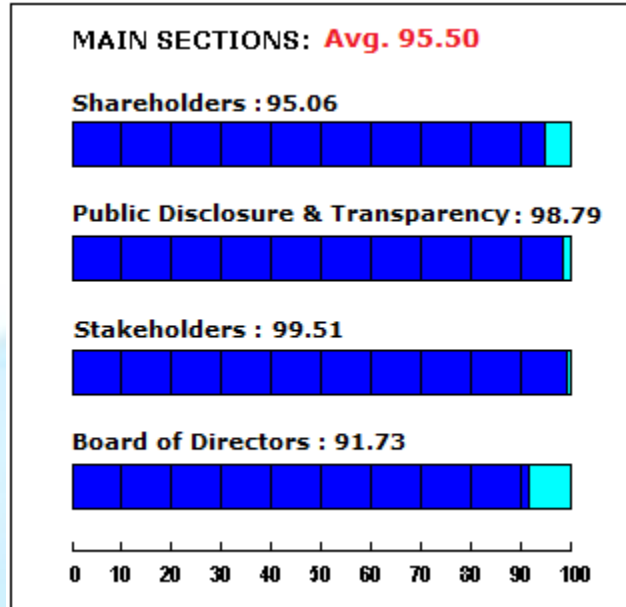
Rating and Executive Summary

ENERJİSA ENERJİ A.Ş. (ENJSA)



Corporate Governance Rating:

9.55



EXECUTIVE SUMMARY

The Corporate Governance Rating of 9.51 that has been assigned to Enerjisa Enerji A.Ş. ("Enerjisa") on December 21, 2021 is hereby revised as **9.55**. SAHA's rating methodology is based on the Capital Markets Board's ("CMB") "Corporate Governance Principles" released on January of 2014.

SAHA publishes (annually) the World Corporate Governance Index (WCGI) which ranks countries in terms of their level of compliance with corporate governance principles as well as their germane institutions, rules, codes, and regulations together with international standards and indices which evaluate countries in a vast array of areas such as transparency, corruption, ease of doing business, etc.. Enerjisa is analyzed as a Turkish company and Turkey takes place at the top classification of the WCGI which is Group 1. Details of the World Corporate Governance Index (WCGI) published by SAHA on May 10, 2022 can be accessed at <http://www.saharating.com>.

Enerjisa is rated with **9.51** under the **Shareholders** heading. Exercise of shareholders' rights complies with the legislation, Articles of Association and other internal rules and regulations. These rights and shareholder relations are secured by the "Investor Relations Department". There are no voting privileges. All procedures prior to the general shareholders' meeting as well as the conduct of the meeting comply with the legislation, rules and regulations. There is a publicly disclosed, consistent dividend policy of the Company. There are no restrictions on transfer of shares. The policy on donations and grants is approved at the general shareholders' meeting and disclosed to the public. Disclosure Policy is submitted for approval at the general shareholders' meeting. On the other hand, the rate of minority rights in the Company's Articles of Association is adopted as prescribed for public joint stock companies (%5).

Enerjisa attained **9.88** under the **Public Disclosure and Transparency** chapter. There is a comprehensive web site that includes all information listed in the Corporate Governance Principles pertinent to "Public Disclosure". Public announcements are made via all communications channels and are in accordance with the CMB and Borsa Istanbul (BIST) rules and regulations. The Annual Report is also comprehensive and informative. Shareholding structure of Enerjisa and the names of ultimate controlling individual shareholders as identified after being released from indirect shareholding relationships between co-owners are disclosed to the public. Benefits provided to Board members and senior management is mentioned collectively in the Annual Report, but a list on individual basis is essential as per the Principles.

On the topic of **Stakeholders**, Enerjisa scored **9.95**. Enerjisa guarantees the rights of stakeholders in line with the legislation and mutual agreements, and in case of violation, enables an effective and speedy compensation. A written compensation policy for the employees is established and disclosed to the public on the web site. The Company has an effective and comprehensive human resources policy. A model has been developed to support the participation of stakeholders in the management of the Company. Code of ethics is publicly available through the Company's web site. Various social responsibility projects have been implemented. A detailed Sustainability Report is prepared and published.

From the perspective of the principles regarding the **Board of Directors**, Enerjisa's tally is **9.17**. There is a well communicated mission and vision, and the Board fulfils all duties in accordance with the Company's needs. Chairman of the Board and the general manager are not the same person. There are 2 independent members in the 8-member Board of Directors and there are no executive members. Each member is entitled to a single vote. There are 2 female Board members and the Company has met the Corporate Governance Principles' advisory target of 25% female Board membership rate. Corporate Governance, Audit and Early Risk Detection Committees are established. The working principles of the Committees and the Remuneration Policy are disclosed to the public. Losses that may be incurred by the Company as a result of not performing the Board members' duties duly are insured, but not for a coverage exceeding 25% of the paid-in capital. Remuneration of Board members and executives with administrative responsibility as well as all other benefits provided are mentioned collectively in the Annual Report, but Principles dictate reporting on an individual basis. The manager of the Investor Relations Department is not yet a member of the Corporate Governance Committee.

Rating Methodology

SAHA's methodology for rating the degree of compliance with the Principles of Corporate Governance is based upon the CMB's "Corporate Governance Principles" released on January 2014.

The CMB based these principles on the leading work of The World Bank, The Organization of Economic Cooperation and Development (OECD), and the Global Corporate Governance Forum (GCGF) which have been established in cooperation with the representatives of the preceding two organizations and private sector. Experts and representatives from the CMB, Borsa Istanbul and the Turkish Corporate Governance Forum have participated in the committee that was established by the CMB for this purpose. Additionally; many qualified academicians, private sector representatives as well as various professional organizations and NGOs have stated their views and opinions, which were added to the Principles after taking into account country specific issues. Accordingly, these Principles have been established as a product of contributions from all high-level bodies.

Certain applications of the Principles are based on "comply or explain" approach and others are mandatory. However, the explanation concerning the implementation status of the Principles, if not detailed reasoning thereof, conflicts arising from inadequate implementation of these Principles, and explanation on whether there is a plan for change in the Company's governance practices in future should be mentioned in the annual report and disclosed to public.

The Principles consist of four main sections: shareholders, public disclosure and transparency, stakeholders, and the board of directors.

Based on these Principles, the SAHA Corporate Governance Rating methodology features around 330 sub-criteria. During the rating process, each criterion is evaluated on the basis of information provided by the company officials and disclosed publicly. Some of these criteria can be evaluated by a simple YES/NO answer; others require more detailed analysis and examination.


SAHA assigns ratings between 1 (weakest) and 10 (strongest). In order to obtain a rating of 10, a company should be in full and perfect compliance with the Principles (see Rating Definitions p.25).

To determine the total rating score for each main section parallel to the CMB's Corporate Governance Principles, SAHA allocates the following weights:

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

To determine the final overall rating, SAHA utilizes its proprietary methodology which consists of sub-section weightings and weightings for the criteria thereunder. A separate rating is assigned to each one of the main sections as well.

Company Overview

Enerjisa Enerji A.Ş.	
 ENERJISA	Chairman of the Board Kıvanç Zaimler Chief Executive Officer Murat Pınar
Barbaros Mah., Begonya Sok., Nida Kule Ataşehir, Batı Sitesi No: 1/1 Ataşehir, 34746 İstanbul	Investor Relations Process Leader Burak Şimşek Tel: 0 216 579 09 31 investorrelations@enerjisa.com

The Company was established on December 26, 2011 as a joint venture of Hacı Ömer Sabancı Holding A.Ş. ("Sabancı") and Verbund International GmbH ("Verbund International"). On December 4, 2012, DD Turkey Holdings S.A.R.L., which is under the control of Verbund and E.ON SE, signed a "Share Sale Agreement" on the sale and transfer of 50% of the Company's shares, and the transfer was completed on April 24, 2013.

Enerjisa served as the parent company in electricity generation, trade, sale, distribution and retail service until August 25, 2017. As the first phase of the restructuring, the Company merged with Enerjisa Elektrik Dağıtım A.Ş. ("EEDAŞ"), a wholly owned affiliate, and its subsidiaries (distribution and retail service companies) taking over all their assets and liabilities on April 28, 2017. On August 25, 2017, which represents the second phase, it transferred its three subsidiaries (electricity generation, wholesale trade and gas trading companies) to the newly established Enerjisa Üretim Santralleri A.Ş. ("EÜSAŞ") through partial demerger. On September 25, 2017, the company which is included in Enerjisa assets and engaged in solar energy generation, was sold to the generation company owned by EÜSAŞ. Consequently, the main field of activity of the Company under the new structure is customer-oriented electricity distribution and retail services.

The Company shares are traded under "ENJSA" code at Borsa İstanbul and is a constituent of BIST SUSTAINABILITY 25 / BIST STARS / BIST SUSTAINABILITY / BIST SERVICES / BIST İSTANBUL / BIST DIVIDEND / BIST 50 / BIST DIVIDEND 25 / BIST 100 / BIST CORPORATE GOVERNANCE / BIST 100-30 / BIST ELECTRICITY and BIST ALL SHARES indices.

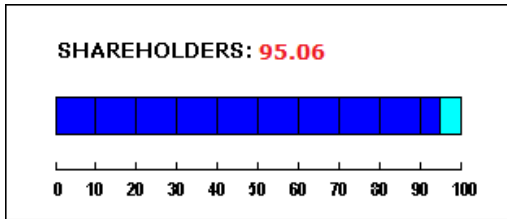
Enerjisa's capital structure is as follows:

Capital Structure		
Shareholders	Share Value (TL)	Share %
Hacı Ömer Sabancı Holding A.Ş.	472,427,587.56	40.00
DD Turkey Holdings S.A.R.L.	472,427,587.56	40.00
Other	236,213,792.00	20.00
TOTAL	1,181,068,967.12	100.00

Composition of the Board of Directors:

Board of Directors of ENERJİSA ENERJİ A.Ş.	
Name	Title
KIVANÇ ZAİMLER	Chairman (non-executive)
JOHAN MAGNUS MOERNSTAM	Vice Chairman (non-executive)
THORSTEN LOTT	Board Member (non-executive) Early Risk Detection Committee Member
HAKAN TİMUR	Board Member (non-executive) Corporate Governance Committee Member
NUSRET ORHUN KÖSTEM	Board Member (non-executive) Early Risk Detection Committee Member
GUNTRAM WÜRZBERG	Board Member (non-executive) Corporate Governance Committee Member
FATMA DİLEK YARDIM	Independent Board Member (non-executive) Audit Committee Chairperson Early Risk Detection Committee Chairperson
KAMURAN UÇAR	Independent Board Member (non-executive) Corporate Governance Committee Chairperson Audit Committee Member Early Risk Detection Committee Member

SECTION 1: SHAREHOLDERS



SYNOPSIS

+	Equal treatment of shareholders
+	Unrestricted shareholder rights to review and receive information
+	Voting rights are facilitated
+	No voting privileges
+	General shareholders' meetings are conducted in compliance with the legislation
+	No restrictions on transfer of shares
+	Policy on donations and grants approved at the general shareholders' meeting and disclosed to the public
+	A specific and consistent dividend distribution policy established
=	Minority rights adopted at the rate stipulated by the legislation (not less than one-twentieth of the share capital)
-	Majority of Board members do not attend the general shareholders' meeting
-	No clause in the Articles of Association for attendance of stakeholders and the media in the general shareholders' meeting

1.1. Facilitating the Exercise of Shareholders' Statutory Rights:

Enerjisa's Investor Relations Department, established in 2018, plays an active role in facilitating the protection and exercise of the shareholders' rights, mainly the rights to obtain and review information related to the management and operations of the Company.

Investor Relations Process Leader, Mr. Burak Şimşek is the holder of Capital Market Activities Advanced Level (Level 3), Derivative Instruments, Corporate Governance Rating, and Credit Rating Licenses.

The Department submits quarterly reports - in addition to any ad-hoc requests that may arise - on the activities conducted to the Corporate Governance Committee for further submission to the Board of Directors and fulfills the following duties:

- a. Ensuring that the records relating to the written correspondence with the investors and other information are kept properly, secure and up-to-date.
- b. Responding to the queries of the shareholders and potential investors requesting information regarding the Company, excluding the undisclosed information that is deemed confidential and/or trade secret.
- c. Ensuring that the general shareholders' meeting is held in compliance with the applicable legislation, Articles of Association, and other Company by-laws.

- d. Preparing the documents that might be used by shareholders in the general shareholders' meeting.
- e. Supervising the fulfillment of the obligations arising from capital markets legislation including all corporate governance and public disclosure matters.

In addition to the above; Enerjisa attended 5 online conferences, total current and potential 31 interviewed with the investor. 2022 In addition, between 80-90 individual investor request in writing or by phone answered via. In 2022 meetings both online and physically realized with participation.

Information and explanations that may affect use of shareholders' rights are duly available and up to date on the corporate web site of the Company.

1.2. Shareholders' Right to Obtain and Evaluate Information:

There is no discrimination among the shareholders of Enerjisa when exercising their right to obtain and evaluate information. All information required to exercise shareholders' rights in a sound manner is made available to all shareholders. The information is submitted as complete, accurate and in a timely and diligent manner.

The Articles of Association do not contain any provisions hindering the right of shareholders to request appointment of a special auditor and no such request was submitted in 2022.

The disclosure policy was published on the corporate web site and presented to the shareholders at the annual general shareholders' meeting.

1.3 Minority Rights:

Maximum care is given to the exercise of minority rights at Enerjisa. Minority rights are not recognized for shareholders who hold an amount less than one-twentieth of the share capital, and the Company has adopted exactly the rate set forth in the legislation for listed companies.

There is no evidence of any conflict of interest between the majority shareholders and that of the Company.

1.4. General Shareholders' Meeting:

In addition to the methods of invitation in the legislation and in order to ensure attendance of maximum number of shareholders, the invitation to the ordinary general shareholders' meeting held on March 30, 2022 is performed through all means of communication available to the Company on March 2nd, 2022 in accordance with the Corporate Governance Principles.

All announcements prior to the general shareholders' meeting included information such as the date and time of the meeting; without any ambiguity, exact location of the meeting; agenda items of the meeting; the body inviting to the general shareholders' meeting; and the exact location where Annual Report, financial statements and other meeting documents can be examined. A descriptive disclosure document on agenda items has also been prepared.

Commencing from the date of announcement of invitation for the general shareholders' meeting; the Annual Report, financial statements and reports, and all other related documents pertaining to the agenda items along with the dividend distribution proposition are made available to all shareholders for examination purposes in convenient

locations including the headquarters of the Company, and the electronic media.

Enerjisa has also prepared an informative document prior to the general shareholders' meeting clarifying the agenda items in a more detailed manner.

Shareholders are informed of the following issues prior to the general shareholders' meeting via the corporate web site:

- a. The total number of shares and voting rights reflecting Enerjisa's shareholding structure as of the date of disclosure and that there are no privileged share groups within the shareholding structure.
- b. Information on changes in management and activities of the Company and its subsidiaries in the previous fiscal year, or planned for the upcoming fiscal period which can significantly affect the Company operations.
- c. Grounds for dismissal and replacement of Board members, candidates' backgrounds and tasks carried out in the last decade, the nature and significance level of their relationship with the Company and its related parties, whether they are independent or not, and information on similar issues.

Prior to the meeting, the shareholders did not submit any proposals to be included in the meeting agenda. Moreover, since these transactions were not approved by the majority of the independent members of the Board of Directors, no transaction was submitted to the approval of the shareholders.

Agenda items were put under a separate heading and expressed clearly in a manner not to result in any misinterpretations. Expressions like

"other" and "various" were not used. Information submitted to the shareholders prior to the conduct of the general shareholders' meeting was related to the agenda items.

Items on the agenda were conveyed in detail and in a clear and understandable way by the chairman of the meeting and shareholders were given equal opportunity to voice their opinions and ask questions.

The chairman of the Board of Directors, general manager and authorized persons who are responsible for preparing the financial statements and the representative of the external audit firm were present to give necessary information and to answer questions at the general shareholders' meeting.

Enerjisa has established a policy on donations and grants and submitted it to the general shareholders' meeting for approval in 2017. At the general shareholders' meeting held on March 30, 2021, shareholders and stakeholders were informed about the change in donations and grants policy with a separate agenda item.

There are no statutory obstacles for the attendance of stakeholders and media in the general shareholders' meetings with no voting rights, however but no such clause regarding their admittance is included in the Articles of Association.

1.5. Voting Rights:

There are no voting privileges at Enerjisa. Each share has an equal voting right. Any actions that may complicate the use of voting rights are avoided. Each shareholder is given the opportunity to exercise his/her voting right, including cross border voting, in the most appropriate and convenient manner.

No ceilings are applied on the number of votes that a shareholder may exercise during the general shareholders' meeting. The right to vote is automatically granted once the share is acquired. Hence, under no conditions, arrangements that would postpone the exercise of the right to vote a certain period following the acquisition of share are adopted. Provisions that may prevent voting by use of a proxy who is not a shareholder are not included in the Articles of Association of the Company.

There is no cross-ownership between Enerjisa and its affiliates and subsidiaries, and there has been no situation requiring the freezing of votes during the general shareholders' meeting as a result of such a relationship.

1.6. Dividend Rights:

The dividend distribution policy of Enerjisa is clearly defined and disclosed to public on the corporate web site. It is submitted to the approval of the shareholders at the general shareholders' meeting and is incorporated in the Annual Report.

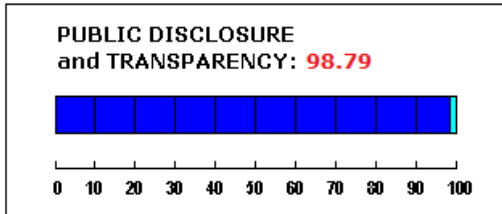
No group or shareholder is granted privileges with respect to dividend distribution policy or profit sharing pursuant to the Articles of Association. Each share has an equal dividend right.

Enerjisa's dividend distribution policy contains sufficient information clear enough for investors to predict any future dividend distribution procedures and principles. A balanced policy is followed between the interests of the shareholders and those of the Company. The dividend distribution proposal submitted to the shareholders at the latest general shareholders' meeting contained all necessary information. In addition, the Articles of Association contain a provision on advance dividend payments.

1.7. Transfer of Shares:

Neither the Articles of Association nor any decisions adopted at the general shareholders' meeting contain any provisions that impede the transfer of shares. In this context, there are no sanctions or fines imposed on the Company.

SECTION 2: PUBLIC DISCLOSURE AND TRANSPARENCY



SYNOPSIS

+	Comprehensive Disclosure Policy, disclosed to public on the web site
+	Comprehensive web site, actively used for public disclosure
+	Annual Report complies with the legislation, comprehensive and informative
+	Important events and developments disclosed in accordance with the legislation
+	Ultimate controlling shareholders with a share higher than 5% are disclosed
+	English version of the web site for international investors
+	Dividend distribution policy disclosed to public via the web site
=	Benefits provided to Board members and senior executives are mentioned collectively in the Annual Report

2.1. Corporate Web Site:

Energisa's corporate web site is easily accessible, actively used as a means of public disclosure, and is also made available in English for foreign investors and shareholders. The information contained therein is timely updated,

accurate, complete, comprehensible and interpretable.

Along with the information required to be disclosed pursuant to the legislation, the corporate web site includes; trade register information, information about latest shareholder and management structure, information on privileged shares, the date and the number of the trade registry gazette on which the changes are published along with the final version of the Company's Articles of Association, publicly disclosed material information, periodical financial statements, annual reports, other public disclosure documents, agendas of the general shareholders' meetings and list of participants and minutes of the general shareholders' meeting, form for proxy voting at the general shareholders' meeting, disclosure policy, dividend distribution policy, ethical rules of the Company, frequently asked questions, and responses thereof.

The Company's shareholding structure; the names, amount and rate of the shares held by the Company's ultimate controlling individual shareholders over 5% as identified after being released from indirect relationships between co-owners is disclosed to the public through the corporate web site.

Energisa's corporate web site also includes; investor presentations, the donation policy, working principles of the Committees, important Board decisions under the heading of material disclosures, the vision/mission of the Company established by the Board, information on dividend payments for

the last 5 years and capital increases, news, general shareholders' meeting internal guidelines, social responsibility activities, the sustainability report, information on senior management, financial data, main ratio analyses, information about the protection of personal data regarding the web site, terms of use and privacy policy, timetable on events and developments which may interest investors, and the human resources policy.

Enerjisa prepared the Corporate Governance Compliance Report (CRF) and the Corporate Governance Information Form (CGIF) and disclosed them on the Public Disclosure Platform (PDP) on March 8th, 2022, almost a month before the ordinary general shareholders' meeting took place.

2.2. Annual Report:

Annual Report is prepared in detail by the Board of Directors to provide public access to complete and accurate information on the Company and it covers information such as;

- a. Period covered by the report, the title of the entity, trade register number, contact information,
- b. The names of the chairman and members served on the Board and the Committees during the covered period,
- c. The sectors in which the Company operates and information on its position in these sectors,
- d. Qualifications of the Company's units, general explanations related to their activities and performances, and yearly developments,
- e. Progress on investments, the eligibility status on incentives,
- f. Changes and justifications on the Articles of Association within the year,
- g. Corporate Governance Principles Compliance Report,

- h. Links to the PDP for the CRF and the CGIF templates,
- i. Information on related party transactions,
- j. Other issues not included in the financial statements, but are beneficial for users,
- k. Company's capital and ownership structure,
- l. Benefits provided to staff and workers, information on number of personnel,
- m. The dividend distribution policy,
- n. Information about R&D and innovation activities,
- o. Basic ratios on the financial position, profitability and solvency,
- p. Company's financing resources and risk management policies,
- q. Information on major events occurred between the closing of the accounting period and the date of the general shareholders' meeting where financial statements are evaluated.

In addition to the content specified in the legislation, the following also took place in the Annual Report:

- a. External duties of Board members and executives,
- b. Declaration of independence of the related Board members,
- c. Members of the Committees within the Board, their meeting frequency and working principles,
- d. The number of Board meetings held during the year and participation status of the members,
- e. Changes in legislation which could significantly affect the Company's operations,
- f. Significant legal cases filed against the Company and possible consequences,
- g. Information on the fact that there is no cross shareholding in excess of 5% of the capital,
- h. Benefits and vocational training of employees, and other Company

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- activities that give rise to social and environmental results,
- i. Rating results,
 - j. Application status of the Corporate Governance Principles as required by the CMB communique justifications on reasons behind any non_compliance.

On the other hand, benefits provided to Board members and senior executives are mentioned collectively, but best application of Corporate Governance Principles dictate that this information is given on an individual basis.

2.3. External Audit:

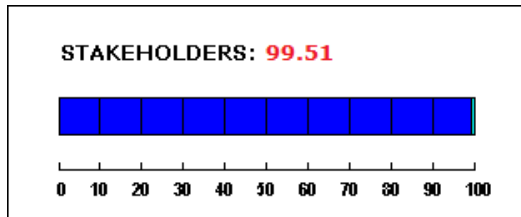
The external audit of Enerjisa is conducted by PwC BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş

There has been no situation during the reporting period where the external auditor avoided to express its opinion and not signed the audit report, nor has reported a qualified opinion. It has been declared by the Company officials that there has been no legal conflict between the Company and the external audit firm.

Independent audit firm and their audit staff did not provide consulting services for a price or free of charge during the audit period.

No consulting company in which the external audit firm is in a dominant position either directly or indirectly in management or capital provided any consulting services during the same period.

SECTION 3: STAKEHOLDERS



SYNOPSIS

+	Measures to safeguard stakeholders' rights are facilitated
+	Efficient Human Resources Policy
+	Stakeholders' views are taken on important decisions
+	Code of ethics disclosed to public
+	Efficient customer support mechanisms
+	Company is socially and environmentally sensitive and respectful
+	A written employee compensation policy is established and disclosed to the public on the web site
+	Social responsibility projects implemented
+	There are written supportive regulations regarding the participation of stakeholders in the management of the Company
+	Comprehensive Sustainability Report disclosed on web site

3.1. Company Policy Regarding Stakeholders:

Enerjisa's corporate governance framework recognizes the rights of stakeholders established by law or through any other mutual agreement. Effective and swift compensation is assured in case the stakeholders' rights, that are governed under the relevant legislation and protected by contracts, are violated.

In case the rights of the stakeholders are not regulated by the relevant legislation, Enerjisa resolves to preserve the interest of stakeholders under good faith principles and within the capabilities of the Company, without permitting any damage to the brand image.

To this end, stakeholders are sufficiently informed about the Company's policies and procedures, which aim to protect stakeholders' rights. Furthermore, Enerjisa has a written compensation policy which is duly disclosed to public on the corporate web site.

Enerjisa has also established the required mechanisms for stakeholders to freely communicate their concerns regarding any illegal or unethical transactions to the Corporate Governance or the Audit Committee without compromising their rights.

The Company has declared on its CRF posted on the PDP that potential conflicts of interest among the stakeholders are handled with a balanced policy aimed at protecting the rights of stakeholders.

3.2. Stakeholders' Participation in the Company Management:

Employee participation in management is formalized within the Enerjisa Human Resources policy. Employees, according to their roles and responsibilities, are involved in decision making processes, committees and projects. The participation of employees in the management is realized through periodic meetings held within the Company, annual goal setting and performance meetings, live broadcasts,

and their involvement in decision-making mechanisms, committees and projects within the framework of authority and responsibilities. Also, employees can share their requests, suggestions and feedbacks via different platforms such as intranet, mobile applications (IKON), suggestion system (Idea Bank), feedback mechanisms and surveys. The results obtained are analyzed and action plans are activated for necessary changes.

At Enerjisa, customer satisfaction is measured regularly. The monthly quantitative Customer Satisfaction Survey (CSAT) and Net Promoter Score (NPS) results are shared with all stakeholders through the Customer Experience Committee, consisting of senior management.

3.3. Company Policy on Human Resources:

The Company has a written human resources policy which is included on the corporate web site.

Enerjisa offers equal opportunity to persons with the same qualifications in recruitment and career planning.

In cases which management reshuffle could cause disruptions, a succession planning for determination of new manager appointments is in place.

The criteria for hiring are documented in writing and the Company complies with these criteria. All employees are treated with fairness and equality in terms of the benefits provided to them, training programs are provided to enhance employee knowledge, skills and conduct, and training policies are formulated. Informative meetings are held for employees on issues such as the Company's financial situation, wages, career, education and health, and views are exchanged.

Measures are adopted to prevent discrimination on the basis of race, religion, language and sex among the employees, to ensure human rights are respected and to protect the employees against internal physical, mental and emotional abuse. Enerjisa has defined the basic principles of Human Resources processes such as recruitment, career management, training and development, reward management, working environment and termination of employment. This policy is applied to Enerjisa Enerji A.Ş. and all its subsidiaries (Başkent Elektrik Dağıtım A.Ş., İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş., Toroslar Elektrik Dağıtım A.Ş., Enerjisa Başkent Elektrik Perakende Satış A.Ş., Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş., Enerjisa Toroslar Elektrik Perakende Satış A.Ş., Enerjisa Müşteri Çözümleri A.Ş., Eşarj Elektrikli Araçlar Şarj Sistemleri A.Ş.; hereinafter referred as " Enerjisa "), to all employees, management staff, and future talents who are the candidates of being an Enerjisa employee.

Equal Opportunity and Anti-Discrimination form the fundamental ground and it is positioned at the core of the Human Resources management approach. In all human resources processes such as recruitment, career management, training & development, reward management, work environment and employment termination, Enerjisa embraces a policy of equality in regard to language, religion, nationality, race, ethnic origin, age, gender, marital status, health, disability status, political opinion, union membership and all similar matters.

The Company does not tolerate discrimination and unfair conduct in any form. A working environment, free from all kinds of ill treatment, mobbing and harassment are provided for employees. Enerjisa ensures that all employees feel valued and equal,

whatever their gender, age, profession, expertise, experience or any other discriminatory criteria.

The basic principles of the Human Resources Policy are; recruitment management, training and development management, organizational design, planning, success and career management, performance, recognition and total reward management, wages and working hours, health and safety, human resources and workforce relations data analytics management, protection of employee rights, prohibition of forced labor and child labor, and the participation of employees in management.

A Collective Bargaining Agreement (CBA) has been signed between Enerjisa energy distribution companies and the TES-İŞ Union (Turkish Energy, Water and Gas Workers' Union), which is valid for 3 years (March the 1st, 2021 - February 29, 2024). The wages and working conditions of 7,797 blue-collar employees within the scope of the aforementioned CBA have been determined in accordance with the provisions of the CBA in force.

To date, Enerjisa did not devise or implement any employee stock ownership programs.

3.4. Relations with Customers and Suppliers:

Enerjisa is taking a wide variety of precautions to attain customer satisfaction in the sales and marketing of its products and services. The Company complies with quality standards of products and services and strives to maintain these standards.

Transactions in digital service channels, which have been reshaped according to customer needs, are carried out via the Online Service Center (OSC), internet,

mobile platforms and the e-Government system.

The Company provides services to its customers through physical channels consisting of 39 Customer Service Centers, 76 Enerjisa Transaction Centers and 10 Mobile Service Vehicles.

Enerjisa carries out the largest call center operation in the sector with approximately 800-strong team in the distribution line. Providing uninterrupted communication between the Company and its customers, 186 Call Centers offer 7/24 service in the cities of Ankara, Adana and Rize.

The Company has over 3,000 suppliers from whom it purchases goods and services. About 100 of them are first level critical suppliers. In the distribution business, the entire supplier network consists of local suppliers. Attaching great importance to the quality and sustainability of the supply chain, Enerjisa supports the development of its suppliers and business partners.

Within the framework of protection of trade secrets, care is taken on the confidentiality of information about customers and suppliers.

3.5. Ethical Rules & Social Responsibility:

The ethical rules of Enerjisa are publicly disclosed on the corporate web site.

The Company expends maximum effort to be sensitive to its social responsibilities in its operations. It complies with all regulations regarding the environment, consumers and public health, as well as ethical rules, and directs and supports its subsidiaries and suppliers to behave in the same manner.

It supports and respects the internationally recognized human rights

and through its ethical rules and combats against any kind of corruption including embezzlement and bribery.

Enerjisa complies with the laws and environmental values in all its activities. No lawsuits were filed against the Company on account of any harm done to the environment during the reporting period.

3.6. Sustainability:

Following the public offering, Enerjisa shares started to be traded on Borsa Istanbul (BIST) under the ticker "ENJSA" as of February 8, 2018. The stock was included in the FTSE All-World Index in June 2018, the MSCI Global Small Cap Index in November 2018, the BIST Sustainability Index in October 2019 and the BIST Corporate Governance Index in December 2019.

The Company undertakes significant improvements and introduces value-added innovations related to the environment, education and energy in order to improve the quality of life. It strives to build a sustainable future through such social responsibility efforts and acts with a sense of responsibility toward life and the environment.

Enerjisa attaches importance to creating and disseminating a perception about energy saving among the public, especially primary school students. Since 2010, the Company has been carrying out activities aimed at raising awareness of energy efficiency in children, in line with the "I Protect My Energy" project, which it implemented within the framework of the protocol signed with the Ministry of National Education. From the beginning of the project until the end of 2021, more than 300,000 students from 650 schools in 14 provinces were trained. To date, 420 Enerjisa employees have voluntarily participated in the project. Trainings

organized within the scope of the project were suspended in 2021 due to the pandemic.

Enerjisa's Sustainability Report is comprehensive and disclosed to public on its corporate web site. The Report incorporates detailed information about identified material sustainability issues; corporate governance; occupational health & safety; environmental impact; and issues regarding stakeholders, employees, customers, supply chain and society as well as a future outlook. All ISO certifications are listed in the Report.

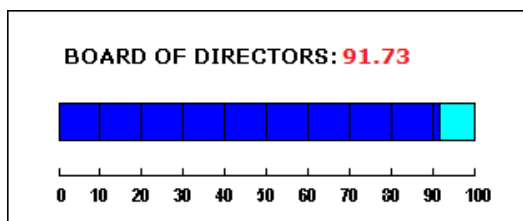
In 2019, Enerjisa became a signatory to the United Nations Global Compact, the world's largest voluntary corporate sustainability initiative, and to the United Nations Women's Empowerment Principles (WEPs). In addition, the Company has made a commitment to comply with the principles of Transparency International to demonstrate its commitment to adhere to high ethical standards.

Enerjisa expects its suppliers to meet the basic standards required for successful Environmental, Social and Governance (ESG) performance, including respect for human rights. In this context, the Company requires its suppliers to sign the "Enerjisa Supplier Code of Conduct" and the "Enerjisa Supplier Compliance Statement" and to comply with the "Enerjisa OHS and Environmental Policies". In addition, Enerjisa consultants are only compensated for their appropriate and legitimate services. Enerjisa obliges the companies and business partners to which it purchases/sells goods and services, to comply with the "Anti-Bribery and Anti-Corruption Policy", the Company's current policies regarding business partner selection, purchasing procedures and instructions and other relevant legal regulations.

There is also a "Third Party Relations Policy" defining Enerjisa and its subsidiaries' fundamental principles regarding parties that will be working in all business processes and working conditions of the Company with third parties. The Company terminates any dealings with individuals and organizations that do not comply with these policies.



SECTION 4: BOARD OF DIRECTORS



SYNOPSIS	
+	The Company's vision, mission and strategic goals are defined
+	The Board works efficiently and staffed with qualified members
+	2 independent Board members
+	Audit, Corporate Governance, Early Risk Detection and Sustainability Committees are established and functional
+	Principles of remuneration of Board members and senior executives are established and disclosed to the public
+	Chairman of the Board and general manager are not the same person
+	The conduct of the Board of Directors' meetings is defined in internal regulations and meeting and decision quorums have been included in the Articles of Association
+	2 female Board members
=	Potential losses incurred by the Company and third parties as a result of potential misconduct by executives and directors insured and disclosed on PDP but not for a coverage exceeding 25% of the paid-in capital
=	Remuneration and benefits provided to Board members and to managers with

administrative responsibility are not disclosed on individual basis

4.1. Functions of the Board of Directors:

Strategic decisions of the Board of Directors aim to manage Enerjisa's risk, growth, and return balance at an appropriate level and conduct a rational and cautious risk management approach with a view to the long-term interests of the Company. The Board administers and represents the Company within these parameters.

The Board of Directors has defined the Company's strategic goals and identified the needs in human and financial resources, and controls management's performance. The Board also oversees that Company activities are managed in compliance with the legislation, Articles of Association, internal procedures and established policies.

4.2. Principles of Activity of the Board of Directors:

Board of Directors performs its activities in a transparent, accountable, fair and responsible manner.

Distribution of tasks between the members of the Board of Directors is explained in the Annual Report.

The Board of Director's resolution (statement of responsibility) regarding the approval of the financial statements, Annual Report and the Corporate Governance Compliance Report also includes the CRF and the CGIF disclosed on the PDP.

The Board has also established internal control systems which are inclusive of risk management, information systems, and processes by also taking into consideration the views of the Committees. In this context, the Board reviews the effectiveness of risk management and internal control systems at least once a year.

The presence, functioning, and effectiveness of internal controls and internal audit are explained in the Annual Report. Chairman of the Board and general manager's executive powers are separated and this separation is documented in the Articles of Association. The chairman of the Board and the CEO are not the same person at Enerjisa and there is no individual in the Company who has unlimited authority to take decisions on his/her own.

Enerjisa's Board of Directors acts as a pioneer in providing efficient communication between the Company and the shareholders, in resolving and in settling disputes that may arise between these and for this purpose it is in close cooperation with the Corporate Governance Committee and Investor Relations Department.

Defects and damages that may be caused by Board members during the execution of their duties have been insured and the relevant information is included in the PDP disclosure. However, it does not cover an amount that is exceeding 25% of the Enerjisa's paid-up capital.

4.3. Structure of the Board of Directors:

Enerjisa's Board of Directors is composed of eight members and none holds executive duties. There are two independent members who have the ability to execute their duties without

being influenced under any circumstances.

No upper limit for the number of independent Board members is mentioned in the Articles of Association. Tenure of office for independent members is designated as three years as per the relevant legislation.

CMB criteria are complied with in determining independent candidates. Independent candidates for the Board of Directors have signed a declaration of independence within the framework of the legislation, Articles of Association, and the CMB criteria, and such declarations are included in the Annual Report.

There are two female members on the Board of Enerjisa and this is in line with the 25% target set forth by the CMB Communiqué 28871 on Corporate Governance. In addition, the Company has established a Diversity Adoption Policy to achieve and review this target each year.

4.4. Conduct of the Meetings of the Board of Directors:

Board meetings take place with sufficient frequency, with five meetings held in 2022. Members allocate sufficient time for all of the Company's business and show care to participate in each meeting (90% attendance rate).

Chairman of the Board of Directors sets the agenda for Board meetings in consultation with other members and the general manager. Information on the agenda items is made available to the members in sufficient time prior to the meeting date. Each Board member is entitled to a single vote.

The operation and conduct of the Board of Directors' meeting as well as the meeting and decision quorum have

been included in the Articles of Association of the Company.

The Board of Directors of Enerjisa has passed a resolution setting guidelines that dictate and prohibit any conflicts of interest and interruption of duties within the Company in cases where Board members serve as executives or Board members of other companies or provide consultancy services to other companies.

Shareholders are informed of external duties of the Board members through the Annual Report and the Corporate Governance Compliance Report.

4.5. Committees Established Within the Board of Directors:

Corporate Governance, Audit, Early Risk Detection and Sustainability Committees are established from within the Board of Directors in order to fulfill its duties and responsibilities duly.

Functions of the Committees, their working principles, and members are designated by the Board of Directors and disclosed to public on the corporate web site as well as the Annual Report.

Both members of the Audit Committee and the chairs of the Corporate Governance and Early Detection of Risk Committees are elected from among the independent Board members. The Corporate Governance Committee consists of three, and the Early Detection of Risk Committee consists of four members. The General Manager (CEO) is not a member of the Committees.

The Corporate Governance Committee consists of three Board members, one of whom is independent.

Following the resignation of Ms. Sabriye Güzde Çullas, Director of Investor Relations, Tax and Mergers &

Acquisitions, from Enerjisa as of November 30, 2022, the new contact persons for investors are Investor Relations, Tax and Corporate Office Group Manager Mr. Rawand Faraj and Investor Relations Process Leader Mr. Burak Şimşek and this managerial change was disclosed on PDP the same date. The Investor Relations Department Manager is not yet in the Corporate Governance Committee.

The Early Risk Detection Committee consists of four Board members, two of whom are independent.

Care has been taken to ensure that a member of the Board of Directors (excluding independent members) does not take part in more than one Committee.

All necessary resources and support needed to fulfill the tasks of the Committees are provided by the Board of Directors.

The frequency of Committee meetings is sufficient, all activities are documented and records are kept. Reports containing information about the activities and the resolutions of the meetings are submitted to the Board of Directors.

Audit Committee supervises the operation and efficiency of the Company's accounting system, public disclosure of the financial information, independent auditing, and the operation and efficiency of internal control and internal audit systems.

At the same time, the Committee determines the methods and criteria to be applied in examining and concluding the complaints received by the Company regarding the accounting and internal control systems and independent audit, and evaluating the Company's employees' reports on accounting and independent audit

issues within the framework of the principle of confidentiality and finalizes them.

The Audit Committee notifies its evaluations with regard to the veridicality and accuracy of the annual and interim period financial statements to be disclosed to the public and accounting principles followed by the Company to the Board of Directors in writing, together with the opinions of the responsible executives and independent auditors.

The Committee has convened four times during the reporting period. Audit Committee members possess the qualifications listed in the Corporate Governance Principles communiqué. The Annual Report contains information on activities and meeting resolutions of the Audit Committee and that it has submitted four written reports to the Board of Directors within the reporting period.

The nomination and election process of the external audit firm, taking into account its competence and independence, starts with a proposal from the Audit Committee to the Board and ends with the Board's choice being presented and approved at the general shareholders' meeting.

The Corporate Governance Committee, which has convened four times during the reporting period, is established in order to determine whether or not the corporate governance principles are being fully implemented by the Company, if implementation of some of the principles are not possible, the reason thereof, and assess any conflict of interests arising as a result of lack of implementation of these principles, and present remedial advice to the Board of Directors. In addition, it oversees the work of the Investor Relations Department.

As separate Nomination and Remuneration Committees are not established from within the Board, the Corporate Governance Committee is chartered to perform the governance related duties of these two Committees.

One of the inherent tasks of the Nomination Committee is to prepare a report on the candidates proposed by the Board and shareholders, by taking into consideration of whether or not the candidate meets the independency criteria, and submit this assessment as a report to the Board for approval. This task has been included in the charter of the Corporate Governance Committee.

The Corporate Governance Committee also assumes the tasks of a Remuneration Committee. These tasks are defined in the Committee's charter. The Committee determines the principles, criteria and means of implementation to be used in the remuneration of the members of the Board and the executives and oversees them. The functionality level of the Committee in this regard will be closely monitored in the upcoming rating periods.

The Early Risk Detection Committee, which has convened six times during the rating period, carries out its tasks towards early detection of risks which may jeopardize the Company's assets, its development and progression, and measures taken to mitigate and manage those risks. It reviews risk management systems at every meeting and finalizes relevant reports.

4.6. Remuneration of the Board of Directors and Managers with Administrative Responsibility:

The Board of Directors explained in the Annual Report whether the operational and financial targets disclosed to the public are met or not, along with reasons behind possible shortcomings.

The principles of remuneration of Board members and senior executives have been documented in writing and submitted to the shareholders as a separate item at the general shareholders' meeting. A remuneration policy prepared for this purpose can be found on the Company's web site.

dictates reporting on an individual basis.

Stock options or performance-based payments are not included in the remuneration package of the independent Board members. Their remuneration is designated at a level that maintains their independence

Energisa does not lend any funds or extend any credits to a member of the Board or to senior executives, or grant any personal loans through a third party, or extend any guarantees.

The executives have the required professional qualifications in order to perform the assigned duties and comply with the legislation, Articles of Association, and in-house regulations and policies in fulfilling their duties.

There have been no cases where the executives used confidential and non-public Company information in favor of themselves or others. There are no executives who accepted a gift or favor directly or indirectly related to the Company's affairs, and provided unfair advantage.

Remuneration of executives is consistent with the Company's ethical values, inner balance, and strategic objectives, and it is not associated only with the Company's short-term performance.

Remuneration of Board members and managers with administrative responsibility as well as benefits provided are mentioned collectively in the Annual Report. Full implementation of Corporate Governance Principles

Rating Definitions

Rating	Definition
9 - 10	The company performs very good in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified and actively managed all significant corporate governance risks through comprehensive internal controls and management systems. The company's performance is considered to represent best practice, and it had almost no deficiencies in any of the areas rated. Deserved to be included in the BIST Corporate Governance Index on the highest level.
7 - 8	The company performs good in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified all its material corporate governance risks and is actively managing the majority of them through internal controls and management systems. During the rating process, minor deficiencies were found in one or two of the areas rated. Deserved to be included in the BIST Corporate Governance Index.
6	The company performs fair in terms of Capital Markets Board's corporate governance principles. It has, to varying degrees, identified the majority of its material corporate governance risks and is beginning to actively manage them, however does not qualify to be included in the BIST Corporate Governance Index. Management accountability is considered in accordance with national standards but may be lagging behind international best practice. During the ratings process, minor deficiencies were identified in more than two of the areas rated.
4 - 5	The company performs weakly as a result of poor corporate governance policies and practices. The company has, to varying degrees, identified its minimum obligations but does not demonstrate an effective, integrated system of controls for managing related risks. Assurance mechanisms are weak. The rating has identified significant deficiencies in a number (but not the majority) of areas rated.
<4	The company performs very weakly and its corporate governance policies and practices are overall very poor. The company shows limited awareness of corporate governance risks, and internal controls are almost non-existent. Significant deficiencies are apparent in the majority of areas rated and have led to significant material loss and investor concern.

DISCLAIMER

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This report, conducted by SAHA A.Ş. analysts and based on their best intentions, knowledge base and experience, is the product of an in-depth study of the available information which is believed to be correct as of this date. It is a final opinion about the degree of sensitivity of the company to its shareholders' and stakeholders' rights, its commitment to public disclosure and transparency, and conduct and credibility of its board of directors.

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