

Sustainability Report 2022



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A Better Future for All

With the goal of a better future for all, we reflect our responsibility regarding the environment and society in all our activities and lead the transformation of the energy industry in terms of sustainability.

In line with our impact-oriented sustainability approach, we put all our efforts to supply our country smarter, cleaner and greener energy and offer better conditions to future generations.

A Smarter Future for All

We follow the latest global developments closely and improve our sustainability performance constantly. We are proud to be the only company in the energy industry to be included in the FTSE4Good Index twice in a row.



A More Efficient Future for All

We develop innovative and sustainable products and services under the umbrella of Energy of My Business. Our purpose is to reduce carbon emissions and save energy via our Solar Energy Systems, Energy Efficiency and Green Energy projects.



A Greener Future for All

Developing a green destination model with the Center for Tourism Practices Based on Sustainable Energy (SENTRUM) project and transforming the designated destination with renewable energy resources, we encourage sustainable tourism and support local economic development.



An Equal Future for All

We are proud to excel in the global arena thanks to our efforts related to gender mainstreaming.

This year, we achieved to get included in the Bloomberg Gender Equality Index, one of the most comprehensive gender mainstreaming surveys.



A More Inclusive Future for All

We remove barriers with Equal Access practices. We have the goal to make sure that our services are accessible to all our customers and to carry out their procedures swiftly and easily by designing barrier-free physical spaces, offering voice simulation service option on digital channels, issuing invoices and contracts using the Braille alphabet, communicating with sign language in our Customer Service Centers, as well as various other innovations.



About the Report

Enerjisa Enerji A.Ş. is a stock-listed leading energy company in Türkiye with a strong commitment to both managing its climate-related impacts and improving its Environmental, Social, and Governance (ESG) performance by following global trends and meeting stakeholders' expectations. The energy sector is undergoing major changes in the current decade, and expected to do so for many years to come. With people, culture, and digital innovation as the drivers of its sustainability management, Enerjisa Enerji aims to both lead the transition to the 'New Energy World' in Türkiye and take its place among globally leading companies.

Enerjisa Enerji operates in three main business segments, namely electricity distribution, retail sales, and customer solutions. Providing sustainable and innovative solutions to its customers is among the company's top priorities. With around 11,500 employees and operations in 14 provinces across three business regions, Enerjisa Enerji serves approximately 10.6 million customers and provides services to 22.1 million people.

The 2022 Sustainability Report covers the period from January 1, 2022, to December 31, 2022. The report was prepared in accordance with the International Integrated Reporting Council (IIRC) framework and the GRI. This report also integrates Task Force on Climate Related Financial Disclosures (TCFD) alignment, providing key information on the company's climate strategy and quantitative targets. The company reviewed its sustainability related priorities for 2022, taking into account specific ESG issues and trends that are becoming increasingly

important to stakeholders both internal and external. The company also received feedback from stakeholders to manage its performance holistically, which is reflected in the report extensively.

The scope of this report covers all locations and activities of or pertaining to companies under the Enerjisa Enerji A.Ş. umbrella, specifically Başkent Elektrik Dağıtım A.Ş. (BAŞKENT EDAŞ), Enerjisa Başkent Elektrik Perakende Satış A.Ş. (BAŞKENT EPSAŞ), İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. (AYEDAŞ), Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş. (AYESAŞ), Toroslar Elektrik Dağıtım A.Ş. (Toroslar EDAŞ), Enerjisa Toroslar Elektrik Perakende Satış A.Ş. (Enerjisa Toroslar EPSAŞ), Enerjisa Müşteri Çözümleri A.Ş. and Eşarj Elektrikli Araçlar Şarj Sistemleri A.Ş. (Eşarj).

To provide continuous, measurable, and comparable performance data, the report primarily includes data from 2022, 2021, and 2020. Additionally, the company highlights its contributions to the Sustainable Development Goals (SDGs). At the end of the report, readers can find the United Nations Global Compact (UNGC) and Women's Empowerment Principles (WEPS).

Enerjisa Enerji, at its heart, is an agile and inventive company that strives to create a positive impact as part of its business model. The company's dedication to holistic ESG sustainability along with its focus on meeting stakeholders' expectations and global trends, places it at the forefront of the energy sector in Türkiye and beyond.

Any questions, opinions, and suggestions regarding the report may be directed to surdurulebilirlik@enerjisa.com. We value and appreciate all stakeholder input.



GRI 2-1, 2-2, 2-3, 2-4

Statements from Management

As pioneers in the New Energy World,
we are dedicated to leading the way
toward a more sustainable future.



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Chairman's Message

At Enerjisa Enerji, we firmly believe green energy and energy efficiency are the pillars of a sustainable future.

3%

Our non-renewable power generation utilization accounted for less than 3% of our total electricity consumption.



Dear stakeholders,

Earthquakes occurred on February 6, 2023, and severely affected 11 cities, including Hatay, Gaziantep, Adana, Kilis, and Osmaniye, in the Toroslar region. We extend our condolences to our citizens who lost their lives due to the earthquake, especially our 17 valuable colleagues who lost their lives.

I am delighted to present our 2022 sustainability report dedicated to creating “a better future for everyone”. It is my privilege to share our remarkable progress in driving sustainable energy solutions and our unwavering commitment to building a better future for everyone.

As pioneers in the New Energy World, we are dedicated to leading the way towards a more sustainable future. Our operations in electricity distribution, retail, and customer solutions enable us to play a transformative role in driving positive change. We wholeheartedly believe that sustainability is not merely an option but an essential element of our strategy. We consistently strive to align ourselves with international environmental, social, and governance norms and standards, ensuring that our operations positively affect the environment and society.

At Enerjisa Enerji, we firmly believe green energy and energy efficiency are the pillars of a sustainable future. With this belief in mind, we have developed innovative solutions to assist our customers in reducing their greenhouse gas emissions from electricity consumption. We take great pride in offering customer-focused alternative energy efficiency solutions and collaborate closely with our customers, placing their needs at the forefront and delivering tailored solutions that drive sustainable practices.

At Enerjisa Enerji, we recognize the vital role of strong corporate governance in our pursuit of sustainability. Ethical conduct, transparency, and responsible decision-making form the bedrock of our operations. By upholding rigorous governance practices, we foster trust and integrity. We manage the complexities of the energy sector through our corporate principles.

Chairman's Message

As we build towards a smarter and more sustainable future, we place great emphasis on renewable energy resources and cutting-edge technologies.

Education and awareness are crucial in shaping a sustainable society. We are, therefore, deeply committed to investing in initiatives that educate and empower our society about environmental, social, and governance concerns. By fostering a deeper understanding of sustainability, we provide people with the resources and tools to actively participate in creating a better future. Through collaborations with regulatory authorities, we contribute to shaping future legislation that promotes sustainability and drives meaningful change.

As we build towards a smarter and more sustainable future, we place great emphasis on renewable energy resources and cutting-edge technologies. By harnessing these advancements, we pave the way for a more efficient and responsible energy landscape.

I am proud to report that our efforts have yielded significant results. In 2022, the vast majority of the electricity we purchased came from renewable sources. Our non-renewable power generation utilization accounted for less than 3% of our total electricity consumption. Furthermore, we are committed to reducing our Scope 1 and 2 emissions by implementing maintenance and repairs on our distribution networks. Through these initiatives, we enhance efficiency, decrease our carbon footprint, and do our part in contributing to a more sustainable future.

In conclusion, this sustainability report highlights our resolute dedication to creating a sustainable energy future for everyone. At Enerjisa Enerji, we are driven by our vision of “a better future for everyone” and firmly believe that together, we can achieve remarkable progress. I extend my deep gratitude to all our stakeholders for their continued support and collaboration as we embark on this transformative journey toward a cleaner, greener, and more sustainable world.

Sincerely,

Kıvanç Zaimler
Chairman

Message from the CEO

This year, we achieved significant milestones that demonstrate our dedication to integrating sustainability across all aspects of our operations, from finance to technology.

24.1

MWp

Our solar power plants (SPP) have reached a total installed capacity of 24.1 MWp by the end of 2022.



Dear stakeholders,

We are deeply saddened by the devastating earthquakes on February 6, 2023. In this catastrophe, we extend our condolences to 17 of our employees and all people who lost their lives, while wishing a fast recovery for the people who are injured. Since the very first day of this tragic disaster, we work relentlessly and cooperatively to heal our wounds and recover. We will continue to work until the end of recovery period.

As we navigate through significant global economic challenges that marked 2022 and echoed across the energy sector, Enerjisa Enerji has been unwavering in our commitment to our foundational principle of “a better future for everyone.” Our adherence to this vision is reflected in our dedication to the United Nations Global Compact (UNGC) principles, of which we have been a signatory since 2019, and our active participation as a follower of the TCFD. We recognize our responsibility in shaping the energy sector and are proud to align our actions with globally recognized frameworks and guidelines.

Building upon the foundations laid last year, we have further developed our Energy Sustainability Framework. This year, we achieved significant milestones that demonstrate our dedication to integrating sustainability across all aspects of our operations, from finance to technology. This framework remains our compass in navigating the complex energy landscape and driving the transition towards a more sustainable future.

Our commitment to mitigating the effects of climate change is evident in our focus on decentralized distributed energy models alongside our centralized energy model. By leveraging our expertise in finance and technology, we offer dependable solutions tailored to meet the unique needs of our customers. Our solar power plants (SPP) have reached a total installed capacity of 24.1 MWp by the end of 2022. With Eşarj, we continue our leadership in the field of e-mobility, one of the most important dimensions of energy transformation. These achievements contribute to our mission of driving the adoption of renewable energy and creating a greener and more sustainable energy ecosystem.

Message from the CEO

As one of Türkiye's leading companies in electricity distribution, retail sales, customer solutions, and e-mobility, we bear a deep responsibility to ensure the prosperity of present and future generations.

At Enerjisa Enerji, we are committed to investing in our people. We offer a range of programs, such as Leadership Development Purposed Programs, Individual Development Programs, Young Talent Development Purposed Programs, and Professional Development Programs. These initiatives, reflected in the average of 41.3 training hours per person in 2022, have significantly contributed to our company's performance and the continuous growth of our team members.

We understand the profound influence of global megatrends on the energy sector. We continuously review our strategy, drawing insights from digitalization, decarbonization, deregulation, decentralization, urbanization and customer-centricity. These trends serve as beacons guiding our path toward a resilient, efficient, and customer-focused future.

To ensure agility in this changing landscape, we collaborate with innovative start-ups, acquiring critical capabilities and providing solutions that align with the requirements of the New Energy World. Our focus is on identifying both organic and inorganic

opportunities in growth areas such as e-mobility, smart cities, energy storage, and innovative grid solutions. By embracing new technologies and preparing for future data monetization, we position ourselves as pioneers in the evolving energy landscape.

Our commitment to innovation extends beyond addressing risks posed by megatrends. We strive to create innovative, impactful, and sustainable products and services that drive transformation and advocate unrestricted energy access.

As one of Türkiye's leading companies in electricity distribution, retail sales, customer solutions, and e-mobility, we bear a deep responsibility to ensure the prosperity of present and future generations. We endeavor to connect and shape the world of new energy, serving as a role model and providing public service to millions of individuals.

In conclusion, this sustainability report underscores our dedication to leading the energy revolution for a better future.

I am privileged to share our continued commitment to sustainable practices and our relentless pursuit of innovative solutions that drive positive change. Our unwavering commitment to our vision and the responsibility to create sustainable solutions shines through. I extend my sincere gratitude to our stakeholders for their continued trust and collaboration as we work together to build a cleaner, greener, and more prosperous world.

Sincerely,

Murat Pınar
CEO

Message from the CFO

We set up our financial strategy to support green finance and updated our existing Green Finance Framework in December 2022.

19.9
TL billion

Our regulated asset base stood at TL 19.9 billion by the end of 2022 and will continue to grow further in order to support renewable energy transition.



Dear Stakeholders,

Global decarbonization holds immense significance in addressing the urgent climate crisis and securing a sustainable future for our planet. By reducing emissions and removing greenhouse gases as far as possible, we can prevent further damage and enable the transition to a net zero economy. This effort requires collaboration, collective action and innovation, at the same time offers economic growth and a sustainable future for all.

In Türkiye, sustainability has emerged as a critical consideration in the energy sector, driven by global commitments to combat climate change and ensure a sustainable future. Financing is a critical aspect in accelerating the energy transition investments. Accordingly, we set up our financial strategy to support green finance and updated our existing Green Finance Framework in December 2022.

Since decarbonization, urbanization and customer centricity, deregulation, decentralization, and digitalization are the five sectoral trends that have the potential to disrupt our way of doing business, we are developing innovative, impactful, and sustainable products and services not only to better face these challenges, but also to lead the transformation while working for accessible and uninterrupted energy combined with high customer satisfaction regarding our key products and processes. By integrating sustainability as prerequisite into our operations, we can create long-term value while contributing to a more resilient and sustainable energy ecosystem.

In Enerjisa Enerji, we pay attention to emphasizing the projects that can further improve our country. As a responsible energy provider, we have made substantial investments in shaping a sustainable future and prioritize renewable energy sources whenever possible. We have also taken steps to enhance energy efficiency across our operations and supply chain, leading to reduced greenhouse gas emissions and lower energy costs.

Message from the CFO

We recognize that climate change is not just an environmental issue; it also presents financial risks and opportunities that demand attention.

Our efforts focused on sustainability were recognized by both local and international market indices. We were included in Borsa İstanbul Sustainability 25 index in November 2022. Additionally, we are a constituent of the FTSE4Good Index Series and our rating was further increased to 4.0 out of 5.0 in Dec'22 from 3.8 in Jun'22.

We recognize that climate change is not just an environmental issue; it also presents financial risks and opportunities that demand attention. In this respect, we have a great commitment to follow the TCFD guidelines. We introduced comprehensive framework that enables us to systematically assess and disclose the financial risks and opportunities associated with climate change. By this we can enhance the transparency and credibility of our financial reporting and enable stakeholders to make well-informed decisions about our company.

Enerjisa Enerji demonstrates robust growth and effectively addresses the energy demands in our distribution regions in view of the developments towards energy efficiency and renewable transition. Our strong operational capacity and solid financial structure play a vital role in this success. Throughout the year, we adjusted our investment plans to align with evolving industry requirements. Despite all challenges including high inflationary environment, we sustained our investment momentum, totaling around TL 4.5 billion. Through agile steering and supply planning, we managed to maintain our progress in grid investments. Our regulated asset base stood at TL 19.9 billion by the end of 2022 and will continue to grow further in order to support renewable energy transition. As we progress, we will diligently monitor changing conditions and adapt our investment plans accordingly.

I am pleased to announce the release of our Sustainability Report for 2022. I also would like to express my gratitude to all our stakeholders for their valuable support throughout our ongoing pursuit of sustainability.

Kindest regards,

Dr. Philipp Ulbrich
CFO

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Enerjisa at a Glance

Key Financial Indicators (2022)	Key Operational Indicators (2022)	
Operational earnings growth: 101%	Employees - Around 11,500 Employees - White collar: 33% - Blue collar: 67%	About Enerjisa Enerji We are a prominent company in Türkiye's electricity industry, specializing in electricity distribution, retail sales, and customer solutions. Our extensive network of around 11,500 employees serves a population of 22.1 million and 10.6 million customers across 14 provinces in three distribution regions.
Leverage (net financial debt/operational earnings): 0.7x	Distribution - TL 19.9 billion RAB (Regulated Asset Base) - 317,757 km Network Length - TL 4.45 billion Infrastructure Investments	As a public service provider, we have been setting an example in Türkiye's electricity market since 1996, thanks to our continuous investments in grid infrastructure, sustainable products and services, operational efficiency, customer satisfaction, and technology-driven business models.
Underlying net income growth: 85%	Retail - 39.2 TWh Sales Volume - 10.6 million Retail Customers	Our commitment to sustainability is deeply embedded in our business philosophy and integrated into our strategy and management. We prioritize sustainability by focusing on the impact of our products and services, leveraging opportunities in the transition to a cleaner and greener energy sector, maintaining a resilient supply chain, and promoting gender equality.
Dividend Growth (gross dividend per share of TL 2.30): 85%	Customer Solutions - 422 public charging locations - 788 charging plugs - 520 fast charging plugs - 24.1 MWp Installed Solar Power Capacity	Since our successful public offering in 2018, not only we have adopted a comprehensive and strategic approach to corporate sustainability but we also have been recognized for our commitment to sustainability by inclusion in various indexes, such as BIST Sustainability Index, FTSE4Good Index, Sustainalytics.
	Key Sustainability Indicators (2022) - 19 sustainable products and services compared to 12 in 2021 - 31% percentage of women in white collar	We have pledged our commitment to high ethical standards by joining the United Nations Global Compact and the United Nations Women's Empowerment Principles. We have also declared our compliance with Transparency International's principles last year in 2021. Our commitment to sustainability is further validated by third-party assurance for significant ESG (Environmental, Social, and Governance) indicators. We maintained our B rating in the CDP (Carbon Disclosure Project) Climate Change and Water Security modules in 2022 while continuing to enhance our ESG performance in other assessments by ESG rating indices in 2022.

We maintained our B rating in the CDP Climate Change and Water Security modules in 2022.

Our Business Model

Our goal is to shape the New Energy World; to do so we have integrated sustainability as a core strategic part of our business model.

As a company, we believe that universal access to affordable and reliable electricity is a basic human need. We see that economic growth, urbanization, digital transformation, electrification trends, and a young and dynamic population have a significant potential for growth in electricity demand in Türkiye.

Our goal is to shape the New Energy World; to do so we have integrated sustainability as a core strategic part of our business model. As a sectoral role model in Türkiye, we focus on the impact of our products and services and leverage opportunities in the transition to a cleaner and greener low-carbon energy sector. This empowers equality while creating sustainable value for all of our stakeholders, including our customers, business partners, and shareholders.

As the largest electricity distribution and retail sales company in a regulated sector in Türkiye, we are proud to say that, as of 31 December 2022, we happily serve

10.6 million customers, accounting for approximately 22% of the retail electricity market across 14 provinces in three different distribution regions via approximately 11.9 million distribution network connections. We take pride in providing such a valuable and necessary public service to millions of people.

Enerjisa Enerji operates in several regions, including the capital city of Ankara, the densely populated Anatolian side of Istanbul, and major commercial and industrial cities like Adana, Gaziantep, and Mersin. The complete list of regions is as follows:

- **Başkent region:** We provide distribution services through Elektrik Dağıtım A.Ş. (Başkent EDAŞ) and energy retail services through Enerjisa Başkent Elektrik Perakende Satış A.Ş. (Başkent EPSAŞ) in the Başkent region (or Capital region), which encompasses the provinces of Ankara, Türkiye's capital, Zonguldak, Kastamonu, Kırıkkale, Karabük, Bartın and Çankırı.

- **AYEDAŞ region:** An acronym for our distribution subsidiary Istanbul Anadolu Yakası Elektrik Dağıtım A.Ş. (AYEDAŞ), this region covers districts on the Anatolian side of Istanbul. We also provide energy retail services in this region through Enerjisa Istanbul Anadolu Yakası Elektrik Perakende Satış A.Ş. (AYESAŞ).
- **Toroslar region:** This region covers the provinces of Adana, Gaziantep, Mersin, Hatay, Osmaniye and Kilis. Distribution and energy retail services in the Toroslar region are provided by Toroslar Elektrik Dağıtım A.Ş. (Toroslar EDAŞ) and Enerjisa Toroslar Elektrik Perakende Satış A.Ş. (Toroslar EPSAŞ), respectively.

The combination of Türkiye's economic expansion, urbanization, digital transformation, electrification, and young and dynamic population has created a significant trend towards increased demand for electricity, a necessity in today's modern world. Enerjisa Enerji prioritizes people and technology, aims to meet this demand by adopting an efficient approach that creates sustainable value for its customers, business partners, shareholders, and all stakeholders. With sincerity, passion, courage, sustainable development, and inclusion as its core values, Enerjisa Enerji continues to develop innovative and agile solutions that positively impact people's lives and the environment.



Our Business Model

We oversee all our network operations in three distribution regions through central management and monitoring.

DISTRIBUTION ACTIVITIES

In accordance with their licenses, our electricity distribution companies are limited to operating in the specific regions defined above. Each regional network operator is responsible for operating the distribution network, maintaining, and repairing it, making necessary environmental, security, renewal, and expansion investments, maintaining and reading electricity meters, creating demand projections and investment plans, monitoring theft-loss rates, and supplying electricity to cover technical and commercial losses. They also take the necessary technical and operational measures to decrease theft-loss rates and ensure public areas are well-lit.

We oversee all our network operations in three distribution regions through central management and monitoring. Our grid management process involves expanding and modernizing our network, improving its operational efficiency, and conducting research and development. These activities help standardize network management processes in three regions, establish centralized procedures, identify performance indicators, comply with the Energy Market Regulatory Authority (EMRA)'s technical, commercial, and supply security standards, meet outage and theft-loss targets, plan system improvements, monitor local networks, and provide customer service operations.

RETAIL ACTIVITIES

Enerjisa Enerji leads Türkiye's retail electricity market with its retail electricity sales companies, which sell electricity to consumers within the Company's distribution regions, as well as to eligible consumers across Türkiye without regional limitations. As the incumbent retail company, Enerjisa Enerji sells electricity to regulated customers through regulated national tariffs in 14 provinces and offers innovative products and services to over 10 million customers, from households to small and large enterprises.

The company's extensive field teams provide services through 39 Customer Service Centres and 73 Transaction Centres, in addition to innovative digital channels.

CUSTOMER SOLUTIONS

Enerjisa Enerji is dedicated to meeting customer needs with sustainable and innovative solutions. To that end, Enerjisa Müşteri Çözümleri A.Ş. was established in 2017 to provide energy efficiency solutions. as part of "The Energy of My Work" (İşimin Enerjisi) program, Enerjisa Enerji has been offering end-to-end solutions to improve energy efficiency and reduce carbon emissions of its corporate customers since October 2020.

Enerjisa Customer Solutions' Portfolio

Green Energy and Energy Efficiency Solutions	<ul style="list-style-type: none"> Green Energy Solutions <i>I-REC Certificate Carbon Reduction Certificate</i> Energy Efficiency Solutions <i>Lighting Conversion Projects Process Efficiency Projects</i> Cogeneration (CHP) and Trigeneration (CCHP) Solutions
Distributed Generation Solutions	<ul style="list-style-type: none"> Renewable Energy Solutions-Solar Power Plants (SPP)
E-mobility	<ul style="list-style-type: none"> E-şarj <i>E-şarj AC (Wallbox) E-şarj DC (Public CS)</i>

Our Business Model

Our goal is to create a greener and smarter world, and a better future for more people in Türkiye through the projects we undertake.

Green Energy and Energy Efficiency Solutions

As Enerjisa Enerji, we offer our customers two types of certificates under our green energy solutions to help them reduce or neutralize their greenhouse gas emissions resulting from electricity consumption: the I-REC Certificate and the Carbon Reduction Certificate. In addition, we develop alternative energy efficiency solutions with a customer-focused approach. Our energy efficiency applications, particularly in the fields of waste heat recovery, Heating, Ventilation and Air Conditioning (HVAC), pressurized systems, electric engines, and lighting, are offered with the Energy Service Company/Energy Performance Contract (ESCO/EPC) model.

Distributed Generation Solutions

As a company that is dedicated to playing an active role in the fight against climate change, we at Enerjisa Enerji are also focused on developing decentralized distributed energy models in addition to our centralized energy model. Leveraging our expertise in finance and technology, we offer reliable solutions that are customized to meet the unique needs of our customers in the area of solar power plants (SPP). As of the end of 2022, we had 24.1 MWp installed solar power capacity.

E-mobility: Eşarj

Our commitment to promoting a low-carbon ecosystem includes supporting the adoption of highly efficient electric vehicles. To that end, we are exploring various innovative business areas such as electric vehicle charging stations, electricity storage systems, and smart home technologies. In 2018, we became the majority shareholder of Eşarj Elektrikli Araçlar Şarj Sistemleri A.Ş. (Eşarj), and we have since been playing a leading role in the electric vehicle ecosystem transformation.

We made this acquisition with the intention of playing an innovative and pioneering role in the electric vehicle ecosystem and to be a significant player in the transformation of the sector. Our leadership in the distribution and sales of electricity in the sector makes us well-positioned to do so. Furthermore, we acquired an additional 14% minority stake in Eşarj in December 2021, increasing our stake from 80% to 94%.

Eşarj, operating Türkiye's first and fastest electric vehicle station network, has 788 charging points, of which 520 are fast charging stations, at 422 public locations as of the end of 2022. Since July 2020, we have certified the electricity used for vehicle charging with the International Renewable Energy Certificate (I-REC) at all of our public stations, increasing our contribution to carbon emissions reduction in tandem with an expanding network. As of July 2022, Eşarj is authorized to establish an additional 495 fast charging stations (minimum 90 kW and with minimum 2 charging sockets) in 53 cities within 11 investment regions pursuant to the "Fast Charging Stations Support Program" for Electric Vehicles initiated by the Ministry of Industry and Technology of the Republic of Türkiye.

Our bottom line: a better future for everyone

As a company, we at Enerjisa Enerji are dedicated to developing products and making investments that improve the lives of our customers. Our goal is to create a greener and smarter world, and a better future for more people in Türkiye through the projects we undertake. Our commitment to this mission is reflected in our slogan "For a Better Future" as well as in our focus on projects centered on renewable energy, e-mobility solutions, equal opportunity, supporting entrepreneurship ecosystem, sustainable tourism, and raising children's awareness of energy sustainability. Our progress towards this goal is the true measure of our success in value creation as a business.



Purpose, Vision, Mission and Values

Purpose

To connect people and industries to energy; and to provide a safer, cleaner and better energy future in Türkiye for generations to come.

Vision

Everyone should live in a sustainable energy world.

Mission

To accelerate sustainable energy transformation by building the needed infrastructure and services of tomorrow.

Values

INCLUSION: We create an environment which ensures the inclusion of all of our stakeholders, we encourage, appreciate different opinions, we get the utmost benefit with multiple collaborations.

COURAGE: We express our ideas openly, take risks, and do not fear making mistakes. We use initiative to take responsibility and move on to action.

SINCERITY: We place love, respect and trust at the centre of all our relations with stakeholders; we are as we seem, and we seem as we are.

CONTINUOUS DEVELOPMENT: We question ourselves and our work with a positive curiosity and genuine excitement about innovation. To ensure excellence, we always learn from our past experiences, develop with our vision of the future, and pioneer change.

PASSION: We approach all our endeavors with enthusiasm, excitement, perseverance, and wholehearted conviction; we invigorate our entire environment with our energy.



ESG Milestones/ESG Journey

2019	2020	2021	2022
<p>1st Sustainability Report Issued</p> <p>1st Stakeholder Engagement Plan issued</p> <p>Sustainability Committee and Working Groups established</p> <p>United Nations Women's Empowerment Principles (WEPs) signed</p> <p>UN Global Compact signed</p> <p>Environment Policy and Management System issued</p> <p>First Corporate Governance Rating 9.45 out of 10</p> <p>Inclusion in BIST Sustainability Index and BIST Corporate Governance Index</p>	<p>Sustainability Strategy and Roadmap developed</p> <p>"Stakeholder Engagement Plan" updated with Company priorities</p> <p>"Internal Control System" established</p> <p>Turkish Ethics and Reputation Society (TEID) membership</p> <p>Code of Conduct updated</p> <p>Human Rights Policy issued</p> <p>"Equal Opportunities in the Electricity Distribution Sector" project launched in collaboration with the Gender Equality Program Coordination Office of the EBRD</p> <p>İvme Entrepreneurship Acceleration Program launched, bringing start-ups into our distribution companies</p> <p>Customized "Stakeholder Engagement and Cultural Heritage Management Plans" prepared for each distribution company, along with a "Social Management and Monitoring Plan"</p> <p>E-TERNAL, our digital transformation model, was developed</p>	<p>Sustainability strategy and roadmap revised</p> <p>"Stakeholder Engagement Plan" updated</p> <p>"Net Zero Project" launched</p> <p>Sustainability and Corporate Capabilities function established</p> <p>Commitment to Transparency International Principles</p> <p>"Diversity and Inclusion", "Anti-Retaliation", "Third-Party Relations" and "Compliance" Policies issued</p> <p>CDP Climate Change and Water Score increased to "B"</p> <p>Acquisition of 14% minority stake in the e-mobility company Eşarj, increasing the total stake to 94%</p> <p>"Future of Work" studies initiated</p> <p>"Not Without You" (Sensiz Olmaz), Diversity, Equity and Inclusion Platform launched</p> <p>"Inclusive and Green-focused" loan agreement signed with EBRD</p> <p>Green Finance Framework completed and Second Party Opinion received</p>	<p>Stakeholder Engagement Plan expanded and updated</p> <p>Mid-term reduction targets set with third-party consultation</p> <p>Inclusion in Bloomberg Gender Equality Index</p> <p>Climate-related risks and financial impacts were aligned with the TCFD framework</p> <p>SENTRUM, our sustainable tourism center project was completed and the relevant tourism site opened to the public</p> <p>Strong performance in ESG further improved (i.e. Refinitiv score increased from 86 to 89)</p> <p>Eşarj becomes Türkiye's first and fastest network of electric vehicle charging stations, with 788 plugs at 422 public locations</p> <p>Phase 1 of Net Zero Project completed</p> <p>Water Policy updated</p> <p>Climate Strategy published</p> <p>Commitment to 30% reduction of Scope 1 and 2 emissions by 2030</p>

2022 ESG Performance Highlights

Business for Impact

Operations across
3 distribution regions
with around

11,500
employees

Revenues from
sustainable products and
services increased to

TL 1,595
million

Sustainable investments
reached¹

TL 1,695
million

¹ For more detailed information, please see **Annex VII**.

Distribution and Retail Business

**TL 15.1
billion**

operational earnings up
101% from last year

**TL 4.5
billion**

underlying net income,
up 85% from last year

**TL 4.5
billion**
grid
investments

**39.2
TWh**
retail sales
volume

Customer Solutions Business

Gross profit increased
30% compared to
2021

60% increase in EV
charging plugs and
locations by Eşarj

Cogeneration and
trigeneration services
provided with an
installed capacity
of **3.8 MWe**

Solar power
plant capacity of
24.1 MWh
installed

Customer Centricity

18.9 million calls were
taken by distribution
call centers and **6.7
million** calls through
retail call centers

More than **3,500**
distribution business
employees trained in
customer orientation and
customer satisfaction

Digital channels utilization
by retail customers
increased from **18%** in
2021 to **21%** in 2022.

Customer satisfaction
surveys conducted
monthly at **67** retail
sales points

100,000 customer
feedbacks welcomed
per month

Innovation & Digitalization

191 ideas were received by the NAR
Corporate Entrepreneurship and Innovation
Program. **6** of these have been accepted for
acceleration

TL 10.9 million
in R&D and innovation
investments

77% share of digital
payments in retail

Data Security

743.1 hours
of Personal Data
Protection Law training
for **731** employees

Responsible Supply Chain

Over **3,000** suppliers,
100% local

Total material and
component purchases
of **TL 3.36 billion**
in 2021 as part of Kraljic
Matrix

14 logistic service centers and **118** satellite
warehouses comprising **48,600sqm** are part of
extensive logistic operations

Management Systems

ISO 22301
Business Continuity
Management System

ISO 9001
Quality Management
System

ISO 10002
Customer Satisfaction
Management System

ISO 27001
Information Security
Management System

ISO 37301
Compliance
Management System
(2023)

2022 ESG Performance Highlights

Impact for Society

Reaching a population of

22.1
million serving

10.6

million customers in
14 provinces with
the aim of providing
uninterrupted energy

Talent Management

Employee satisfaction score **82%**
and the employee engagement score
73%, which is above the energy
sector and Türkiye averages

Percentage of women
in managerial positions
27% compared to
26% in 2021

Percentage of women
in white collar positions
31%

41.3 training
hours per employee
compared to 36.8 hours
in 2021

Corporate Social Responsibility and Community Investments

TL 127.1
million
in donations

15,516 volunteer
hours by Enerjisa
employees

10 Sustainable Development
Goals (SDGs) supported by the
SENTRUM project completed
in 2022

Diversity and Inclusion

2,281 customers used the Device Dependent
Patient (Hasta Var) program, which enables
uninterrupted electricity for machine-dependent
patients

Nearly **25%** Gen Z

Health, Safety and Wellbeing

18,934 Occupational
Health and Safety (OHS)
field inspections of
contractors

46,630 field
inspections on our
workforce

14.1 hours of
OHS training
per employee

TL 112.6
million
OHS Investments

Adapting to Future of
Work studies

Management Systems

ISO 45001
Occupational Health
and Safety Management
System

2022 ESG Performance Highlights

Impact for Planet

Operating in line with the Environmental Policy & Management System to manage environmental risks and opportunities

CDP Climate Change and CDP Water Security Score =

B

Distribution & Retail Sales

Direct electricity consumption supplied by **97.2%** green energy

The number of buildings in which electricity consumption is monitored in real time via the AMRS system rose from **150** in 2021 to **189**

11,401 tons of waste recycled

Share of electric and hybrid vehicles in the administrative vehicles fleet increased from **13%** in 2021 to **16%** in 2022

85 tons of rainwater harvested compared to 32 tons in 2021

Waste separation practices adapted to the Zero Waste Management System at all locations

Customer Solutions

Green Energy Solutions: **450 GWh** of renewable energy certificates and CO₂ emission reduction certificates equivalent to **4,560** metric tons were sold

8,200 MWh total energy saved

Emissions

Net Zero Project continues

30% absolute target by 2030 compared to the baseline year 2021 for Scope 1 and 2 GHG emissions

Over **26,680 tons** CO₂ per annum prevented by actions taken in 2022






Management Systems

ISO 14001
Environmental Management System

ISO 50001
Energy Management System

2022 ESG Rating Scores

One of our core values is operating as a transparent, ethical and disciplined company in accordance with our corporate governance structure. In 2021, we received independent third-party assurance for important ESG indicators for the first time. We continued our strong ESG performance in 2022, as shown by the assessments carried out by indexes and assessment platforms provided here.

	2021	2022
	CDP Climate Change Scoring Range: D-, D, C-, C, B-, B, A-, A Enerjisa Enerji Rating: B	CDP Climate Change Scoring Range: D-, D, C-, C, B-, B, A-, A Enerjisa Enerji Rating: B
	CDP Water Security Scoring Range: D-, D, C-, C, B-, B, A-, A Enerjisa Enerji Rating: B	CDP Water Security Scoring Range: D-, D, C-, C, B-, B, A-, A Enerjisa Enerji Rating: B
	Scoring Range: 0-5 Enerjisa Enerji Rating: 3.8 Utilities Sector Ranking*: 86th percentile (June 2022)	Scoring Range: 0 - 5 Enerjisa Enerji Rating: 4 Utilities Sector Ranking*: 87th percentile (Dec 2022)
	Enerjisa Enerji Rating: Overall 86/100 (Environment: 80, Social: 88, Governance: 95) Sector Ranking: 3rd out of 252 electric utilities & IPPs Companies	Enerjisa Enerji Rating: Overall 89/100 (Environment: 88, Social: 95, Governance: 84) Sector Ranking: 3rd out of 293 electric utilities & IPPs Companies
	Score Range: Negligible/Low/Medium/High/Severe Enerjisa Enerji Rating: Low Risk Enerjisa Risk Score: 16.3 8th percentile in Utilities Sector	Score Range: (Negligible/Low/Medium/High/Severe) Enerjisa Enerji Rating: Low Risk Enerjisa Risk Score: 16.3 8th percentile in Utilities Sector
		Scoring Range: 0-100 Enerjisa Energy Score: 79.41***

* FTSE overall ESG rating is represented as a percentile where "1" indicates that a company is in the bottom 1% and "100" indicates a company is in the top 1%.

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*** Bloomberg Gender Equality Index: Enerjisa Enerji is among 12 companies selected for the index from Türkiye. A total of 484 companies from 45 countries across 11 sectors were included

Awards



2022 Awards

- **Fortune Magazine** – The Most Admired Companies of Türkiye Survey 2022 –Top 100
- **Brand Finance** – “The Most Valuable Brands of Türkiye” – Industry Leader / 21st overall
- **CIO Awards 2022** – “Best CIO Award” (Mehmet Fırat)
- **IDC CIO Türkiye Awards** – Information Technologies Governance Award (E-TERNAL Digital Transformation Journey)
- **IDC CIO Türkiye Awards** – Future Enterprise Category- Reskilling Award (Technology Development Academy program)
- **IDC DX Awards 2022** - Leader of the Year (Mehmet Fırat)
- **Altın Pusula Awards** – Crisis Communication Category (Tough Winter Conditions Crisis Management Başkent EDAŞ)
- **Indigo Design Awards**
 - 1 Silver, 3 Bronze Awards with SENTRUM
 - Energy Category – Silver
 - Logo Design – Bronze
 - Tourism Category – Bronze
 - Services Other – Bronze
- **MediaCat** – “The Most Successful 20 Projects on Corporate Social Responsibility in Türkiye” – “I Protect My Energy”
- **Ministry of Energy and Natural Resources** – “Energizing Women” Award – Hülya Erdener Akınç
- **A.C.E. Awards** – Şikayet var. com – Energy Retail Category/ 2nd Company that Best Manages Customer Complaints – Gold Award
- **Fast Company** – Sustainability Leaders 50 List- Murat Pınar
- **CFO Summit 2022 Türkiye** - BMI “Most Effective CFO” – Dr. Michael Moser
- **1st Energy Efficiency Awards** – Energy Efficiency Award (Enerjisa & Brisa) – Brisa Aksaray Factory Energy Transformation Project
- **Globe Business Excellence Awards**- 29 Awards
 - The 2nd Most Award-Winning Company in the World – a total of 28 awards, 16 gold, 9 silver and 3 bronze, with the following projects. “People and Culture Practices”, “On the Way to the Future”, “Periscope”, “Patika”, “Technology Development Academy”, “VR Admission Training”, “AA+”, “Equal Access”, “Leadership Development Programs”, “Corporate Sales Academy” and “Sales School”.
 - Silver medal in the category of “Employer of the Year in the Field of Energy Services”
- **16th International Arena Aquamasters Swimming Championship** – Enerjisa Swimming Club Yellow Fins – 12 Medals (4 gold, 2 silver and 6 bronze medals, 1 cup in 2K, 1K and 4X500 Mixed and Women’s/Men’s relay races)
- **Communitas Awards** - 3 Sustainability Awards
 - “Leadership in Ethics and Environmental Responsibility Award” with SENTRUM
 - “Green Enterprises Award” with SENTRUM
 - “Sustainability Award” with KOZALAK project
- **LACP Vision Awards** – Enerjisa Enerji A.Ş. 2021 Annual Report
 - 1st place in the Worldwide Utilities & Electricity Industry category
 - 2nd place in the Worldwide Oil, Gas and Consumable Fuel category
 - 3rd place in EMEA & Türkiye region
- **Youthall Awards 2022** – Silver Award
 - 2nd company in the category “Energy Company Most Wanted to Work for by Young People”
- **Youthall Awards 2022** – Gold Award- Yakup Aydılek
 - Gold Award in the category of “The Most Inspiring HR Leaders for Young People”
- **Business Life 50 Most Influential Leaders List**
 - “Türkiye’s 50 Most Influential CEOs List” – Murat Pınar
 - “Türkiye’s 50 Most Influential CFO List” – Michael Moser
 - “Türkiye’s 50 Most Influential CHROs list” – Yakup Aydılek
- **International Finance Awards** – “Best CFO in Oil and Gas Industry” – Dr. Michael Moser
- **Corporate Games – 3 Corporate Awards**
 - Division Champion Award
 - Sports Champion Awards - in Basketball and Swimming Branches
- **Titan Business Awards – 2 awards with Digital E.A.S.Y. Project**
 - Platinum Award in Customer Service
 - Best Digital Strategy for Customer Service
 - Gold Award in Business Technology Solutions- Operation Management Solution
- **Sardis Awards** – Gold Sardis
 - Digital E.A.S.Y. (Increased Effective Sales Management) project in “Customer Experience and Interaction” under the “Data Technologies” category.

Climate Ambition of Enerjisa

As a company committed to providing sustainable energy solutions, Enerjisa Enerji understands the critical importance of taking action to address climate change. For us, climate ambition is not just about being compliant with regulations or meeting market demands, but it's also about being responsible corporate citizens and safeguarding the future of our planet.

We recognize that the energy sector is a significant contributor to greenhouse gas emissions, which is why we have made it a core value to minimize our environmental impact while delivering reliable and affordable energy to our customers. To achieve this, we have set climate goals and implemented various strategies to reduce our carbon footprint, conserve finite resources, and promote renewable energy.

Our commitment to taking climate change action is reflected in our participation in the CDP and our alignment with the TCFD guidelines. We understand that climate change is not just an environmental issue, but it also poses financial risks and opportunities that need to be considered and addressed.

As a responsible energy provider, we have invested in our collective future by providing green customer solutions such as e-charging stations and carbon reduction certificates and opting for renewable energy sourcing where possible. We have also implemented energy efficiency measures in our operations and supply chain, reducing our greenhouse gas emissions and energy costs. We assume an active role in combating climate change through our work on decentralized distributed energy models in the field of solar power plants. Moreover, we regularly assess and manage climate-related risks and opportunities in our business decisions and disclose this information to our stakeholders.

At Enerjisa Enerji, we believe that taking climate change action is not just a responsibility but also an opportunity to innovate and create a more sustainable future. We are proud to be at the forefront of this movement and are committed to continuing our efforts towards a greener and more sustainable energy sector.



In this respect, we acknowledge the importance of committing to quantitative, time constrained emissions mitigation targets. In the long term, we pledge to achieve net zero emissions by 2050, in accordance with both Sabancı Holding and E.ON's Net-Zero commitments. Our short term targets include Scope 1 and Scope 2 emissions. No emission sources are excluded from the scope 1 & 2 inventory. Biogenic emissions are not applicable to Enerjisa Enerji.

The baseline year selected for Enerjisa Enerji's emission reduction target is 2021. We have chosen 2021 to illustrate the effects of our decarbonization initiative in more accurate terms, as we have improved our reporting scope and methodology for emission data collected in 2021 and onwards.

The total Scope 1 & 2 emissions resulting from Enerjisa Enerji operations conducted in 2021 amount to 1,993,556 tCO₂e.

We at Enerjisa Enerji aim to reduce our total Scope 1 & 2 emissions by 30% by 2030. The target covers all of our operations company wide; namely, the operations of our distribution companies, retail companies, E-şarj & customer solutions.

Our reduction focus refers to activities that contribute to GHG emissions and where such efforts to reduce emissions can be prioritized. To reach Enerjisa's target of 30% by 2030, we have determined four high-priority action items. These focus areas are identified based on their potential to achieve significant emissions reductions and their feasibility in terms of technological and economic factors. By focusing on the most significant sources of emissions and identifying feasible and effective ways to reduce our emissions, we can make quick progress towards mitigating the impacts of climate change.

The four main planned GHG emission reductions actions include grid decarbonization, theft & loss reductions, increased SF6 recovery and company fleet transformation. Several other projects are already in place in order to reduce annual emissions; these projects and initiatives are further detailed in the Impact for Planet section of this report. These further support Enerjisa Enerji's decarbonization process in order for us to reach our goal by 2030.

Sustainability Approach

Our company places sustainability at the forefront of its operations. We concentrate on the effects of our products and services, research the potential for our industry to transition to a low-carbon, cleaner, and greener energy sector, and empower people equally while supporting the right to life and the potential for the flourishing of every living being today and in the future.

We have prioritized our environmental, social, and governance impacts, established goals, and created our roadmap taking into account the UN Sustainable Development Goals (SDGs) with the ultimate goal of becoming an impact-focused company.

We built a systematic governance structure for sustainability, which included thematic working groups, and we published a variety of policies on our sustainability topics publicly available. We promise to follow these policies as successfully as possible in achieving our goals and to transparently track, measure, and report our results and advancement.

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2022 ESG Target Realizations

Targets

2021 Actual

2022 Target

2022 Actual

Related Sustainable
Development Goals

Act on Climate Change	Launch of Net Zero Journey	- Finalisation of Climate Change Scenario - Definition of Emission Reduction Initiatives and Targets	- Climate Change Scenario finalized - Definition of Emission Reduction Initiatives and Targets completed
Share of renewable electricity in direct electricity used	96%	100%	Distribution: 96.7%, Non-Distribution 100%
Energy Efficiency Certification (ISO 50001)	Energy Efficiency Certification preparations started (Distribution)	Completion of Energy Efficiency Certification (Distribution)	Completed 3 Distribution regions certified with ISO 50001
Zero Waste ⁴	Implementation of Toroslar Headquarter	Implementation of Zero Waste Compliance Plan (Distribution Headquarters)	Implementation of Zero Waste Compliance Plan completed for Toroslar and Ayedaz



Ratio of women appointment in managerial appointments (mid level managers and above)	24%	30%	35%
Ratio of women among white collar employees	31%	32%	31%
Ratio of rotation in White Collar	5.7%	5.0%	7.0%
Zero Accident Journey: Critical Accidents	38	36	26
Critical Behavior Analysis and Change Studies to Managers and Engineers on Health and Safety	Critical Behavior Analysis and Change Studies with METU complete	Completion of the sessions to Managers and Engineers	Completed
Social Impact of Corporate Responsibility and Community Investment Projects ⁵	"I am protecting the energy of the world" SROI=2.7	Positive social impact from "I am protecting the energy of the world" and "Sentrum"	SROI=1.2 (SENTRUM Project Green Destination Model)



Future of Works (FoW)	Future of Work Study Finalized	- 90% Completion of FoW Actions - 65% Employee Satisfaction Rate for FoW	FOW Action Completion Rate: 96% Employee Satisfaction Rate for FOW: >65%
E-TERNAL (Digital Transformation)	Launch of Digital Transformation Projects	Completion of 55 Projects	55 Projects completed
Human Rights	Human Rights training launched for white collar employees	Setting Human Rights Due Diligence Process	Due Diligence Kick Off started



Renewable Energy Volume procured from liberalised market	146.4 Gwh	960 GWh	954 GWh
Cumulative Contracted Solar Power Plan Capacity for Customers ¹	24 MWp	43 MWp	63 MWp
Number of electric vehicles charging sockets (public) ²	494	1000	788
Number of cities with charging stations ²	31	50	42
Number of Sustainable Products and Services ³	12	13	19



¹ At the beginning of the year, when the target was given, it was defined as "Solar power capacity installed for customers (cumulative)". The target name, actual and target values were updated in line with the discussions with the relevant units.

² The 2022 network development and investment plans were finalized in line with the EMRA charging operator license purchase and the Ministry of Industry and Technology tender, which was finalized in the second half of the year. However, as a result of the operational efforts, the total network size increased by more than 25% in the first quarter of 2023.

³ Grid operations related services have been included in the assurance scope.

⁴ Current Status: 22 (Enerjisa Aili); Distribution: 18 Retail: 3, ECS: 1; Application for Baskent has been completed.

⁵ SENTRUM has a variety of modules inside. Green Destination Model's SROI is measured as 1.2. However, the final SROI of project including other modules will be reported in 2023.

2023-25-30 Short, Mid, Long Term ESG Targets

Targets

2023

2025

2030

Related Sustainable
Development Goals

E Environmental Impact for Planet

Absolute Scope 1+2 Emission Reduction Percentage ¹		-10%	-30%
Zero Waste - Certification of All Locations /All Business Units (Cumulative) ²	25%	56%	100%
Water Consumption Reduction (per capita)	1%		
ISO 14001 Environmental Management System Certification	Maintain	Maintain	Maintain
Share of renewable electricity in direct electricity used	100%	100%	100%
ISO 50001 Energy Management Certification - Distribution Business Unit	Maintain	Maintain	Maintain
Severe Environmental Accidents ³	0	0	0



S Social Impact for Society

White Collar Female Ratio	32	35	40
Ratio of Female Employees in top management (N-1 level head & above)	17	33	
Ratio of Female Employees in management (leader & above)	28	33	
Ratio of Female Employees in Science, Technology, Engineering, Mathematics (STEM)	26	31	
Social Return on Investment (SROI) for CSR & Community Investment Projects	> 1.0	> 1.0	> 1.0
Zero Accident Journey: Critical Accidents	35		
ISO 45001 Health and Safety Management Certification - All Business Units	75%	100%	Maintain
Number of people reached through CSR, Community Investment projects and inclusion programs	> 45,000		



G Governance Enablers and Foundation

Corporate Governance Rating	Maintain	Maintain	Maintain
Integrating Human Rights into Business	Due Diligence	Maintain	Maintain
ISO 37301 Compliance Management System Certification	Maintain	Maintain	Maintain



E Economic Business for Impact

Number of cities with charging stations (total)	81	81	
Number of charging stations (total)	1,000	>1,500	
Cumulative Contracted Solar Power Plant Capacity for Customers	125 MWp	>250 MWp	
EU Taxonomy Compliant Products & Services Revenues to Total Revenue (%)	2.98%	9.26%	14.08%



¹Our company, Toroslar EDAŞ, operating in the provinces of Hatay, Gaziantep, Adana, Kilis, Osmaniye and Mersin, was directly affected by the earthquake disaster we experienced at the beginning of February 2023. For this reason, as Enerjisa Enerji, our "scope 1 and scope 2" short-term target strategy has been affected as the network infrastructure has been severely damaged and unplanned changes are inevitably seen in the theft and loss rates in this period when the wounds of the disaster are healed.

²Meeting points are small gathering locations established for field oriented personnel to meet for breaks, change of clothes and small equipment storage/supply. Therefore, Meeting Point numbers are excluded for this target.

³It represents the highest level (4-Major) of the 4-stage classification (1-Minor, 2-Moderate, 3-Serious, 4-Major) we use for Environmental Accidents.

Trends and Impacts on Our Business

Türkiye's increased installed generation capacity has helped progress the energy industry while also serving as a catalyst for other industries to grow quickly.

Turkish Electricity Market

Generation Capacity

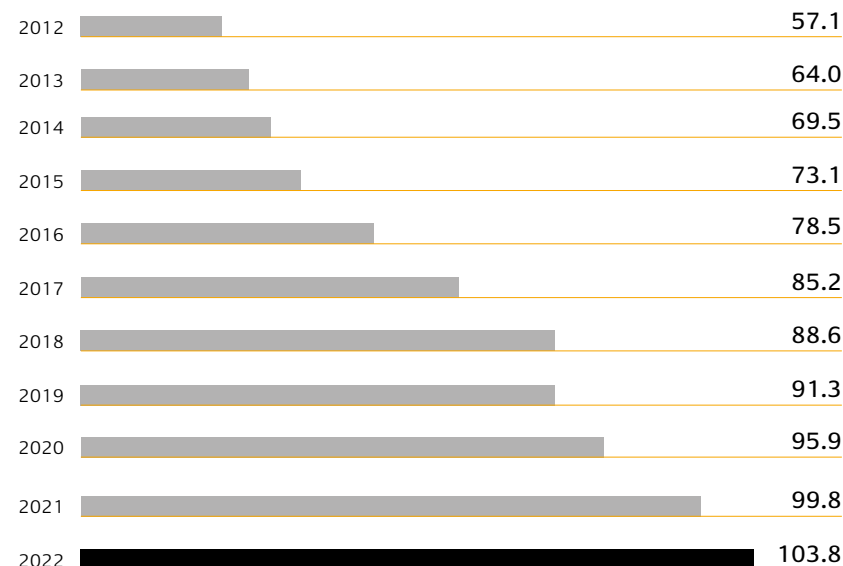
The Turkish Electricity Market has seen substantial changes during the past 21 years, spurring impressive growth. We have witnessed a substantial increase in total installed capacity, rising from 28 GW in 2001 to 103.8 GW in 2022. This rise can be attributed to a number of factors, including the development of renewable technology, the opening up of the market, efforts at privatization, and the adoption of new legislation and efficient regulations. Türkiye's increased installed capacity has helped progress the energy industry while also serving as a catalyst for other industries to grow quickly. These developments have been crucial to Türkiye's strong GDP performance during the past 21 years.

Renewable Energy Installed Capacity

Türkiye is undergoing a successful energy transformation process, with the reduction of foreign dependence and maintaining supply security in electricity generation as its main objectives. In terms of installed capacity, the proportion of power plants using renewable energy sources climbed from 33% in 2005 to 54% in 2022.

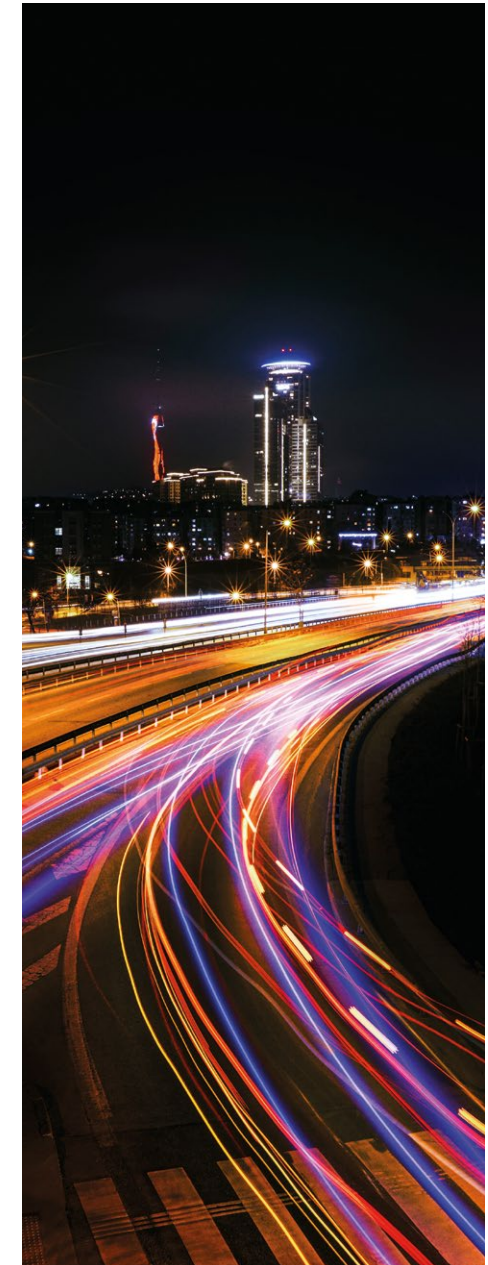
The Renewable Energy Support Mechanism (YEKDEM/FIT) greatly contributed to this increase. 2020 was a turning point for renewable energy sources when the new incentive program for renewable generation facilities was unveiled. The incentive levels were decreased in tandem with the decline in the investment costs of renewables for renewable sources that were put into operation after June 30, 2021.

Installed Capacity (GW)



CAGR

6%



Trends and Impacts on Our Business

In comparison to the prior year, the average market clearing price (MCP) grew by 394% to 2,510.7 TL/MWh in 2022.

Supply & Demand Balance and Procurement Costs

Türkiye's overall gross electricity demand fell by 1.2% from the previous year to 329.1 TWh in 2022. In the first half of the year, demand growth matched Türkiye's GDP growth; but, in the second half of the year, there was a negative divergence.

Due to rising geopolitical tensions brought on by the Russia-Ukraine war, commodity prices surged. The number of hours touching the market limits climbed along with the marginal costs, which saw increases of 240% in the price of imported coal (API2), 250% in the price of natural gas (TTF), and 187% in the dollar rate.

Higher global commodity prices have an effect on Türkiye's economy as well. In comparison to the prior year, the average market clearing price (MCP) grew by 394% to 2,510.7 TL/MWh in 2022. The market price was locked at the maximum limit of 2,001 hours (22.8%) out of an overall total of 8,760 hours in 2022, particularly in the first 11 months, demonstrating that the maximum limit did not accurately reflect the conditions of the market.

With the amendment made to the Procedures and Principles Regarding the Determination of Minimum and Maximum Price Limits in the Day-Ahead Market and Balancing Power Market, the maximum price limit of 2,000 TL/MWh, applied retroactively as 3 times the average of market clearing prices formed in a certain period, was cancelled until April 2022. The maximum price limitations started to be established by EMRA in place of this.

Day-Ahead Market and Balancing Power Market maximum prices were set at 2,500 TL/MWh in April, 2,750 TL/MWh in May, 3,200 TL/MWh in June, 3,750 TL/MWh in July, and 4,000 TL/MWh in August. It was raised to 4,800 TL/MWh in September and stayed there through the end of the year.

The New Energy World

The world we will live in after we have fully sustainable energy systems, intelligent infrastructure, and digitally connected technologies, where energy is created in a cyclical manner, is known as the "New Energy World."

Customers are at the heart of the energy system in the world. Customers have the option of independently producing energy decentralized, sharing it among their communities, or storing it for later use thanks to technologically improved storage capacities. Customers have the option of selling their excess energy back to the grid, which will help them control their energy costs thanks to the New Energy World's well-developed grid infrastructure.

We are dedicated to positioning ourselves as the driving force behind the energy transformation. Our goal is to pave the way for a sustainable world that can be enjoyed by future generations.

The New Energy World will change how we engage with energy, both personally and in terms of how we use it within and between our homes. To digitally optimize our use and energy loads, energy will be flexibly managed and connected with our cars, storage units, and appliances.

The transition, which is currently taking place all around us, will gain momentum as more companies and consumers take a proactive position in breaking ties with the traditional energy world.

The New Energy World enables us to satisfy our energy needs, wherever and whenever they may occur, and it gives us a cleaner, smarter, more sustainable, and more digital way of life.



Trends and Impacts on Our Business

Our goal is to develop a sustainable energy infrastructure in Türkiye that meets customer needs while upholding sustainability principles.

Our Response to Megatrends

We play a pioneering role in the New Energy World by providing sustainable energy solutions. With our operations in electricity distribution, retail, and customer solutions, we are committed to leading the way towards a more sustainable future.

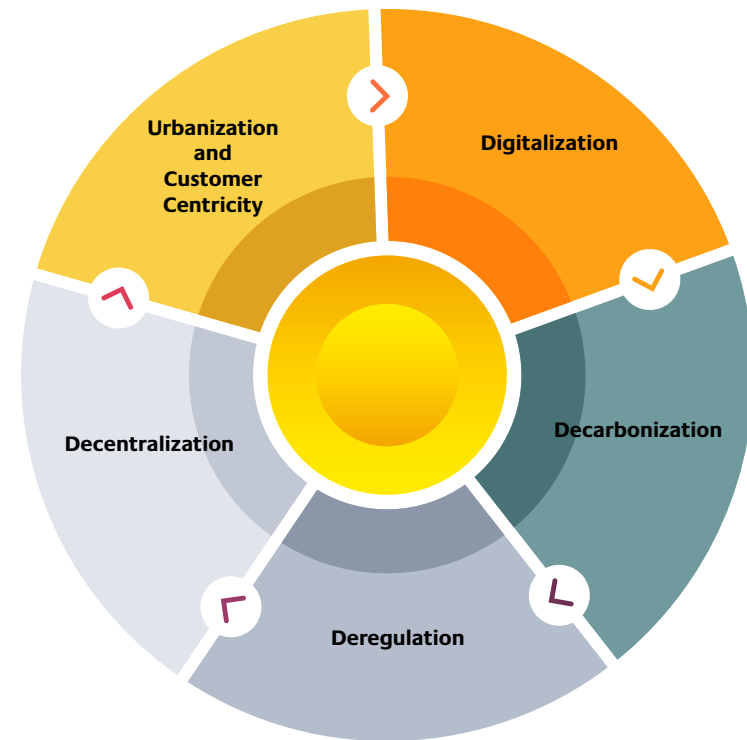
We are proud to be Türkiye's leading energy company. In addition to offering essential public services, our main areas of focus include retail, customer solutions, and electricity distribution. Our goal is to develop a sustainable energy infrastructure in Türkiye that meets customer needs while upholding sustainability principles.

In both our interactions with customers and our investing activities, we aim for quality. We continue to widen our high-quality grids in our distribution regions, expand our retail operations across the country, and provide our valued customers with cutting-edge, energy-efficient solutions. Our objective is to expand profitably, provide value for our shareholders, and do so while being conscious of our responsibility to society and leading by example in the industry we serve.

In developing our long-term strategies, we take a holistic and sustainable approach that integrates Environmental, Social, and Governance (ESG) factors. We shape our positioning and outlook based on our core capabilities and value proposition to stakeholders, as well as by closely monitoring external trends that will influence the future energy landscape. We continuously review our strategy,

drawing insights from global mega trends such as Digitalization, Decarbonization, Deregulation, Decentralization, Urbanization, and Customer Centricity, which will shape the energy sector in the coming decades. We are modifying our products and services in accordance with the key trends of the New Energy World, which are interrelated and mutually supportive.

Mega Trends in Electricity



Trends and Impacts on Our Business

Achieving a sustainable world through the energy transition calls for a significant decrease in the carbon intensity associated with our energy consumption.

Urbanization and Customer Centricity:

In the face of rapid urbanization, countries must prioritize directing new infrastructure investments towards areas characterized by higher urban density. Upgrading networks is crucial to accommodate the expanding electrification initiatives, renewable energy systems, and the proliferation of electric vehicle (EV) charging infrastructure. Integrating smart city solutions within the power network is imperative for fostering sustainable urbanization. The convergence of decentralized power sources and the freedom to choose energy providers heightens the significance of customer satisfaction. Simultaneously, governments, regulators, and the private sector must address the escalating importance of ensuring universal access to energy, recognizing it as a fundamental aspect of energy development in a contemporary and progressive society.

Digitalization: The expansion, modernization, and digitalization of electricity networks are paramount in consolidating diverse flexibility sources, enhancing operational efficiencies, and expediting the transition to a low-carbon electricity supply. Digitalization enables data-driven energy supply and demand management, optimizing energy utilization for utmost efficiency. Transformative

advancements like the Internet of Things (IoT) and smart technologies have opened up new possibilities, revolutionizing the energy sector by creating innovative opportunities for greater integration and optimization within the network. These developments are instrumental in supporting the rapid transition towards a sustainable and resilient energy landscape.

Decarbonization: Achieving a sustainable world through the energy transition calls for a significant decrease in the carbon intensity associated with our energy consumption. This objective can be accomplished through a combination of energy efficiency measures, electrification of various end-uses, and the utilization of low-emission electricity sources. Key drivers of this transformative trajectory include innovative energy efficiency solutions, renewable energy technologies, and the promotion of sustainable transportation options such as e-mobility solutions. These factors play pivotal roles in facilitating and advancing the desired trend towards a sustainable energy landscape.

Deregulation: The promotion of deregulation fosters a climate of competition and entrepreneurial spirit. Notably, within Türkiye, we have witnessed the effects of deregulation, specifically in the electricity retail sales markets. Deregulation entails a multitude of benefits, including the provision of more affordable products and services of superior quality, while emphasizing the significance of service excellence and meeting customer expectations. Moreover, deregulation plays a crucial role in facilitating decentralization and expediting the integration of innovative technologies.

Decentralization: Decentralization of energy systems allows for the generation and storage of electricity in close proximity to its consumption. The utilization of renewable energy sources, which often exhibit intermittent production patterns, necessitates the development of efficient storage solutions. Consequently, enhancements to grid infrastructures are imperative to effectively accommodate this evolving paradigm of energy production.

We picture a new energy ecosystem in which our customers play an important part as both energy producers and consumers. We prioritize energy sources that are generated solely from the resources of the earth in this changing climate, encouraging sustainability and environmental stewardship. According to our predictions, customers and companies will interact with energy in a more digital, decentralized, and unregulated way in the future.

We are committed to acting as the catalyst for this energy transformation. By accelerating the transition to this new energy paradigm, we want to build a world that is sustainable for future generations. We actively promote legislative changes and investigate emerging opportunities in the marketplace in order to position ourselves to respond to upcoming major changes.

We play a leading role in creating the New Energy World with our innovative and sustainable energy solutions. By giving our customers the means to actively engage in the energy cycle and adopt the concepts of digital transformation, decentralization, and deregulation, we aim to set the way. By supporting this vision, we hope to improve everyone's future.



Trends and Impacts on Our Business

We recognize the influence of mega trends in our sector and are actively preparing ourselves for the New Energy World.

Our Priorities in Implementing Our Sustainability Approach

The five key priorities listed below have been defined in order to accomplish our goals and anticipate the future:

1. “FOCUS” ON CORE BUSINESS LINES - *Maximize value creation in our core business lines*

We recognize the strong growth potential and favorable market conditions in the distribution and retail sectors, and we will leverage our experience and expertise to capitalize on these opportunities.

To achieve this, we have outlined the following strategic initiatives:

- We expand our grid network in the distribution regions by actively pursuing organic growth opportunities.
- We enhance the quality of our grid and operations by prioritizing operational excellence and embracing digitalization.
- We are committed to expanding our retail customer base through agile operations that prioritize service quality and adapt quickly to changing market conditions.
- We actively collaborate with all stakeholders, including regulatory authorities, to ensure alignment between our execution and the regulatory framework of the relevant period.

2. “EXPLORE” OPPORTUNITIES INHERENT IN ADJACENCIES - *Deliver the customer solutions services of tomorrow*

We engage in thoughtful consideration of growth opportunities in adjacent markets, taking a comprehensive 360-degree perspective.

- We leverage our broad customer base to gain access to new markets and ensure that we are well-prepared to meet the changing demands of our customers.
- We implement unique business models that give us a competitive advantage. Specifically, we focus on areas such as rooftop solar panels and energy efficiency products, which align with our “Energy of My Business” portfolio and are in line with current market trends.
- We are committed to expanding our e-mobility solutions to contribute to the development of sustainable transportation infrastructure.

3. PREPARE FOR THE “FUTURE” - *Invest in the future*

We recognize the influence of mega trends in our sector and are actively preparing ourselves for the New Energy World.

- To ensure readiness, we leverage the start-up ecosystem, collaborate with innovative companies to acquire critical capabilities and provide solutions that align with the requirements of the New Energy World.
- We focus on identifying both organic and inorganic opportunities in growth areas that will shape the future. This includes areas such as e-mobility, smart cities, energy storage, and innovative grid solutions.
- We are proactively preparing for future data monetization and embracing new technologies.

4. ENHANCE THE “ECOSYSTEM” - *Collectively transform the energy landscape*

We firmly believe in adopting a reliable partnership approach that aligns with the needs and expectations of our key stakeholders, including the state, local governments, general public, customers, business partners, shareholders, suppliers, investors, and employees.

- To create a better future, we capitalize on shared interests and multi-functional technologies and partnership opportunities to enhance the ecosystem.
- We are committed to being a trusted partner for local governments.
- We believe in the power of working together and winning together.

5. “PERFORMANCE CULTURE” - *Be an efficient operator and energy solutions provider*

We strive to optimize our efficiency through continuous learning, performance measurement, and adaptability.

- We focus on fostering business excellence.
- We ensure robust performance management systems.
- We aim to create an organizational climate that is performance-driven, constructive, and productive.

Sustainability Management

Sustainability plays a key role in our strategy and is an essential instrument for strategic management that is effective.

We believe that sustainable management enables us to manage risks and opportunities, meet the needs of our customers, and maximize resource utilization. We understand that sharing non-financial key performance indicators (KPIs) and targets, which reflect the expectations of our stakeholders, is becoming increasingly important.

Sustainability plays a key role in our strategy and is an essential instrument for strategic management that is effective. We try to be consistent with international environmental, social, and governance norms and standards, integrate principles of sustainability into our operations, and continue to make investments in educating our society about ESG concerns.

As pioneers in the energy sector's corporate governance, risk management, occupational health and safety (OHS), and environmental management, we keep up with changing ESG standards and new advancements. Our objective is to lead the energy sector in Türkiye and around the world by consistently improving our ESG performance. To this purpose, at the start of 2022, we updated and reassessed our sustainability strategy. Thorough stakeholder analysis, consideration of sustainability and energy sector megatrends, and in-depth interviews with the heads of our business units and the Executive Management helped to design our new Sustainability Framework.

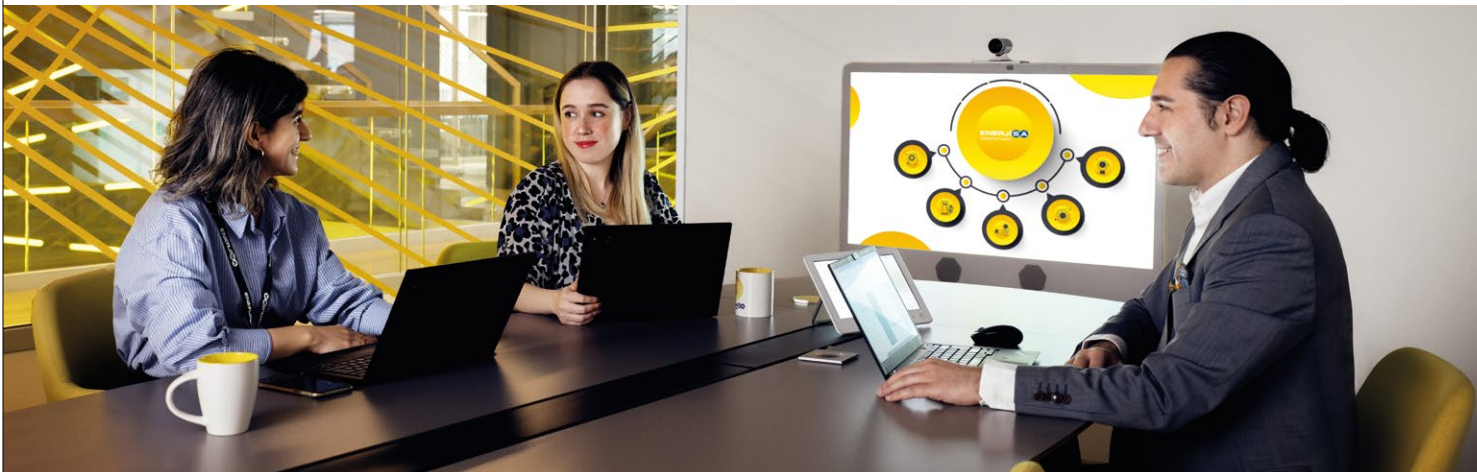
Enerjisa Sustainability Framework

We are getting ready for the significant changes that will affect our sector. In addition to better preparing for the risks posed by megatrends, we are creating innovative, impactful, and sustainable products and services with the goal to drive the transformation and fight for unrestricted access to energy. As one of Türkiye's top companies for electricity distribution, retail sales, customer solutions, and e-mobility, we are conscious of our responsibility to ensure the prosperity of present and future generations. Our goal is to connect and shape the world of new energy. We serve as a role model and provide public service to millions of individuals.

Enablers and Foundations of Our Performance

We place people & culture and digitalization at the core of our business to support our purpose and accomplish our targets. We are committed to making ongoing investments in them since they are vital resources and tools for generating value in our impact areas.

We think that effective stakeholder engagement, integrated risk management, solid corporate governance, compliance, and internal control mechanisms are the fundamentals for maintaining our performance. With our stakeholders, we put a lot of effort into conveying our impact and performance.



Sustainability Management

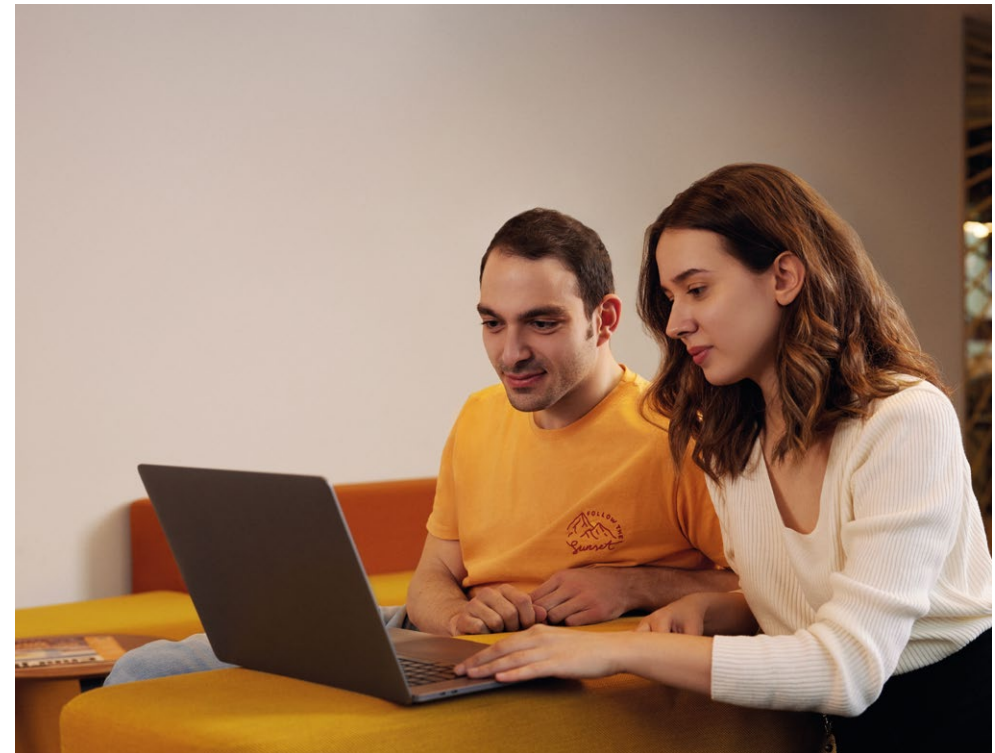
Our Board of Directors is ultimately responsible for determining our sustainability strategy and managing our success in this area.

Sustainability Governance Structure

Since 2019, we have put in place a governance structure that enables us to build long-term value by taking into consideration economic, environmental, and social factors. Our Board of Directors is ultimately responsible for determining our sustainability strategy and managing our success in this area. They have the responsibility for identifying relevant ESG (Environmental, Social, and Governance) concerns, risks, and opportunities as well as for putting effective ESG policies into place.

We formed the Sustainability and Corporate Capabilities function in 2021, and it is essential to improve our company's consolidated sustainability performance. This function also ensures that our stakeholders receive the most value possible through a strategic and integrated approach.

Our committees carefully carry out their responsibilities to actively monitor ESG issues and give pertinent reports to the Board of Directors. These committees include representatives from the relevant business units, ensuring thorough participation in discussions and decisions regarding ESG.



Sustainability Management

We place a high value on sustainability and climate change management, and our Board of Directors carries the primary responsibility for overseeing these critical areas.

CEO and CFO of our Executive Management oversee supervising all ESG-related actions across all our processes. Regular reports that emphasize important initiatives, developments, key performance indicators, and commitments are provided to the board of directors.

We created the Sustainability Executive Committee to direct and propel our corporate sustainability strategy. This committee is essential in advising the Executive Management on sustainability-related issues and making sure that our performance and progress are thoroughly monitored, measured, and reported. All unit heads are included, and it directly reports to Executive Management. The chairperson of this committee is the Head of Sustainability and Corporate Capabilities.

The Sustainability Executive Committee met five times in 2022 to debate and address important sustainability issues and initiatives.

Climate Governance at the Board:

We place a high value on sustainability and climate change management, and our Board of Directors carries the primary responsibility for overseeing these critical areas. Throughout the reporting period, key decisions related to climate change have been made by our Board of Directors. It is our collective strategy and performance targets, formulated under the Chairperson's guidance, that drive our

sustainability efforts. Our Board of Directors not only identifies the most significant ESG (Environmental, Social, and Governance) challenges, but also assesses potential risks and opportunities. This careful evaluation aids in establishing and implementing appropriate ESG policies, firmly anchoring our sustainability vision within the board's strategic oversight.

The responsibilities of the Board of Directors on sustainability and climate change are as follows:

Responsibility	Description
Approving the governance structure	The Board of Directors is tasked with approving the governance structure that is necessary for the Sustainability Framework.
Monitoring the Sustainability Principles Compliance Report	The Board of Directors is in charge of supervising the creation of the Sustainability Principles Compliance Report, which is drafted following the Capital Markets Board ("CMB") communiqué.
Approving the sustainability working principles and targets	The Board of Directors gives final approval to the sustainability working principles and sustainability targets set forth by the CEO.
Reviewing and approving the sustainability strategy	The Board of Directors scrutinizes and approves the sustainability strategy, as well as the short, medium, and long-term goals and policies determined by the CEO.

We take pride in having a diverse board that is rich in professional and academic backgrounds, including experience in ESG and climate-related matters. This team is instrumental in guiding our ESG and climate-related strategies through relevant committees.

Our board focuses on forming long-term strategies and integrating ESG KPIs into them. In addition to implementing essential action plans and investment decisions, we also discuss climate-related risks and opportunities at our board meetings. In 2022, we held five such meetings where we reviewed these key matters.



Sustainability Management

By integrating sustainability and climate related KPIs into our governance, strategy, and operations, we are helping to create a more sustainable future for everyone.

Our commitment to sustainable energy solutions is evident in our various services, such as solar power plant installations, energy efficiency applications, cogeneration and trigeneration applications, electric vehicle charging station management, and green energy certifications. The board oversees these services, ensuring that our business strategies are leading us towards a successful transition to a low-carbon economy.

We also made the important decision in 2022 to expand our non-financial reporting to include greenhouse gas (GHG) emissions. This enables us to assess the impact of our operations more accurately and to provide better transparency for our stakeholders.

To ensure this commitment, we initiated the Net-Zero Project in 2021, with our board overseeing its progress. We successfully completed Phase I in 2022 and are excited about implementing Phase II in 2023.

Our CEO is the primary force in managing climate-related risks and opportunities and developing our climate transition plan. CEO and CFO hold the ultimate responsibility for monitoring sustainability performance, including climate change and ESG-related actions, and performance related to KPIs and commitments.

To fast-track our climate-related initiatives, we revised our decarbonization goals to be more ambitious in 2022, raising the weight of the decarbonization KPI in our company scorecard from 5% in 2021 to 10% in 2022. Consequently, climate-related KPIs have now become part of the remuneration of our top executives, including our CEO.

Our performance indicator, reflected in our CEO's remuneration, consists of KPIs that drive climate-performance, such as installed solar power plant capacity for customers, and improving our data reporting and monitoring systems. These are fully aligned with our climate-related targets. In 2022, a significant portion of our CEO's total annual wage and bonus was based on meeting these climate-related targets.

By integrating sustainability and climate-related KPIs into our governance, strategy, and operations, we are helping to create a more sustainable future for everyone.

Material Topics

Our unwavering commitment to continuous growth and alignment with global sustainability trends and industry standards is paramount. In 2022, we conducted an extensive revision of our practices, focusing on our list of material topics. This critical update was not only a response to the changing environment but also a proactive measure to underscore our dedication to sustainability and responsible business practices. We are pleased to announce that this thorough review has resulted in a refined and updated list of material topics.

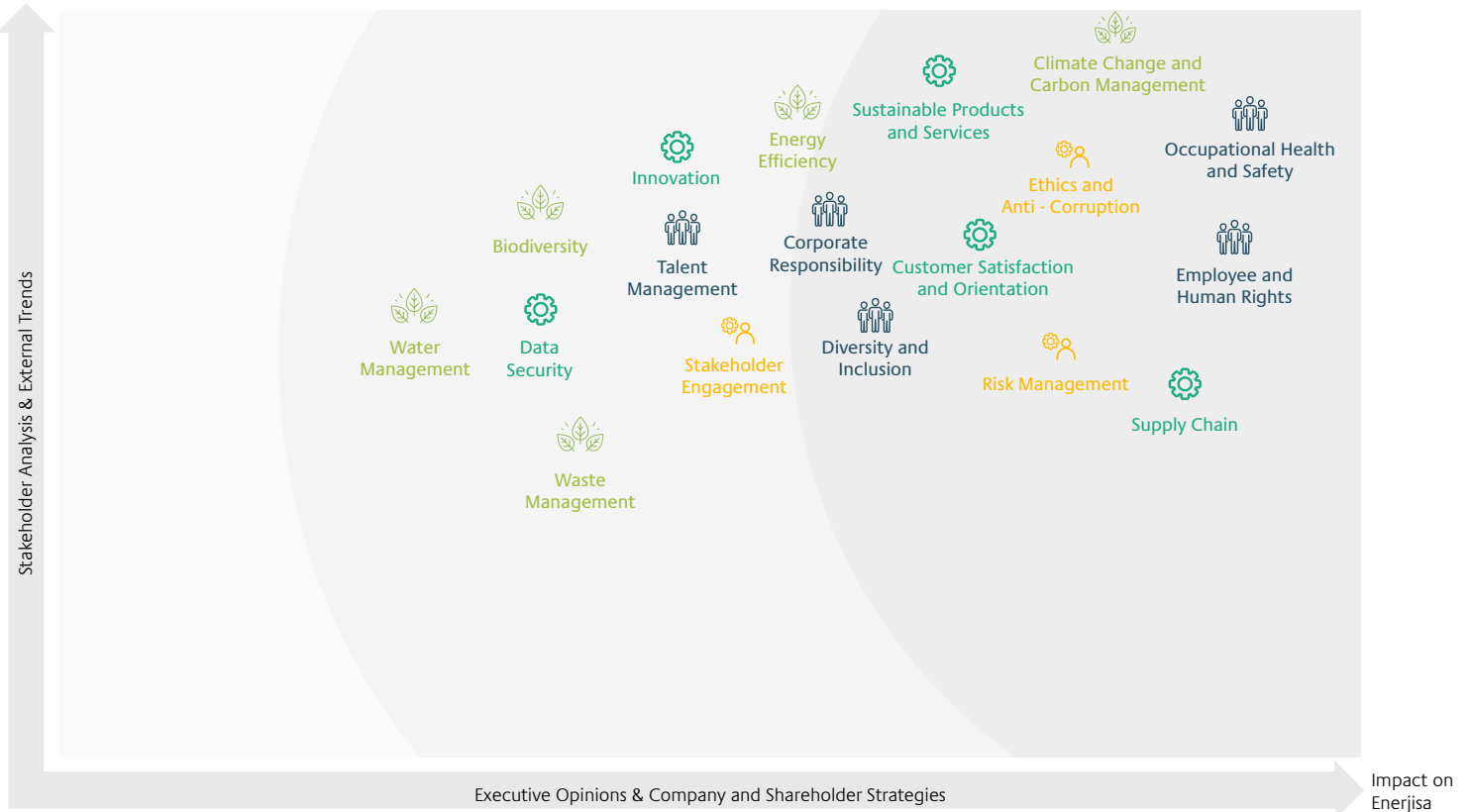
Sustainability Management

Materiality Matrix

Enerjisa 2022 Material Topics

- 1 Climate Change and Carbon Management
- 2 Occupational Health and Safety
- 3 Sustainable Products and Services
- 4 Ethics and Anti-Corruption
- 5 Employee and Human Rights
- 6 Customer Satisfaction and Orientation
- 7 Supply Chain
- 8 Risk Management
- 9 Energy Efficiency
- 10 Diversity and Inclusion
- 11 Corporate Responsibility
- 12 Innovation and Digitalization
- 13 Talent Management
- 14 Stakeholder Engagement
- 15 Biodiversity
- 16 Data Security
- 17 Waste Management
- 18 Water Management

Importance to
Stakeholders



Impact for Planet

Impact for Society

Business for Impact

Foundations

GRI 3-1, 3-2

Sustainability Management

By including “Digitalization” in our innovation strategy today, we are upgrading this commitment and making “Innovation and Digitalization” a high material topic.

In undertaking this comprehensive revision, we left no stone unturned. We paid special attention to updates on the Sustainability Accounting Standards Board (SASB), the Morgan Stanley Capital International (MSCI), as well as the latest trends and practices among our peers in the energy sector. We meticulously analyzed these sources to ensure that our updated list of material topics is not only relevant and timely but also aligned with the highest standards of sustainability and responsibility in our industry. By considering these diverse and reputable benchmarks, we have ensured that our renewed focus areas truly capture the present needs and future aspirations of our stakeholders, while also maintaining our pioneering role in the energy sector.

Natural disaster management is a key area of concentration for us. We have created an extensive Natural Disaster Action Plan as part of our “Risk Management” material topic and in recognition of the increased frequency and intensity of natural catastrophes. Beyond disaster recovery, our proactive approach aims to anticipate, reduce, and boost resilience to these risks. We ensure a thorough and proactive approach to disaster management by recognizing potential dangers, planning for various scenarios, and providing our employees with the appropriate training.



We have always promoted innovation. By including "Digitalization" in our innovation strategy today, we are upgrading this commitment and making "Innovation and Digitalization" a high material topic. Digitalization alters our operations, service delivery, and efficiency while lowering our environmental footprint, which is one of our key enablers of our sustainability strategy. The "Breakdown of Critical Information Infrastructure" and the "Adverse Outcomes of Frontier Technologies," which are

described in the World Economic Forum (WEF) Global Risk Report, are two risks that we are aware of as a result of the digital frontier. We are actively creating solutions to reduce these risks and ensure the moral and secure use of technology.

We at Enerjisa think that accountability, innovation, and advancement all have the power to transform a situation. These commitments serve as the basis for all our everyday actions, choices, and future objectives, not simply on paper.

Climate Approach

Enerjisa Enerji is not only at the center of energy transition but also an integral part of the country's decarbonization journey.

Our Decarbonization Strategy and Net Zero Pathway

We are acutely aware of the urgent need for action against climate change. We consider our responsibility towards the environment as a key component of our strategy, and to demonstrate our commitment, we have set robust goals that reflect our dedication to sustainability.

As the leading electricity distribution, retail, e-mobility, and customer solutions company in Türkiye, Enerjisa Enerji is not only at the center of energy transition but also an integral part of the country's decarbonization journey. We have a deep-seated commitment to our more than 22 million customers in 14 provinces, which we believe comes with a responsibility to lead the way towards a more sustainable and environmentally conscious future.

Our commitment is reflected in our ambitious goal to reduce our Scope 1 and Scope 2 emissions by 30% by 2030, using 2021 as our baseline year. This target is not only a key aspect of our comprehensive climate transition plan but also aligns with a global commitment to limit the increase in global temperature to 1.5°C. Our position at the forefront of societal decarbonization comes with the promise of utilizing our power grid operations, services, and products to enable a cleaner, smarter, more sustainable, and digital way of living for our customers.

We acknowledge the importance of setting realistic and measurable targets, continuously improving our business processes, and taking proactive steps along the Decarbonization Journey. We are acutely aware of the adverse effects of climate change, and to mitigate them, we adhere to the Intergovernmental Panel on Climate Change (IPCC)'s Call to Action for limiting global warming to 1.5°C. Our commitment to creating a better future for everyone is aligned with the UN Paris Agreement on climate change. As part of this commitment, we pledge to align our business operations with a Net Zero Pathway by 2050.

Moreover, we believe in the power of diversity and inclusion as vital components of climate action. We firmly acknowledge that gender equality accelerates climate action. The full, equal, and meaningful participation of women in the clean energy transition is not just beneficial but instrumental to fostering a greener and more sustainable future.

Our climate strategy is organized in terms of short, medium, and long-term targets, allowing us to meticulously track our progress and make adjustments where necessary. In the short term, over the next year, we will focus on immediate improvements and optimizing our current processes. Over a medium-term period of 1 to 10 years, we will be implementing more extensive changes and taking significant strides towards our main goal. In the long term, spanning from 10 to 28 years, we will be continuously evaluating and refining our approach, ensuring that we remain on track and effectively contribute to the global fight against climate change.

	Short-Term	Medium-Term	Long-Term
Time (years)	0-1	1-10	10-28

Our strategy will be guided by our detailed climate transition plan. Designed to align with the global vision of a 1.5°C world, this plan will serve as our roadmap to a sustainable future, steering us towards effective climate action. This way, Enerjisa's climate strategy is not only about achieving our set targets but also about transforming our operations to be more sustainable, resilient, and in harmony with our planet.



Climate Approach

Our analysis shows the necessity of ramping up our distribution utilities to cater to the increasing urban population.

Climate Scenarios

We are committed to creating a sustainable future, and we plan our strategy based on detailed, scientific scenarios.

Transition Scenario

In our Transition Scenario, we look to the “IEA NZE 2050” as our guide. This model, developed by the International Energy Agency, outlines the path to net-zero CO₂ emissions by 2050 for the global energy sector. Adopting this scenario aligns with our goal of supporting the United Nations Sustainable Development Goals, including achieving universal energy access by 2030 and making substantial improvements in air quality.

This scenario also considers key variables such as the number of people worldwide without electricity access, projecting that by 2050, everyone will have this access. This aligns with our commitment to promoting energy equity and sustainability.

Accounting for certain constants such as economic activity and population growth, alongside variables like fuel prices and electricity costs, this scenario also predicts a global population increase from today's 7.8 billion to more than 9.6 billion in 2050. This shift, especially as more people urbanize, signals expansion for our distribution lines and possibly new opportunities in our electric vehicle charging business.

Physical Scenarios

Simultaneously, in assessing the impacts of climate change on our operations, we have adopted Physical Scenarios. Specifically, we consider RCP8.5 and RCP 4.5 to identify potential climate-related risks. These trajectories, developed by the Intergovernmental Panel on Climate Change (IPCC), project future greenhouse gas concentrations.

RCP4.5 serves as an intermediate scenario, assuming a maximum temperature increase of 3 degrees Celsius by 2100 and a sea-level rise of over 0.5 meters. On the flip side, RCP8.5 paints a more severe picture, predicting temperature increases above 5 degrees Celsius and a sea-level rise of at least 0.8 meters by 2100.



These physical scenarios enable us to assess potential risks across our various facilities and business activities. Our proactive approach ensures Enerjisa's continued resilience and adaptability, keeping us firmly on track towards our sustainability goals amidst future environmental changes.

We understand that our position in the energy sector is significantly influenced by climate change, global policies, emerging regulations, and advancements in technology. Recognizing this interplay allows us to foresee shifts in the demand and prices for energy commodities, preparing us to adapt and thrive in a dynamic environment.

Our analysis shows the necessity of ramping up our distribution utilities to cater to the increasing urban population. This involves securing more capital and adhering to emerging regulations, enabling our business to grow responsibly while keeping risks at bay.

Moreover, we acknowledge that rising temperatures might disrupt renewable electricity production processes, leading to potential market and financial irregularities in the energy sector. Given that we are a direct link to end-user energy consumption, these changes could significantly impact our operations.

We closely monitor recent developments like Türkiye's ratification of the Paris Agreement, the growth of carbon offset markets, increased demand for electric vehicles, and the proliferation of incentives for renewable and low-carbon investments in Türkiye. These factors guide our decisions on lobbying activities and investments, ensuring we are aligned with the evolving needs of the energy sector.

Climate Approach

We provide alternative energy products and services such as Green Energy Solutions, Energy Efficiency Solutions, and Cogeneration and Tri-Generation.

The impact of climate-related risks and opportunities on Enerjisa's strategy

Products and services:

We are actively involved in the shift towards distributed energy systems. We offer various sustainable and innovative solutions, including electric vehicle charging stations, electricity storage systems, smart home technologies, green energy options, energy efficiency solutions, and systems that enable consumers to produce their own electricity and reduce emissions.

An example of our response to climate-related challenges is the acquisition of Eşarj, an e-mobility solutions provider, in 2018. By the end of 2022, Eşarj had installed 788 charging plugs at 422 locations, with 520 of them being fast-charging plugs.

We also provide alternative energy products and services such as Green Energy Solutions (Carbon Reduction and Renewable Energy Certificates), Energy Efficiency Solutions (EPC/ESCO), and Cogeneration and Tri-Generation. These offerings are in high demand as customers seek to manage climate risks and reduce their environmental impact. Additionally, we assist customers in installing solar power plants (SPP) through performance-based long-term sales models. In 2021, we sold 27,000 tons of CO₂e Carbon Reduction Certificates and 284 GWh of renewable energy certificates, resulting in 24,046 tons of CO₂ emissions saved annually. Our installed solar PV capacity reached 24.1 MWp in 2022.

We operate within the provisions of the Regulation on Fluorinated Greenhouse Gases to limit SF₆ gas emissions. Nearly all our purchased electricity in 2022 came from renewable sources, except for occasional generator usage during outages, accounting for less than 3% of total consumption. We are also focused on reducing Scope 2 emissions through maintenance and repairs on our distribution networks.

As part of our commitment to research and development, we prioritize topics such as renewable energy technology, virtual and augmented reality, blockchain applications, cybersecurity, electromobility, sustainable investments, advanced data analytics, and occupational health and safety. Our projects aim to leverage renewable energy resources, electric vehicles, microgrid and

storage systems, IoT, ICT, AI, big data, and cybersecurity technologies for a smart and sustainable future. These projects also contribute to shaping future legislation through collaboration with the Energy Market Regulatory Authority (EMRA).

Supply chain and/or value chain:

In our retail business, electricity purchased and resold accounts for the largest share of our indirect emissions. Thus, we focus on reducing those carbon emissions. We provide Power Purchase Agreements for direct renewable energy sourcing. For the first time in 2020, we signed bilateral agreements (PPA) to supply electricity directly from power plants that generate electricity from renewable energy resources. Doing so, we are also aiming to manage the climate-related risks associated with non-renewable generators in the grid. We are working on making PPA contracts for longer terms. Climate change brings opportunities in renewable energy in terms of technology and reducing costs. As the designated network operator in our regions, we contribute to the increase of distributed renewable energy and energy storage technologies. We carry out the investments to address the requests of renewable energy generators to be connected to the distribution grid, contributing to the total increase of renewable generation capacity. In 2022, the capacity of licensed renewable generation connected directly to our grid was 1,777 MW and unlicensed renewable generation was 1,465 MW. The total of licensed and unlicensed renewable energy generation capacity in our grids in 2022 was 3,242 MW, a 55% increase YoY.



Climate Approach

We carry out studies on renewable energy resources, electric vehicles, microgrid and storage systems, the IoT, ICT, AI, big data and cybersecurity technologies for building a smart and sustainable future.

Investment in R&D:

Every year, projects are proposed and selected based on prioritized topics. For 2022, these topics were: renewable energy technology solutions, virtual and augmented reality applications, blockchain and metaverse applications, cyber threat solutions, electromobility solutions, sustainable and green investments, advanced data analytics and occupational health and safety. This year, one of the winning projects was solar energy storage technology for fast EV charging stations. This project aims to bring EV charging stations to remote areas while utilizing renewable energy. With this technology, green energy capacity can be increased and losses resulting in the distribution grid can be avoided.

We carry out studies on renewable energy resources, electric vehicles, microgrid and storage systems, the IoT, ICT, AI, big data and cybersecurity technologies for building a smart and sustainable future. Additionally, as the outputs of the designed projects are shared with Energy Market Regulatory Authority (EMRA), they also help shape future legislation.



Operations:

We operate within the provision of the Regulation on Fluorinated Greenhouse Gases to limit emissions from SF6 gas. In 2021, we started to monitor SF6 more accurately to set better reduction targets, which is on the agenda of our Net Zero Project.

In 2022, almost all our purchased electricity were from renewable sources, with the exception of generators that were used during outages (e.g. outages caused by storms) in our distribution zones which accounted for less than 3% of total consumption. Parallel to this, we are also working on reducing our Scope 2 emissions by performing necessary maintenance and repairs on our distribution networks. With this mandate, we will decrease technical losses, increase efficiency, and decrease our carbon footprint.

Climate Approach

We anticipate an increase in demand for low-carbon solutions due to heightened climate change awareness and evolving regulations.

The impact of climate-related risks and opportunities on Enerjisa's financial planning

The impact of climate-related risks and opportunities plays a significant role in Enerjisa's financial planning. Our revenues are directly influenced by climate change developments, such as service interruptions caused by changes in the energy mix and customer demand fluctuations. These factors directly affect our network investments across all distribution regions.

Our financial plans focus on supporting the electrification of various sectors through ICT-backed solutions, facilitating the connection of distributed and renewable energy resources, and ensuring uninterrupted electricity supply. We prioritize grid investments to accommodate the increasing share of distributed energy resources and changing regulations that support their growth. We also prioritize enhancing the resilience of our grid against climate-related risks, including extreme weather events.

As the cost of renewable energy sources decreases and the electrification of transportation expands, the distribution grid becomes increasingly crucial. We invest in grid upgrades to meet the growing demand for electrification, integrate renewable energy systems, and support the deployment of electric vehicle charging stations. These investments not only benefit our business model but also contribute to national decarbonization efforts.

While our customer solutions services currently represent a smaller portion of our total revenues, we anticipate an increase in demand for low-carbon solutions due to heightened climate change awareness and evolving regulations. We have investment plans in place to address climate-related risks, such as smart grid solutions that enhance grid stability in the face of increased reliance on renewable energy resources. These investments also open up new business opportunities, particularly in the unlicensed renewable energy capacity and decentralized energy generation sectors.

Our revenue directly and indirectly benefits from these investments. With our current growth projections, we expect our customer solutions business, including solar PV, CHP, energy efficiency, and green energy solutions, to reach annual revenues between TL 4-6 billion by 2025.



Business for Impact

We contribute to the growth of our business with sustainable products and services through a responsible value chain and innovation.

As one of Türkiye's top companies for electricity distribution, retail sales, and customer solutions, we are conscious of our obligation to provide a vital service that is an important catalyst for social development and prosperity. Our goal is to connect and create the New Energy World while setting an example for millions of people by delivering a crucial public service. As a result, we have made sustainability the foundation of our company.

While we aim to meet the demands and expectations of our customers with specialized solutions, we are aware that a sustainable society cannot be realized without a robust and adaptable energy ecosystem. We concentrate on offering sustainable goods and services as a result. Innovation, in our opinion, is essential to our sustainability strategy. We keep making investments that will hasten the shift to a resource-wise, resilient, and low-carbon economy.

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Uninterrupted and Accessible Energy

Our goal is to ensure everyone has uninterrupted access to energy, and we place sustainability at the heart of our business strategy, guided by our principles of respect, responsibility, equality, and inclusiveness.

Energy is not simply a commodity, it is a fundamental driver of social and economic development, and a key component of a sustainable future for our planet. As an essential service provider, we at Enerjisa Enerji understand the importance of uninterrupted and accessible energy and is committed to ensuring that the energy needs of its distribution regions are met with a high level of service quality and supply security. We prioritize investing in our distribution grids to ensure that our customers receive world-class service quality. With the rise of urbanization, electrification, and renewable energy systems, as well as the growth of EV charging and smart city solutions, the resilience, reliability, and sustainability of our grid have become increasingly important. That's why we make uninterrupted energy supply one of our top priorities, utilizing new technologies and digitalization to take a customer-oriented approach.

We understand that our industry is undergoing fundamental changes, driven by five mega trends: decarbonization, urbanization and customer centricity, deregulation, decentralization, and digitalization. To better manage the risks associated with these trends and lead the way to the New Energy World, we are developing innovative and sustainable products and services. Our goal is to ensure everyone has uninterrupted access to energy, and we place sustainability at the heart of our business strategy, guided by our principles of respect, responsibility, equality, and inclusiveness.

Investments

The electricity distribution grid is the backbone of the power supply chain, and it requires long-term and steady investments to ensure its uninterrupted and reliable operation. In Türkiye, the investments in the distribution grid remained relatively limited before the privatization of the distribution companies. However, following the privatization, the investments increased and were executed in line with the needs of the grid. This resulted in better service quality and supply security for the end-users.

But with the nationwide increase in the number of electricity grid users and energy demand, there is an expectation for this trend to continue in the long term. Therefore, it is vital to sustain the current momentum in investments to meet the quality criteria of the developed countries in grid service quality. Moreover, with the mega trends in the energy sector and the electrification trend in the energy demand, the investment requirement in the distribution grid is estimated to increase further.

The regulation of electricity distribution investments in Türkiye is done by the Energy Market Regulatory Authority (EMRA) for regulatory periods of 5 years. The investment plans and realizations of these investments are closely monitored by public institutions such as EMRA, the Ministry of Energy and Natural Resources (MoENR), and the Turkish Electricity Distribution Corporation (TEDAŞ).

The distribution companies are responsible for assessing the energy demand, lighting grid requirements, investment requirements to renovate and improve the grid topology, and developing and implementing

investment plans. These assessments take into consideration the quality indicators and other indicators regarding the current status and operation of the grid, needs identified through field surveys, energy demand, and the demands of users, local authorities, public institutions, and organizations.

In addition, the distribution companies are also responsible for monitoring the investment budget, preparing the investment reports submitted to EMRA with the 5-year investment budget and justification reports, and developing a master plan that includes 5-year and 10-year plans.



In the third regulatory period (2016-2020), the initial allowed CAPEX was TL 4.3 billion, with the actual allowed CAPEX reaching TL 6.0 billion. In the fourth regulatory period (2021-2025), EMRA has increased CAPEX allowance to incentivize investments in the sector, with an initial allowed CAPEX of TL 13.5 billion, representing a 72% increase compared to the third regulatory period in real terms.

Uninterrupted and Accessible Energy

As a result of our investments, our regulated asset base reached, TL 19.9 billion as of the end of 2022.

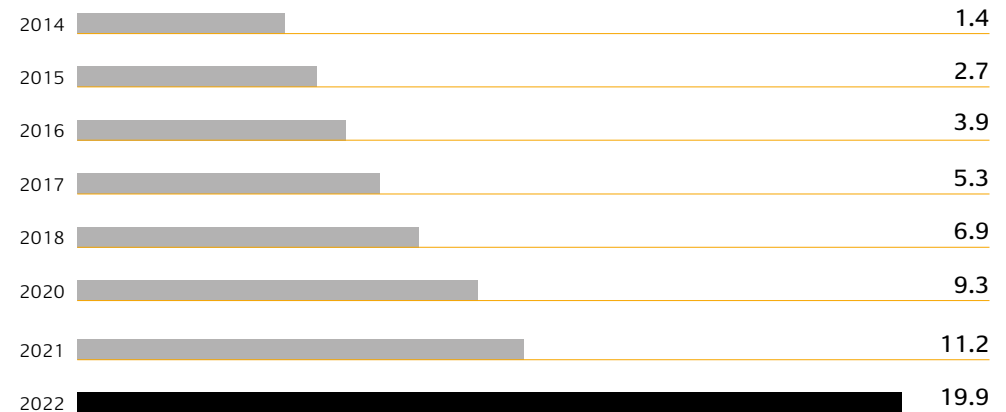
Developments in 2022

In 2022, we at Enerjisa Enerji were able to continue our strong growth and meet the energy demand in our distribution regions, thanks to our high operational capacity and sound financial structure. Throughout the year, we updated our investment plans in line with the changing field requirements and financing costs. Despite the challenges posed by the Covid-19 pandemic and the resulting economic slowdown, we were able to sustain our investment momentum, with investments reaching approximately TL 4.5 billion.

The pandemic and exchange rate fluctuations had a significant impact on the investment landscape, as commodity prices increased and companies supplying materials for grid investments experienced difficulties. However, through agile investment and supply planning, we were able to maintain our momentum and make progress on lighting, grid modernization-improvement, and other investments.

As a result of our investments, our regulated asset base reached TL 19.9 billion as of the end of 2022. We will continue to monitor changing conditions and adjust our investment plans accordingly, as we remain committed to meeting the energy needs of our customers while supporting the operation of the distribution grid through technology and digitalization.

Regulated Asset Base (TL billion)

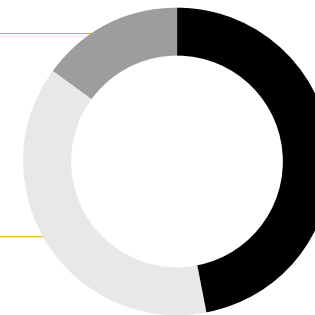


Regional Breakdown of 2022 Investments (%)

15%
Ayedaş

38%
Başkent

47%
Toroslar

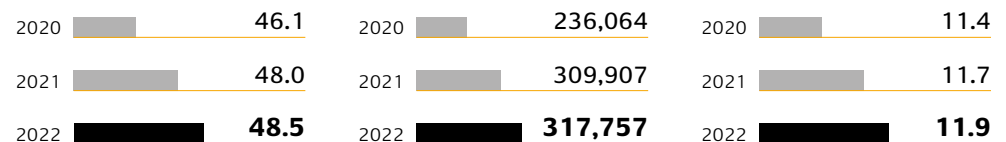


GRID DEVELOPMENT

Total Distributed Gross Electricity (TWh)

Total Length of Network (km)

Number of Connections (million)



Efficiency and Quality Parameters

If the performance of distribution companies is below the target, the company retains the difference, and if it is above the target, it bears the cost.

In the Turkish electricity sector, legislation is in place to support efficiency, quality service and the reduction of theft-loss rates for distribution companies. These parameters play a vital role in determining the success of these companies. The prominent efficiency and quality parameters are as follows:

CAPEX Outperformance: By the end of a tariff year, if a distribution company realizes its mandated investments at a cost less than the unit prices determined by EMRA, then it will have its revenues based on CAPEX realization calculated with the unit prices set by EMRA. In this case, the company retains the difference.

OPEX Outperformance: As per current regulatory framework, the fixed and variable OPEX component is not subject to adjustment based on realizations and it is possible to achieve OPEX outperformance through efficient processes, cost management and digitalization. In case of outperformance, the company retains the difference.

Theft-Loss Outperformance: Except for those consumers connected directly to the transmission network, all eligible and ineligible customers pay the theft-

loss tariff. Distribution companies are obliged to procure energy to compensate for energy theft-loss. The theft-loss tariff is determined at the national level and the revenue imbalances between the distribution regions are corrected through the price equalization mechanism. In this way, the cost burden calculated based on the theft&loss target, does not fall on the consumers in a specific region alone, but is distributed across all consumers in the country. If the performance of distribution companies is below the target, the company retains the difference, and if it is above the target, it bears the cost.

Quality Parameters: EMRA applies quality parameters to the revenue requirement (excluding non-controllable OPEX and including scheduled maintenance) to

incentivize the performance of companies with regard to continuity of supply, technical quality, customer satisfaction, transparency, corporate governance and occupational health and safety.

Additional Income: Distribution companies retain additional income based on predetermined ratios, and the rest is deducted from the revenue cap. For example, detected and invoiced theft usage accruals are retained at a rate of 55%, while actual theft usage accruals after legal proceedings are retained at a rate of 50%. Maintenance and repair service revenues are retained at a rate of 75%, while advertisement and rent revenues are retained at a rate of 50%, and consultancy revenues, AMR, and litigative income at rates of 75%, 75%, and 50%, respectively.



Technology and Grid Management

Our primary goal is to provide uninterrupted and easily accessible energy with the solutions we develop by closely monitoring technological developments. Enerjisa Enerji distribution companies use various systems to manage outages and ensure that customers are informed.

- The Outage Management System (OMS) is used for outage management, and customer notifications from the Customer Relationship Management (CRM) system are sent directly to the OMS.
- The Supervisory Control and Data Acquisition (SCADA) system remotely monitors the continuity of supply and collects outage data. The number of sensors in the SCADA system increased from 926,021 at the end of 2021 to 1,165,762 at the end of 2022.
- The High Voltage Data Collection project monitors grid inventories that are not monitored with SCADA. As a result, all Medium Voltage stations are now monitored at a rate of 100%.

- The Lighting and Customer Automatic Meter Reading System (AMRS) provides outage information. AMRS installations have continued for remote reading of meters in distribution regions, with the number of installations increasing from 87,730 at the end of 2021 to 92,947 at the end of 2022.
- The Geographic Information System (GIS) determines the customers affected by outages.

Using the information from these systems, various algorithms are used to estimate the location of the outage, which helps reduce outage response times. Industrial tablets are used in the field during power outages to record procedures, and all system integrations ensure the correct calculation of outage start and end times as well as the number of affected customers in operating regions.

Grid Quality Metrics

As of 2021, the “Procedures and Principles Regarding the Consideration of Planned Maintenance Expenditures of the Electricity Distribution Companies in Tariff Calculations” has been implemented. This new framework aims to improve the continuity of supply and increase customer satisfaction by introducing a new OPEX allowance for planned maintenance. As a result of this approach, the number of power cuts for maintenance purposes has increased compared to previous years. Our aim is to reduce the incidence of failure in the grid and the frequency of outages in the upcoming years through intensive maintenance work.

As part of our sustainability strategy, Enerjisa Enerji carries out projects and investments to facilitate adaptation to the potential impacts of climate change. For instance, we increase the ratio of underground cables in distribution networks from 19% in 2015 to 27% in 2022 to mitigate the impact of external factors on the distribution network, as overhead lines are more exposed to the impacts of natural disasters. We also use the System Average Interruption Duration Index (SAIDI) and System Average Frequency Index (SAIFI) to monitor the grid quality in terms of continuity of supply.



Technology and Grid Management Projects

Customer needs and expectations form the core of our business and product development processes.

Enerjisa Enerji presses onwards with grid investments to incorporate new Technologies and to facilitate the provision of an uninterrupted supply of power.

Projects	Scope	Impact Area
The Tablet User Experience Project	The 4-phase project aims to facilitate the use of tablets by field operators, to reduce erroneous data entry and to resolve problems they may encounter.	Stakeholder Management Customer Experience Digitalization Quality OHS
Project of Tracking Personnel Working in the Shift	It is a project that aims for allowing central operators to gain observation capabilities to transportation routes of the site operators working in shifts to their assigned work point and to facilitate the management of these routes instantaneously.	Stakeholder Management Digitalization Quality
Unmanned Aerial Vehicle Supply	With this project, operational efficiency is ensured by the use of unmanned aerial vehicles, which are among the indispensables of technology, in fault search, maintenance and disaster processes in the network and the risk of work accidents that may occur during direct line and connection controls is minimized.	Digitalization OHS
Digitalization and Replacement of Protection Relays, Test Devices and Computers	With this project, faulty lines and equipment are disconnected from the grid in the event of a failure on the grid, within the time set in the relay coordination. Thus, customers in areas where there are no failures do not be affected by these outages. Relay/polarity/breaker test devices and computers are renewed and increased in number, thus increasing the reliability of the grid.	Stakeholder Management Customer Experience Digitalization Quality
Digital Inventory Management System and Analysis (DIGSILENT)	The aim of the project is to render grid management more secure. With the DIGSILENT software, protection and coordination functions are transferred to the digital environment. The DIGSILENT software allows the examination of voltage and current frequency anomalies through digital modelling with the power quality and harmonic analysis modules. Thanks to the protection module, relay coordination analysis can be performed. With GIS integration, GIS data can be used by modeling the network without the need for manual network drawing.	Digitalization Quality
OMS & AMRS (Outage Notice)	Improvement activities are carried out in the OMS project in order to provide ease of use by considering EMRA's recommendations and legislative requirements.	Customer Experience Digitalization Quality
The TEİAŞ Feeder Monitoring and Improvement Project	The project is aimed at monitoring output feeder data (current, voltage, power etc.) and the location information of circuit breakers and disconnectors and the like at the TEİAŞ substations with the application software, and to integrate these data into the SCADA and Inavitas systems. In addition, demand tracking of the TEİAŞ substations and TEİAŞ feeder openings can be monitored instantly through the Inavitas system.	Stakeholder Management Digitalization Quality OHS
Reactive Power Compensation Systems Project	The aim of the project is to keep the reactive power supplied to or withdrawn from the system within the limits specified in the Regulation on Electricity Grid and to prevent possible reactive penalty excesses, which are defined as violations in the penal clauses of the System Usage Agreements signed with TEİAŞ. With the project, user and inventory protection can be achieved and SCADA integration can be provided easily with the closed system automation software developed considering OHS measures. In addition, inventories (such as capacitor bank and shunt reactors), which are suitable for changing grid conditions, can be adapted quickly.	Stakeholder Management Digitalization Quality OHS

Technology and Grid Management Projects

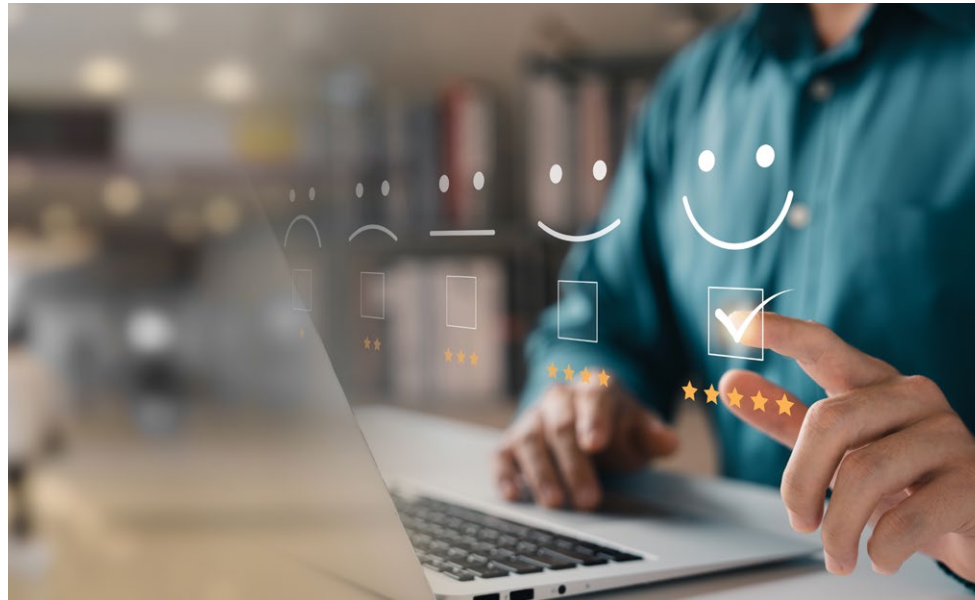
Overhead Line Fault Indicator Mechanisms are devices which locate the fault occurring on the line, thanks to the light signal they emit.

Projects	Scope	Impact Area
System Use Agreements WEB System and IT Developments (SKA-WEB)	<p>With the SKA WEB System; TEİAŞ correspondence/agreement processes, consumption/production demand values and reactive power follow-ups are carried out. It is aimed to display, archive and follow up the agreements, invoices, writings and penal conditions affiliated to TEİAŞ. With Demand and Compensation analysis modules; With the consumption-production data of the substations, it is aimed to prevent the exceeding of the power limits by monitoring the Reactive power limits and to prevent the penalties that may occur in case of overage.</p> <p>SKAWEB calculates active and reactive energy values from meter data received from TEİAŞ substations on a daily basis and informs all users via e-mail. In addition, daily/monthly/yearly reports and automatic load transfer notifications are made. Thanks to these features, power analyses and punitive risks can be foreseen in advance and network maneuvers and plant commissioning/removal operations (including simulations specific to plant type) can be performed in the light of the analyzes in the system.</p>	Stakeholder Management Digitalization Quality
Overhead Line Fault Indicator Mechanisms	Overhead Line Fault Indicator Mechanisms are devices which locate the fault occurring on the line, thanks to the light signal they emit. These devices contribute to customer satisfaction by shortening the time for the team to locate the fault, thus shortening the outage time.	Customer Experience OHS
SCADA Infrastructure and Adaptation Projects	Infrastructure and extension work will be carried out at the centers within the scope of the projects and the relevant centers will be added to the SCADA system. By replacing the relays which have completed their technological lives, the feeders will be rendered remotely monitorable and controllable.	Stakeholder Management Digitalization Quality OHS
Substation SCADA Projects (TRAFO)	With these projects, high-voltage and low-voltage information from the Distribution Substations is collected and sent to SCADA and the IoT Platform. Overall, the data to be received from the centers will be cell location/control information, substation information, and voltage yes/no data related to the substation output feeders. Necessary infrastructure and expansion work will be carried out at the substation centers in order to receive this data.	Stakeholder Management Digitalization Quality OHS
Industrial IoT Platform and Software Project	Industrial IoT Platform and Software Project; It is a multi-layered hardware and software whole project equipped with the innovations brought by Industry 4.0, having a communication infrastructure that will collect millions of data from thousands of endpoints, containing analytical and reporting tools to make the collected data meaningful, capable of forecasting and modeling with artificial intelligence and machine learning algorithms and thus directing the Company's investments in the future period.	Stakeholder Management Digitalization Quality OHS
Peak SCADA Projects	Within the scope of the project, low voltage (LV) substation data will be received from the centers, where the Pole Mounted Substations are located. In order to receive this information, necessary infrastructure and expansion work will be carried out at the substation centers. The received LV data will be transferred to the IoT Platform.	Stakeholder Management Digitalization Quality OHS

Customer Centricity

In today's highly competitive business landscape, customer centricity has become a key differentiator for companies operating in various sectors, including energy distribution. The energy distribution sector is undergoing significant changes as the industry moves towards renewable energy sources and decentralized energy production. This is leading to a more complex and dynamic energy system, which requires energy distribution companies to have a deeper understanding of their customers' needs and behaviors in order to provide them with the right services and products.

Having fully integrated the ISO 10002 Customer Satisfaction Management System standards into our own internal policies regarding customer satisfaction management, we provide training to all our employees within the scope of ISO 10002 in order to respond to customer expectations in the most appropriate and efficient manner.



Communication Channels

Retail Communication Channels

Our customer-oriented business approach at Enerjisa Enerji is directly reflected in our wide range of service channels and after-sales service network. Providing services to approximately 10.6 million customers and a population of 22.1 million through the physical, digital and remote channels, we strive to meet the needs of our customers, create value in electricity supply and provide aftersales support.

Enerjisa Enerji diversifies its channel and service structure for an excellent customer experience, while creating projects that will ensure the most efficient use of resources. To this end, we are constantly reviewing and improving the processes of the below service channels.

Physical Channels

We aspire to the highest standard of customer satisfaction and hospitality through our physical channels. These channels handled approximately 1.9 million transactions in 2022.

- Customer Service Center

We provide customer service through 39 Customer Service Centers (CSC) in 3 regions. The services provided at the CSCs include application and subscription/termination transactions, billing and information update transactions, permission/request management transactions, tariff change transactions, and security deposit refund/inquiry request transactions. In addition, we also offer our services to our customers in the Başkent

and Toroslar Regions and with 10 mobile service vehicles (Mobile CSCs) at remote locations where there are no Customer Service Centers.

- Enerjisa Transaction Center

73 Enerjisa Transaction Centers (ETC) serve Enerjisa Enerji customers in all 3 regions where we operate. These centers handle a wide range of transactions including subscription, termination, and relocation (transfer) services. Customers can also perform various payment transactions such as paying their electricity bills, security deposit, and installment payments at these centers. In addition, ETCs serve as a central hub for all kinds of customer applications and complaints.

- Enerjisa Corporate Dealers

We also have 15 corporate dealers located in 12 different cities. These dealers provide customer-oriented sales activities to corporate customers in other regions of Türkiye, in addition to the areas where our company operates, as we are an assigned incumbent electricity retail company.

Our energy specialists visit corporate customers on-site to offer solutions tailored to their specific needs and preferences. The transactions that can be carried out through corporate dealers include electron sales, key customer management, energy consultancy, tariff change transactions, information updates, application transactions, permission/request management, and security deposit refund/inquiry requests.

Communication Channels

Digital Channels

- Online Services Center & Mobile Application

Customers can carry out an extensive number of transactions via the Online Services Center and/or Mobile Application, including the following: subscription and termination transactions, membership, billing transactions, receiving electricity sales application requests, monitoring monthly energy consumption trends – Periodic bill viewing through the application;

- Bill payment transactions
- Tariff change transactions
- Objection and complaint application follow-up
- Permission request management transactions
- Information update transactions
- Appointment transactions

- E-government portal

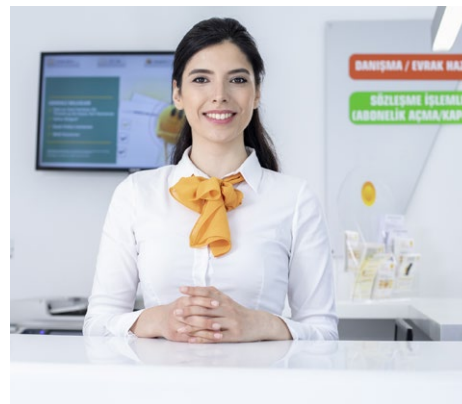
Through the Republic of Türkiye's E-government portal, Enerjisa Enerji customers can carry out subscription and termination transactions, billing transactions, and payment transactions.

Remote Channels

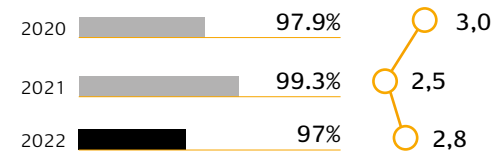
- Call Center

As a company, we consider our Call Center to be a crucial channel for engaging with customers. With a workforce of roughly 250 employees, this channel offers a wide range of services including but not limited to contract and billing transactions, payment transactions, and technical support.

In 2022, the Call Center received approximately 6.7 million calls, and we are proud to say that of the 2.8 million queued calls, 97% were answered. Our automated voice response system was able to handle 58% of these calls. On average, our Call Center's response time was **just 21 seconds**. Billing transactions were the most common type of application, accounting for 55% of calls, while subscription transactions accounted for 15% of calls.



Number of Queued-up Calls (million) and Response Rate (%)



Call Response Speed (second)



Distribution Communication Channels

Enerjisa Enerji customers may submit their applications and complaints to the Company through various channels such as petitions, e-mail, telephone, website, mobile application (Mobil 186), registered e-mail (REM), social media (Twitter, Facebook, Instagram) support accounts, corporate Facebook account, corporate Sikayetvar.com account, WhatsApp Support Line, and Chatbot.

The information shared through these channels is logged and subsequently passed on to the operational units. The response received from the operational units is shared with the customer through the preferred communication channel of the latter. In accordance with the Personal Data Protection Law (PDPL), customers approve the clarification text through the distribution websites, WhatsApp Support Line, Chatbot application and mobile application channels. In addition, masking is performed on Call Center screens.

	Call Center	Mobile App	Social Media	Petition	E-mail	Website	WhatsApp Support Line	Chatbot
Index Reading	✓	✓	✓	✓	✓	✓	✓	
Meter Operations	✓	✓	✓	✓	✓	✓	✓	
Disconnect/ Reconnect	✓	✓	✓	✓	✓	✓	✓	
Failure Related Outages	✓	✓	✓	✓	✓	✓	✓	✓
Damage	✓			✓	✓	✓	✓	
Lighting Failure	✓	✓	✓	✓	✓	✓	✓	✓
Electricity Theft	✓			✓	✓	✓	✓	
New Connection	✓	✓	✓	✓	✓	✓	✓	

Communication Channels

Call Center

At Enerjisa Enerji, we prioritize customer satisfaction and have made it the cornerstone of our commitment to delivering high-quality services. Our distribution business line boasts the sector's largest call operations, with approximately 800 staff members dedicated to ensuring uninterrupted 24/7 communication between our customers and Call Center, accessible by dialing 186.

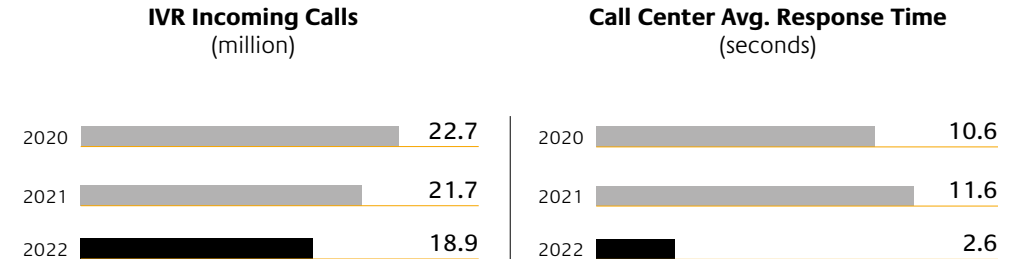
The Energy Market Regulatory Authority (EMRA) considers customer complaints and Call Center performance among the most critical quality parameters. For this reason, we always aim to exceed predetermined targets, as it provides a financial return over the revenue requirement of distribution tariffs.

We take every customer request and complaint seriously and meticulously analyze them to improve our operational processes. By continuously measuring our channels and processes, we conduct a detailed analysis of any areas that need improvement and take the necessary remedial measures to boost customer satisfaction.

In 2022, our Call Center received approximately 19 million calls across our distribution companies. We maintained a response rate of 99%, a service level score of 96.5%, and an average call response time of 2.6 seconds.



Responded Calls and Response Times



Developments in 2022

OMS Project: As part of the OMS Project, we implemented a system that allows our Call Center staff to access location information for power outages in our distribution areas. With this system, we can quickly and accurately respond to customers who call our 186 line about power outages, which has helped us speed up the application process. Additionally, we now send real-time text messages to customers who are affected by power outages in a particular region.

Speech Analytics Project: We have recently implemented a project that introduces the "Speech to Text" technology to our Call Center 186. This technology allows us to convert customer calls into text, enabling us to conduct in-depth analyses and assess emotional changes during each call. By distinguishing the customer's voice from that of the agent, we can further improve customer satisfaction and agent performance. Additionally, the technology generates critical word alerts for agents, which helps us maintain operational excellence.

In 2022, our Call Center received approximately 19 million calls across our distribution companies.

Customer Solutions

At Enerjisa Enerji, we understand the importance of providing excellent customer service to the 22.1 million people we serve in 14 provinces spread over three operating regions. That's why we take customer requests, complaints, and information demands seriously and have established the Enerjisa Enerji Customer Solution Center to handle these inquiries.

Once a customer application is received, it is entered into the SAP-CRM system by the Customer Solution Center, and then it is directly transferred to the relevant department. The department checks the application and generates a solution, which is communicated back to the Solution Center. From there, the solution is relayed to the customer through their preferred channel of communication. We have also developed the Envision application, which allows us to respond to customer applications and conduct all approval stages digitally. This application is integrated with our SAP-CRM customer database, allowing for prompt and efficient responses to customer inquiries.

We take customer data privacy seriously, especially in light of the Personal Data Protection Law (PDPL). Our employees manually follow up on applications made under the PDPL, and with the implementation of the PDPL project, we have eliminated the risk of administrative fines due to the inability to respond to requests within the scope of PDPL in a timely manner. We use a closed system for transferring information containing personal data between departments to ensure its quality and security.

In 2022, the Solution Center received over 700,000 applications, and we are proud to report that 98% of them were responded to within the targeted time frame. On average, these applications were completed in just 3.4 business days, allowing us to provide our customers with efficient and reliable service.

Customer Experience

Enerjisa Enerji has always prioritized customer satisfaction and service quality in its investments and strategies. Placing its customers at the heart of its business model, Enerjisa Enerji has so far developed exclusive services and products compatible with the digitalized world, and continues to do so. We aim to provide the best service in energy supply by continuously improving our products and services.

Our customer experience teams work collaboratively with both internal stakeholders and customers to improve interactions and ensure that customer needs are met. To gather feedback, we conduct surveys and focus group studies, which help to identify customer expectations. In 2022, Enerjisa Enerji launched a range of new projects aimed at improving its services and providing superior customer experience. The most prominent of these projects are detailed in the chart on the next page.

Customer Experience

Customer-Oriented Projects

Improvements in Sales and Operations Processes and Projects Contributing to Digital Transformation		Equal Access Projects		Projects Providing Diversity in Payment Channels
Digital E.A.S.Y. (Increased Efficiency Sales Management)	At the Sardis Awards, where innovative projects and marketing achievements in the finance sector are awarded, a first in the Customer Experience and Interaction category, the most suitable electrical energy sales offers were presented to customers via a digital contract, enabling the sales process to be completed with only one SMS approval. This project won the golden Sardis Award and was awarded in 2 different categories at the Titan Business Awards.	Improvements Made in Customer Service Centers (MHM)	For customers with visual impairments or low vision, accessible MHMs have been created where all customers can easily receive service, such as disability-friendly jet kiosks, easy-access ramps, call buttons, wheelchairs and accessible WCs. We also implemented floor relief for hearing-impaired customers, contrasting wall paint, and customer representatives who speak sign language at 11 different MHMs.	In order to increase the diversity of banks and to provide more accessible service to customers, invoice payments made from different banks can be transmitted through contracted banks. In addition, the number of banks with Direct Debit System (DBS) agreements has been increased in line with the demands from customers, and studies are continuing for DBS integration with the other 2 banks.
Digital Identity Authentication (NFC) Development	With NFC technology, it was ensured that the data in the identity document of the customers were accessed quickly in the field, authentication was performed and all the customer's information was transferred to the system in a complete and error-free manner. With this development, it is aimed to prevent potential illegal transactions.	Visually Impaired Digital Project	Our collaboration with Blindlook has facilitated the experience of visually impaired customers and ensured that transactions on digital channels are carried out with 100% audio simulation technology.	
Collective Offer and Contracts Project	Digitizes the sales process and minimizes the number and length of documents that must be printed and signed. Contributes both to customer satisfaction and the Company's sustainability goals by preventing paper waste. The project allowed collective offer contracts and prevented potential operational errors.	Barrier-Free Invoice Project	We take into account the needs of our visually impaired customers, providing embossed invoices and IVR invoice options. Once a customer makes such a request via our Call Center, our system will prioritize the customer's future calls.	
Easy Membership Project	Potential customers can join Enerjisa from anywhere, anytime via Enerjisa Mobile or Online Service Center. Thus, customers can conveniently complete membership registration and carry out all their transactions, including subscriptions, through digital channels.	Retail Sales Agreement with Braille Alphabet	Retail Sales Agreement and PDPL form were prepared in embossed Braille for the subscription transactions of our visually impaired customers visiting MHMs.	
E-Archive Approval via SMS Project	Customers who have not yet switched to our digital invoice service can easily and quickly approve digital invoices via smartphone.			
Electronic Letter of Guarantee Automation	System development has been made for customers who want to pay the security deposit electronically, and the physical letter delivery process has been digitized.			

Customer Experience

The company manages the customer experience through five main journeys: Sales, Relocation, Application and Request Management, Journey from Meter to Payment, and Corporate Customer Experience. In each journey, Enerjisa Enerji maps the customer experience and identifies areas that require improvement. The company also measures customer satisfaction at each stage of the journey and communicates the results to all teams.

Sales Journey	Relocation Journey	Application and Request Management Journey	Journey from Meter to Payment	Corporate Customer Experience Journey
Here, we create a journey map for the entire sales process, which includes pre-sale preparations in all sales channels, information sharing about the process through different channels, portfolio registration processes, and issuing bills to eligible consumers. Actions to improve the quality of the service provided at the time of sales are also planned. The Customer Experience teams are responsible for measuring and enhancing customer satisfaction at all stages of the journey and sharing the results with all teams.	Enerjisa Enerji representatives map customer experiences during subscription transactions and plan process improvement actions to meet customer needs and expectations. Cross-functional teams work to improve the experience, monitor customer satisfaction at all steps of the journey, and share results with relevant functions.	The Application and Request Management Journey involves creating journey maps for receiving and addressing customer requests and complaints, providing solutions, and communicating results to customers. Here, we plan and implement improvement actions across departments. This journey also includes conducting periodic and ad-hoc market research studies and managing the satisfaction measurement system.	This journey includes creating bills, payment reminders, payment processes, termination, and litigation processes in case of non-payment – everything that occurs from the reading of customers' electricity meters until customer satisfaction is achieved. The company maps all the steps through the customer's perspective and determines the necessary actions to improve the experience. Increasing customer satisfaction is a major focus, and measurement is regularly carried out.	The Corporate Customer Experience Journey involves cross-functional teams creating journey maps for both electricity and non-electricity services. The Company focuses on developing infrastructure to evaluate the experiences of corporate customers, identifying areas for improvement through journey maps, and implementing improvement initiatives.

Enerjisa Enerji incorporates experience and process designs in all customer-related projects. In light of the pandemic, we emphasized digitalization and segment-based service strategies in 2022 to enhance the customer experience, resulting in increased customer satisfaction.

Our vision for customer experience has directed various initiatives, including the digitalization of relocation and application procedures, the expansion of payment channels, and the enhancement of user experience in mobile applications and digital channels.

In 2022, we conducted a total of 8 quantitative and 7 qualitative market research studies. These included research on attitudes towards electricity production with solar energy, brand and employee image research, sustainable energy service

and applications communication awareness and material test research, corporate customer experience research, sustainable energy service and practices satisfaction research, application process research, and new connection process research.

Customer Satisfaction Measurement

By measuring customer satisfaction and taking action on the feedback we receive, we are able to build strong relationships with our customers and drive our business forward.

At Enerjisa Enerji, we take customer satisfaction seriously. Customer needs and expectations form the core of our business and product development processes, which is why we measure customer satisfaction regularly and strive to continuously improve our services. Our commitment to customer satisfaction is reflected in the way we gather and analyze feedback from our customers.

To measure customer satisfaction, we use both the monthly quantitative Customer Satisfaction Score (CSAT) and the Net Promoter Score (NPS). These scores are shared with all stakeholders by our Customer Experience Committee, which consists of senior management. Our end-to-end customer satisfaction model, first implemented in 2018, allows us to measure customer satisfaction in five key processes: sales, relocation, retail sales application management, distribution application management, and meter-to-payment.

NPS (-100 to +100)



Retail

In 2022, we took our commitment to customer satisfaction even further by adding new contact points to the customer satisfaction measurement system, such as payment with IVR. We measure customer satisfaction in real-time at 67 points of contact with customers, collecting more than 100,000 instances of customer feedback per month. We analyze the results, prioritize issues by importance, and create projects to improve our customer service processes.

To ensure that our NPS measurements are as accurate as possible, we work with an independent research company that reaches out to over 3,500 customers per month. This provides us with an unbiased view of our customers' satisfaction levels.

Our continued efforts allowed us to maintain our positive track record with customer satisfaction, as shown by the Customer Satisfaction Survey and Net Promoter Score in 2022. By measuring customer satisfaction and acting on the feedback we receive, we are able to build strong relationships with our customers and drive our business forward.

CSAT (out of 5)



With the developments made in the Voice Recognition and Analysis project, we can now analyze conversations held in our Call Center with the support of artificial intelligence. This allows us to effectively monitor the emotional state of customers and employees, as well as call trends and contents. We take note when customers give low scores for Customer Satisfaction Surveys or make repeated calls to our Call Center. We then call them back and identify the points of dissatisfaction and failure in our processes. By doing so, we can design actions to increase customer satisfaction and make process improvements. Additionally, we use the results of these analyses to identify areas for improvement among our employees and provide necessary training plans to help them improve.

To ensure customer convenience during and after the pandemic period, we continued with the IVR appointments for subscription and evacuation procedures. We also made it possible for calls to be held over the IVR by sharing the necessary information without connecting to a customer representative. Customers with a receivable are instantly detected by the voice response system and the calls are resolved in IVR without connecting to the customer representative. With these improvements, we were able to complete 50% of the calls reaching the Call Center in IVR and increase our response rates.

As part of the "User-Friendly CRM" project, we provided our customer representatives with quick access to the correct information through the SAP-CRM screens. This helped to increase employee loyalty and motivation.

We also designed the Gamification Project – Orion to improve employee loyalty and satisfaction. Our teams came together at different times to pass previously constructed sections and developed competencies such as research and work sharing, analytical thinking, bringing together the results they found, and forming a whole. This project enabled our employees to think agile and analytically, act as a team, have fun, learn new things, and win various awards.

Distribution

At Enerjisa Enerji, we manage customer satisfaction and communication with customer according to international standards and our own internal policies. We deliver services at global standards within the scope of the ISO 10002 Customer Satisfaction Management System, internalized by all our employees as part of our corporate culture.

To this end, Enerjisa Enerji provided training to more than 3,500 employees on customer orientation and customer satisfaction in 2022. Enerjisa Enerji carries out customer satisfaction surveys regularly in order to evaluate and enhance customer experience for each communication channel.

Customer Satisfaction Scores (CSAT) the years 2020, 2021 and 2022 are provided below:

CSAT (out of 5)



Responsible Supply Chain

We recognize the importance of a sustainable supply chain, and we provide support to our suppliers and business partners in a multitude of ways.

We are currently performing maintenance and investing in grid infrastructure across three distribution regions to ensure that our customers receive uninterrupted and high-quality electricity services. Our investments involve various infrastructure projects, which demand a flexible approach to supply chain management.

We are partnered with over 3,000 suppliers who provide us with a diverse range of services, including infrastructure installation, distribution grid construction, repair and maintenance, building construction and renovation, and the procurement of other goods and services. Around 125 of these suppliers are considered critical Tier-1¹ suppliers. For our electricity distribution business line, we exclusively work with local suppliers.

Our comprehensive logistics operations encompass 14 logistics service centers and 118 satellite warehouses, spanning a total area of 448,600 square meters. Our logistics fleet consists of over 127 vehicles, including mobile cranes, forklifts, and vans. Material/ component inflows both for construction, repair and maintenance jobs are managed through these logistic service centers. We utilize the SAP system for stock management.

We classify our purchases and suppliers according to the complexity of the market, supply risk and the impact of suppliers on our profitability using the Kraljic Matrix. This matrix allows us to define the most appropriate purchasing strategies for each purchase category or supplier.

In 2021, global supply chains were disrupted by the pandemic, prompting us to create a risk matrix and initiate

procurement strategies based on the Kraljic Matrix. In 2022, bottlenecks persisted in the risk matrix due to continued market shrinkage resulting from the pandemic's effects. Furthermore, the Russia-Ukraine crisis and production closures in China caused component shortages, leading to bottleneck situations in the market. To address these risks, we revised our procurement matrix to account for possible material supply risks beyond 2023 investment and maintenance

plans. In 2022, we also introduced a new procurement method, frame contracts, to safeguard our supply chain with suppliers identified in the matrix. This decision was made in response to high inflation rates and supply chain disruptions that affected our global operations. By identifying critical purchases and suppliers in the matrix, we were able to manage risks effectively. Total material and component purchases within the scope of the Kraljic Matrix in 2022 amounted to TL 3.36 billion.

Kraljic Matrix

High



¹ The first level critical suppliers consist of suppliers who have contracts over two million TL as well as suppliers whose contract amount is lower but who are critical for the supply chain.

Responsible Supply Chain

We hold our suppliers to high standards when it comes to ESG performance, including upholding human rights.

Our Sustainability Approach in the Supply Chain

We abide by the “Enerjisa Code of Conduct” and “People Guidelines” when managing our supply chain processes. We are very careful and thorough when selecting suppliers, distributors, authorized dealers, service providers, and consultants. We take all necessary precautions and monitor the results to ensure that our business partners comply with regulations, the Code of Conduct, ethical business principles and anti-corruption policies, occupational health and safety regulations, and human rights standards. Our commitment to sustainable and responsible supply chain management is an integral part of our business operations.

We maintain confidentiality in all of our business relationships through contractual agreements in accordance with our Code of Conduct. Additionally, we carefully verify that the individuals and organizations we engage with during the selection process are not listed on national or international sanction lists, and have no affiliations with any terrorist group, acts of terrorism, tax evasion, or money laundering.

We hold our suppliers to high standards when it comes to ESG performance, including upholding human rights. To ensure this, we mandate that all of our suppliers sign the “Enerjisa Supplier Business Rules” and the “Enerjisa Supplier Compliance Declaration,” and abide by our “Enerjisa OHS and Environmental Policies.”

We ensure that our consultants are fairly compensated only for the legitimate services they provide. Our suppliers and other business partners are required to comply with our “Anti-Bribery and Anti-Corruption Policy”, as well as our policies for partner selection, procurement procedures, and relevant legal regulations. We also enforce a “Third Party Relations Policy” that outlines fundamental principles and working conditions in all our business dealings. We have a zero-tolerance approach to any parties that violate these policies and terminate our contracts with such individuals and organizations.

INITIATIVES TO SUPPORT THE ECOSYSTEM

Ensuring the sustainability of our supply chain is of utmost importance, and to achieve this goal, we provide our suppliers and business partners with various forms of support. Here are some of the mechanisms we use to offer this support:

Training

We ensure that our suppliers receive necessary training for critical areas of our operations, including technical procurement issues and changes in relevant legislation. Prior to issuing calls for tenders, we also hold Q&A sessions with our suppliers to address any uncertainties they may have and to ensure compliance with our policies and regulations, such as the EMRA Procurement Regulation.

Supplier Financing

The financial sustainability of our suppliers is of utmost importance, and we recognize that access to financing and financing costs may be challenging, particularly in uncertain macroeconomic conditions. Therefore, we assist our suppliers with their financing processes through our Supplier Financing System to reduce financial risks in our supply chain. In addition, we support the cash flow management of our suppliers by offering an advance payment system.

Sustainability of the Supply Chain

The COVID-19 pandemic caused disruptions in the global supply chain, affecting the supply of some materials and commodities in 2020-2021, and the effects continued into 2022. To monitor the entire supply chain, we contacted the sub-suppliers of our suppliers who experienced shortages. We adapted to the dynamic market situation by shortening contract periods and implementing price adjustments to reflect changes in commodity prices for suppliers facing supply problems. We have also introduced framework contracts and framework sub-contracts to establish longer-term relationships with multiple suppliers and get prices that align with market conditions.

We are dedicated to developing sustainable products and services that contribute to a reliable and growing energy ecosystem, and we continued to support our suppliers and business partners during the pandemic.

Responsible Supply Chain

Providing a secure, healthy, and safe workplace for our employees and all stakeholders, and safeguarding the environment, are among our top priorities.

Supplier Business Rules

We require our suppliers to adhere to all relevant legal requirements, contractual obligations, specifications and other documents governing their business relationship with Enerjisa Enerji, as well as international regulations. Compliance with these regulations is essential for maintaining a sustainable and ethical supply chain.

Anti-Bribery & Anti-Corruption

We are strongly opposed to any form of corruption. We neither give nor accept bribes in any circumstance that may influence official transactions or decisions or that may assist the Company in obtaining or maintaining business. We do not engage in any action that may promote corruption and always comply with all applicable laws and regulations, as well as with the “Enerjisa Enerji Anti-Bribery and Anti-Corruption Policy”. We acknowledge that any violation of this policy, including giving or taking bribes, is illegal and may result in severe consequences, such as imprisonment. As such, we strictly adhere to these rules and expect our suppliers to do the same.

Environment, Health & Safety

Providing a secure, healthy, and safe workplace for our employees and all stakeholders, and safeguarding the environment, are among our top priorities. We comply with health and safety regulations, Enerjisa Enerji’s “Health and Safety Policy,” ISO 14001 Environmental Management System Standard, and relevant environmental laws and regulations. We expect our suppliers to prioritize health, safety, and environmental protection and create a work environment that aligns with this fundamental principle. We expect our suppliers to take measures to preserve the environment, establish and maintain an appropriate environmental management system, promote the development and dissemination of environmentally friendly technologies to reduce environmental impacts and hazards, and protect the environment in their day-to-day operations.

Labor and Human Rights

We stand firmly against forced labor, gender discrimination, child labor, child abuse, and any other abusive or exploitative practices related to labor. We expect our suppliers to prioritize human rights, oppose forced labor, prevent discrimination and harassment, comply with legal working hours, prohibit illegal child labor, and treat their employees and partners with dignity and respect.

Sustainable Products and Services

We place a high value on providing our customers with innovative, sustainable solutions.

We place a high value on providing our customers with innovative, sustainable solutions. In order to carry out customer solutions activities, we founded Enerjisa Müşteri Çözümleri A.Ş. in 2017.

Under the banner of “The Energy of My Work” (İşimin Enerjisi), we have been providing end-to-end solutions to improve energy efficiency and lower carbon emissions of our corporate customers since October 2020. In 2022, we finished The Energy of My Work’s re-launch research and refreshed the Brand. We updated The Energy of My Work’s web pages to improve the user experience for customers and make it easier for them to find the appropriate information. Our updated logo, discourse, and modern design world represent the Brand promise and put items to the forefront.



Our Customer Solutions Dealers

We offer solar power plant solutions and energy efficiency applications throughout Türkiye. Our energy solutions are provided to corporate customers through our six agencies located in İzmir, Diyarbakır, Konya, Van, İstanbul, and Tekirdağ, covering 15 different cities.

Furthermore, we collaborated with the Adana Chamber of Industry and the Adana Hacı Sabancı Organized Industrial Zone Presidency to plan the inaugural meeting of The Energy of My Work in Adana. Industrialists and businesspeople gathered at this event to view our performance- and cost-effective, environmentally friendly goods presented as part of The Energy of My Work.

Additionally, we promoted our performance- and efficiency-focused products, such as solar power plants and energy efficiency applications, by taking part in a number of expos, such as Antalya Hotel Equipment and Food Specialization, ITM 2022 International Textile Machinery, and Antalya Hotel Technical Equipment and Materials, which welcomed both domestic and foreign visitors.

Renewable Energy Solutions with Distributed Generation	Energy Efficiency Applications	Green Energy	Cogeneration and Trigeneration Solutions	E-mobility
<ul style="list-style-type: none"> Solar Power Plants (SPP) 	<ul style="list-style-type: none"> Lighting Conversion Projects Process Efficiency Projects 	<ul style="list-style-type: none"> Renewable Energy Certificate Carbon Reduction Certificate 		<ul style="list-style-type: none"> Eşarj

Renewable Energy Solutions with Distributed Generation

24.1

MWp

Total Solar Capacity

Our solar power projects allowed us to avoid emitting 21,580 tons of CO₂ into the atmosphere.

In our opinion, the fight against the global climate crisis must focus on improving energy efficiency and making use of renewable energy sources, both in Türkiye and globally. Since both the centralized and decentralized distributed energy models require work, we are committed to doing so.

As part of our efforts to implement the decentralized distributed energy model, we also generate electricity using a variety of technologies at or close to the area where it is used and stored. By utilizing distributed generation, we may help achieve supply security in the generation, transmission, and distribution of electricity while lowering costs and losses, reducing dependence on imports, and cutting greenhouse gas emissions. We additionally set a high priority on using renewable energy sources, and we want to leverage our activities to promote regional growth.

SOLAR POWER PLANTS

We take great pride in offering reliable solar power plant solutions that take into account the unique needs of our customers. We use our expertise in finance and technology to offer innovative business and financial models for solar power plants.

All commercial, public, and industrial organizations and institutions may use our Solar Power Plant (SPP) solutions. We provide end-to-end solutions with the intention of easing our customers' investment burden. Design, turnkey delivery, installation, maintenance, and repair services represent our SPP activities.

We also handle administrative processes like permit and connection procedures, offer professional engineering assistance, maintenance and repair services, and provide a guarantee for the performance and product during the period of the contract.

In accordance with our customers' needs, we offer end-to-end integrated solutions, including energy storage and electric vehicle charging. The total installed capacity of our solar power plants was 24.1 MWp as of the end of 2022, with 1.5 MWp of this capacity falling under the self-consumption model. Our solar power projects allowed us to avoid emitting 21,580 tons of CO₂ into the atmosphere.

We at Enerjisa Enerji are dedicated to assisting our customers in achieving their goals for sustainability through the use of our innovative solar power solutions, and by the end of 2025, we aim to have increased the total solar capacity to over 250 MWp.

A World Record by us and Galatasaray

We are pleased to have been involved in the commissioning of the solar power plant, which began production in December 2021 and was granted entry into the Guinness Book of Records. Together with Brisa, the 4.2 MWp solar power plant was set up on the roof of Galatasaray Nef Stadium. We also consider it an honor that this project, which was recognized with the first Energy Efficiency Award, was held at the Factories Producing Their Energy Summit in 2022.

Eyüpsultan Municipality Land

We are thrilled to have been awarded the tender for the Construction, Installation, and Operation of an SPP with a power of 5.8 MWp on Eyüpsultan Municipality Land in 2022. We anticipate assisting Eyüpsultan Municipality in reducing its annual CO₂ emissions by 3,617 tons after the SPP is operational in 2023.

Siverek Municipality

We are also proud to have won another tender in 2022, with the Siverek Municipality for the construction, installation, and operation of a 1,147 MWp electricity production power plant within the scope of a 5-year income sharing model tender. With the SPP planned to be installed, we expect to provide an annual reduction of 1,144 tons of CO₂ emissions.

Afyon Cement Facility

We are committed to reducing CO₂ emissions and are excited to have made an agreement with Çimsa for the construction of a 3.4 MWp solar power plant at Afyon Cement facility. With the SPP planned to be operational in 2023, Çimsa is expected to reduce its CO₂ emissions by 2,293 tons per year.

Sabancı University GES Power Plant

We are delighted to have the installation of the Sabancı University assembly GES power plant, which has an additional GES capacity with 1.2 MWp and Uşak Ceramics and 18.6 MWp lands, accepted in 2022. After these power plants are commissioned, we expect a total reduction of 19,350 tons of CO₂ emissions.

Energy Efficiency Applications



We provide our customers with tailored solutions and put them into practice using our technological know-how.

We take pride in creating alternative energy efficiency solutions that focus on the needs of customers. With the Energy Performance Contract (EPC-Energy Performance Contract) model, our primary focus is on providing energy-efficient applications, particularly in the fields of waste heat recovery, heating, ventilation, air conditioning (HVAC), pressurized systems, electric engines, and lighting.

In order to find viable solutions that help optimize the consumption of energy, we think that conducting energy audits of facilities is important. In light of this, we provide our customers with tailored solutions and put them into practice using our technological know-how. Additionally, we finance all or a portion of the investment and develop a payment model based on the Energy Performance Contract Model's anticipated savings. Our objective is to ensure that the upgraded or replaced equipment operates as intended. This way, we can achieve a performance-guaranteed saving for our customers.

Lighting Conversion Projects

We at Enerjisa Enerji are dedicated to enhancing our customers' energy efficiency through LED conversion projects. By the end of 2022, we will have successfully converted 30,300 fixtures from conventional to LED using the EPC model, saving a total of 8,200 MWh of energy and lowering CO₂ emissions by 4,560 tons.

We used the EPC model to convert 10,600 fixtures to LED in 2022 alone, saving 2,820 MWh of energy and lowering CO₂ emissions by 1,565 tons across 18 projects. We are pleased to announce that in 2022, the lighting upgrades at 7 Teknosa stores and 11 Carrefoursa hypermarkets in various parts of Türkiye were completed. We increased brightness and reduced electricity use for lighting, which made the work environment more comfortable for employees and customers. As a result,

Teknosa stores saved a combined 140 MWh annually and cut 80 tons of CO₂ emissions, and Carrefoursa stores saved a combined 4,300 MWh annually and cut 2,400 tons of CO₂ emissions.

We were able to complete the lighting conversions in the 3M factory as an industrial facility in addition to the Sabancı Group, preventing 100 tons of CO₂ emissions and saving 180 MWh of electricity. We take pride in having contributed to raising awareness of energy efficiency and lowering the carbon footprint of our customers.

Process Efficiency Projects

In partnership with Brisa, a company in the Sabancı Group, we have successfully conducted a project to lower natural gas consumption by recovering waste heat with the use of heat recovery equipment in 2022. The project is anticipated to reduce annual natural gas energy use by 107,300 m³. In order to decrease the amount of natural gas used by Brisa's factories in Aksaray and İzmit in 2022, we have also signed agreements for heat pump projects in both locations. The projects, which are scheduled to be put into operation in 2023, are anticipated to yearly save a total of 5,044,000 m³ of natural gas energy. We intend to enhance the number of EPC-based energy efficiency projects for industrial processes in 2023 and beyond as part of our commitment to customer-oriented alternative energy efficiency solutions.

Green Energy Certificates



Green Energy Certificates

We offer our customers the opportunity to reduce or offset their greenhouse gas emissions resulting from their electricity consumption by two types of certificates. These certificates can be obtained from accredited organizations with international validity and can be reported transparently. We believe that green energy is crucial in combating climate change and is generated from renewable energy resources.

Renewable Energy Certificate (REC)

The Renewable Energy Certificate represents our customers' property rights to the environmental, social, and non-power properties of the renewable electricity energy. It is a market-based instrument that certifies the owner of one (1) MWh of electricity generated from a renewable energy source and delivered to the grid.

Carbon Reduction Certificate

We provide our customers the Carbon Reduction Certificate, which is a standardized credit that can be owned and traded by real or legal persons, including businesses and plants that generate energy from renewable energy resources. This certificate, which is expressed in metric tons of CO₂, offers our customers a practical opportunity to offset the carbon emissions resulted from their consumption of energy.

We pride ourselves on employing green energy in our headquarters, customer service centers, and distribution centers since we are dedicated to environmental sustainability. In reality, we began providing and selling green energy in 2019 that has been approved by internationally accredited organizations, and we will continue to do so through 2023 as we offer energy from power plants that generate electricity from renewable sources.

To expand our renewable portfolio volume, we signed bilateral agreements to supply electricity directly from power plants that generate energy from renewable energy resources, which resulted in a total volume of 967,000 MWh of electricity supplied from renewable energy resources through these agreements in 2022.

Additionally, in 2022, we sold 480,000 MWh of green energy certificates for eligible customers, using these certificates to supply renewable energy for our own facilities.

YES Blockchain Project

We implemented the YES Blockchain project in 2022 to make it simpler for our customers to access our green energy services. This project used blockchain technology to connect renewable energy producers and consumers on a platform and provided hourly detailed traceability of production and consumption data.

In 2023, we aim to supply a part of the energy from renewable resources in our sales to eligible customers, as we continue to lead the way in promoting sustainability in the energy sector.

Cogeneration and Trigeneration Solutions

To drastically lower overall energy costs and carbon emissions, we provide turnkey projects for cogeneration (CHP, or combined heat and power) and trigeneration (CCHP, or combined cooling, heat, and power) systems. We are dedicated to offering our customers financial solutions that lessen the burden of investment.

At Sabancı University, Hilton Adana, and Hilton Ankara locations, we have installed cogeneration and trigeneration plants with a combined installed capacity of 3.8 MWe. These plants have a high level of efficiency, and we predict that over the course of ten years, they will avoid emitting more than 30,000 tons of CO₂.

Energy Monitoring

We provide our customers in the energy industry with a 360-degree solution collaboration, combining all of their needs under one roof. Our Energy Monitoring & Management Platform enables our customers to monitor their businesses in real-time from energy generation to consumption and transform their data into useful information. It is outfitted with Internet of Things (IoT) infrastructure and innovative Artificial Intelligence (AI) methods.

With the help of our platform, customers may control the amount of energy used by their single- or multi-locational businesses. We offer comparative reporting between sites, device-based usage monitoring, and location-specific energy cost management.

We handle every step of the Platform implementation process, from determining our customers' needs during site visits to their businesses' providing the necessary equipment and software support, managing the installation and commissioning procedures, and handling routine maintenance and software and equipment repair services. We support our customers throughout every stage of the contract.

E-MOBILITY: EŞARJ

For a low-carbon environment, we think that encouraging the use of highly effective electric vehicles is essential. We actively investigate business opportunities in innovative sectors like electric vehicle charging stations, electricity storage systems, smart home technologies, and systems that help consumers to generate their own electricity as part of this mission.

In order to do this, our subsidiary Enerjisa Müşteri Çözümleri A.Ş. purchased an 80% stake in Eşarj Elektrikli Araçlar Şarj Sistemleri A.Ş. (Eşarj) in 2018, making it the company's controlling shareholder. Then, in December 2021, we acquired a further 14% minority stake in Eşarj, bringing our total ownership to 94%.

Our acquisition of Eşarj is intended to create a nationwide network of charging stations and an operating system that offers charging solutions with a broad product range to all customers throughout



Barış ALTINAY Eşarj-General Manager

With Eşarj, it is planned to provide charging solutions with a wide product range to all customers across the country by establishing a national charging station network and operating system. Eşarj aims to contribute to Turkey's infrastructure quality, accelerate the transition to ultra-fast charging stations, and further increase its contribution to green transformation with solar/battery integrated systems.

As of the end of 2022, Eşarj is Turkey's first and fastest electric vehicle station network with 788 charging sockets at 422 points, 520 of which are fast charging sockets. In addition, as of July 2020, the Company has documented the electricity used for charging in all its public stations with the International Renewable Energy Certificate (I-REC) and the Renewable Energy Source Guarantee System (YEK-G), thereby contributing to reducing carbon emissions with its expanding network. In this context, the company has reduced the amount of carbon that a forest of approximately 15,000 trees can neutralize with the energy it provided for Electric Vehicles in 2022.

the nation. Eşarj wants to improve Türkiye's infrastructure, hasten the switch to ultra-fast charging stations, and increase its support for the green transformation with integrated solar and battery systems.

By the end of 2022, Eşarj will have Türkiye's first and fastest network of electric vehicle charging stations, with 788 plugs 520 of which are fast charge units at 422 public locations. Additionally, with an expanding network, Eşarj increases its contribution to reducing carbon emissions because the electricity used for vehicle charging at all of its public stations has been awarded the International Renewable Energy Certificate (I-REC) as of July 1, 2020. We are proud to be a part of this effort to promote sustainable transportation and help reduce carbon emissions.

E-mobility Market

We are pleased to witness the rapid growth of the e-mobility market in Türkiye, which has revolutionized the automotive, fuel, and infrastructure industries. We fully support Türkiye's goal of creating a carbon-neutral ecosystem by 2053, as well as the pledge to have all new automobile and van sales consist of zero-emission vehicles by 2040.

We believe that the Turkish e-mobility market will evolve from early development towards a developed market structure in the upcoming period. As of year-end 2022, the electric vehicle park in Türkiye exceeded 11,500 vehicles, and the market is expected to generate exponential growth in the coming years. The Ministry of Industry and Technology forecasts between 1.5 million to 2.5 million electric vehicles on the roads in 2030.

Energy Monitoring

We recognize that sound and rapid development of the charging station infrastructure is crucial to support the growth of the e-mobility market and enable widespread adoption of electric vehicles.

In Türkiye, there is a plethora of domestic and foreign brands manufacturing and selling passenger cars, buses, minibuses, trucks, tractors, and boats running on 100% electric power. Based on the future projections of these brands, it is evident that sound and rapid development of the charging station infrastructure tops the roster of priorities and critical considerations. Numerous domestic and international brands produce and market 100% electric-powered passenger cars, buses, minibuses, trucks, tractors, and boats in Türkiye. We recognize that sound and rapid development of the charging station infrastructure is crucial to support the growth of the e-mobility market and enable widespread adoption of electric vehicles.

Eşarj's Objectives

- To utilize a national station network and operating system to offer all users in the nation customer experience-focused charging solutions,
- To provide technical, administrative, and legislative support for infrastructure work,
- To meet a variety of charging unit needs with a broad product range,
- To add charging points where investors and customers have asked for them.

Eşarj's Vision

- To provide technology-focused e-mobility solutions with its aim of developing a sustainable, innovative, environmentally friendly, and electrified future,
- To maintain a high standard of quality for both products and services and to meet consumer expectations,
- To ensure product and solution diversification with a technology and software-focused strategy,

- To safeguard the environment and ensure that strategies for lowering carbon emissions are widely adopted,
- To aid in the country's efforts to reduce its economic and strategic reliance on energy imports.

Eşarj's Revenue Areas

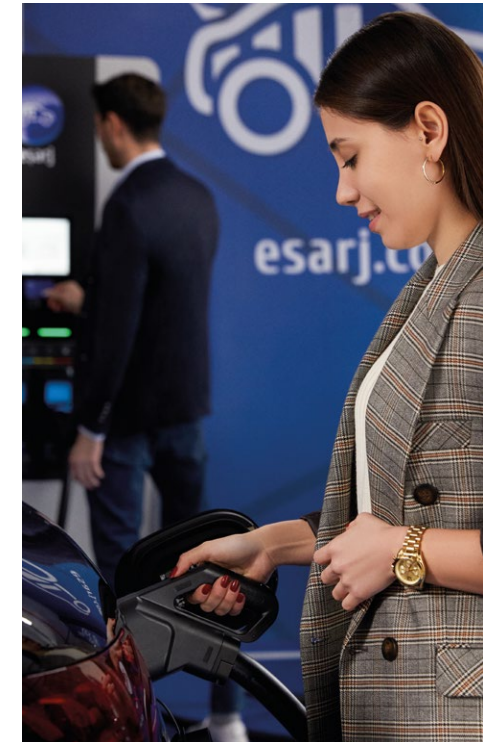
- Providing electric vehicle users with charging options at publicly operated Eşarj stations,
- Testing, training, commissioning, and installation of residential and commercial charging stations,
- Providing post-purchase maintenance, repair, and technical support at charging stations in homes, workplaces, and public and private spaces,
- Creating platforms and software solutions to service a variety of industrial players.

Below is a summary of significant developments for 2022:

- "Charging Service Regulation" by EMRA was made public in the official gazette. A 49-year operating permit for a charging network operator was received by Eşarj Elektrikli Araçlar Şarj Sistemleri A.Ş. from EMRA.
- An announcement for a fast-charging station grant call for electric vehicles was made by the T.R. Ministry of Industry and Technology. As a result, it was announced that TL 300 million would be the total grant to be given for the installation of 1,560 charging stations across 81 provinces. An additional 20% grant support was provided for units of 120 kW and higher, as well as a further 20% support if the charging units had a minimum of a 25% domestic product certificate. Up to 60% grant support for machinery and equipment was also

announced. The maximum support rate for the entire investment was set at 75%, while the maximum support rate for the grant was set at TL 250,000. In the event that infrastructure was required, up to TL 30,000 in machinery and equipment support for the distribution transformer was given.

- In accordance with the "Fast Charging Stations for Electric Vehicles Program" launched by the Ministry of Industry and Technology, Eşarj was granted permission to set up 495 high-speed charging stations in 53 provinces to develop the charging infrastructure for electric vehicles in Türkiye.



Energy Monitoring

We are proud to have completed installations at both dealer parking lots and other Stellantis businesses, which will enable us to provide an accessible and public charging network for both our customers and Stellantis customers.

Stellantis Collaboration

We are excited to share recent cooperation agreement with Eşarj and Stellantis, a leading global automobile manufacturer and mobility provider. This agreement covers over 200 stations, including the automotive dealers of Peugeot, Citroën, Opel, and DS brands in 43 cities throughout Türkiye, as well as the Eurorepar Car Service points, which offer maintenance and repair services to all vehicle brands under the Stellantis roof. We are proud to have completed installations at both dealer parking lots and other Stellantis businesses, which will enable us to provide an accessible and public charging network for both our customers and Stellantis customers. As a company that offers tailor-made solutions to our customers, we are excited about this partnership and the benefits it will bring to the e-mobility market in Türkiye.

Kadoil Collaboration

We are excited to inform you that through a collaboration agreement with Eşarj and Kadoil, which provides fuel and LPG to its customers through more than 600 dealers across Türkiye, we have expanded our service network. Through this agreement, we hope to provide more electric vehicle users across the nation with 100 charging stations spread across 50 cities.

Additionally, the change to the regulations regulating charging services has made it possible for us to enter into a loyalty agreement with vehicle users, which entitles them to charge services at a discount of up to 20%. In addition to giving our customers additional affordable charging choices, we think that doing this will inspire more drivers to transition to electric vehicles.

Automotive Brand Collaborations

We have worked with Citroën Türkiye (ë-C4), Peugeot Türkiye (e-2008), and Opel Türkiye (Corsa-e and Mokka-e) to give our customers who buy these electric vehicles a wall box and a year of free charging at Eşarj locations. This service, which costs TL 20,000, is adequate for a user who travels approximately 15,000 km annually on average. We delighted in the fact that our participation covers 12.5% of the total cost per vehicle.

Visa Collaboration

In an effort to give our customers a better digital payment experience, we have set up Visa's new generation card storage infrastructure, called "Visa One Click Payment," at all Eşarj stations that are accessible to the general public. With this partnership and the updates to our mobile application, we hope to provide users with

user interfaces that are comfortable, safe, simple, and smart as well as infrastructure that is integrated with modern devices and technologies. In addition, we anticipate a rise in the volume of transactions. We are dedicated to growing this partnership through various customer campaigns.

Eşarj and CarrefourSA Electric Vehicle Charging Station Collaboration

Eşarj have expanded our collaboration with CarrefourSA, one of the leading supermarket chains in Türkiye, to establish charging stations at their parking lots. In 2022, we installed DC charging stations at 8 new points, bringing the total number of collaboration locations with CarrefourSA to 11.

Brisa Collaboration

Through Eşarj's cooperation with Brisa, the number of charging stations we have established throughout Türkiye has increased to 27, with 16 new charging stations installed within the year.

Hilton Collaboration

As a result of Eşarj's partnership with Hilton, the number of charging stations we have established throughout Türkiye has increased to 8, with 4 new DC charging stations installed in 2022.

Innovation

We can investigate new options and maintain an advantage over the competition thanks to our systematic innovation approach.

To achieve improved efficiencies and acquire strategic insights, we think that advanced analytics data analysis is crucial. We can forecast issues, take proactive measures to address them, and respond quickly and securely to power outages by remotely supervising field personnel.

With the goal to lead the New Energy World, we are dedicated to investing in innovation. We can investigate new options and maintain an advantage over the competition thanks to our systematic innovation approach. We have created an Innovation Department that concentrates on the corporate ecosystem and forges strong partnerships to foster an innovation culture throughout our company.

OPEN INNOVATION

We actively participate in open innovation activities by collaborating with technology start-ups, technology development zones, companies, and universities. Our main objective is to create value by leveraging the innovative ideas of these partners in our business areas.

Collaborations with Technology Startups

We have developed three different collaboration models with start-ups to achieve this goal:

1. Working with start-ups to develop new products or services that can be used in our business areas, taking advantage of their knowledge and agility in their areas of expertise.
2. Expanding our portfolio with innovative start-up products and services and make them available to our customers, establishing a direct line of communication between the product and the customer.
3. Investing in promising start-ups to support their growth and development.

Global Collaborations

We prioritize providing new technologies to corporate and mass retail customers in order to accelerate their digitization processes and provide them with innovative product and service offerings. In this context, we collaborate with acceleration programs that host start-ups globally and engage in joint projects with businesses operating in related industries throughout the world, particularly in Europe and North America. In this regard, we have a cooperation agreement in place with the Silicon Valley-based global innovation platform Plug and Play. We intend to expedite information and experience sharing within the ecosystem as part of the collaboration in question, opening doors for projects, partnerships, and investment opportunities.

Local Collaborations

Cooperation with the Entrepreneurial Institutions Platform was created in 2022. Studies were started within the framework of the platform to learn from the founders of successful in-house entrepreneurship projects, connect with innovation executives and companies from member institutions that have been organizing intrapreneurship for many years, and share best practices and development ideas. Additionally, a sub-community within the platform was created for entrepreneurs who are in the incubation stage.



Tümay SOLAK HR PMO Process Leader

We hold a pioneering position as the founding partner of the Smart City Vertical in Türkiye through our collaboration with Plug and Play. In 2023, we will be exploring ventures in eight different thematic fields. We have already completed three of them, and in addition, we will be organizing two focus weeks to explore specific areas of interest.

In conjunction with Plug and Play, we have conducted an extensive discovery process, evaluating over 100 startups operating in various sectors. As a result, we are conducting in-depth evaluations of five promising ventures, namely Enline, Orxagrid, Next Energy, Enkoat, and AEInnova. These startups specialize in Smart Grid solutions, Distributed Generation Technology, and Energy Efficiency.

To ensure the success of these collaborations, we are implementing a comprehensive pilot work and investment process. This process allows for a detailed assessment of the feasibility and effectiveness of the innovative solutions offered by these ventures. We are actively engaging with these ventures, aiming to explore potential investments and opportunities for broader implementation. Through these initiatives, we are demonstrating our commitment to driving meaningful change, promoting growth, and fostering innovation within the energy sector.



Innovation

For nine years, our intrapreneurship and innovation program, Nar, has been compiling creative ideas. Within the framework of the annual theme, the program offers a platform for employee development and implementation of innovative ideas.

Collaboration with Universities

We have been working together with İTÜ Çekirdek, the incubator of İTÜ Arı Teknokent, since 2017 as one of the key stakeholders. In this context, the following initiatives chosen from among the companies that advanced to the finals at the Big Bang event held on December 8, 2022, received grant funding totaling TL 200,000:

Eyes of Solar: Artificial Intelligence-enhanced LED Lighting Fixture

Energymint: In the event of future global energy crises, Energymint, a smart energy management system based on machine learning for the most effective user-specific energy management, will be among the leading user-owned solutions.

CORPORATE ENTREPRENEURSHIP AND INNOVATION PROGRAM: NAR

Our innovation strategy supports employee involvement. For nine years, our intrapreneurship and innovation program, Nar, has been compiling creative ideas. Within the framework of the annual theme, the program offers a platform for employee development and implementation of innovative ideas. After completing training in both theoretical and practical aspects of entrepreneurship as well as design-oriented thinking as part of the accelerator program, intrapreneurs are onboarded to the incubation phase.



The year-specific theme “Developing Innovative and Commercializable Products, Services, or Business Models conducive to End-to-End Improvement” generated 191 suggestions from our employees in 2022. Six ideas were accepted at the online accelerator phase of the eighth term of Nar. The appropriate teams then finished their boot camp entrepreneurial training and coaching sessions. At the Investment Day event held in September 2022, the final jury composed of members of the R&D and Innovation Committee noticed online presentations from the six teams selected to continue. The approval of all six projects was granted. The implementation of a minimal product application development, user and field testing, and the computation of fundamental marketing KPIs for those ideas that obtained a positive assessment at the Nar Investment Day were all part of the 12-week studies with idea owners. As a result, the Go Live event was deemed appropriate for 5 initiatives.

The following initiatives have been endorsed within the framework of the NAR Program:

- Automatic Meter Breaking Opening System (Otomatik Sayaç Kesme Açma Sistemi)

Only by installing a contactor can the automatic meter reading system panels be remotely cut or opened using the Automatic Meter Breaking Opening System (AMBOS).

- My Mobile Energy (Mobil Enerjim)

MIOTE is a maintenance assistant powered by artificial intelligence that continuously learns. It keeps an eye on your electrical appliances and looks for anomalies. It instantly offers the end user with efficient maintenance schedules and consumption of energy via the web and mobile application.

Innovation

By offering initiatives and business development opportunities, we hope to strengthen the Turkish technology startup ecosystem through Revo Capital Fund II investment.



- I'm here – Defect Metering Relay (Buradayım – Arıza Metraj Rölesi)

A relay that can locate point faults in energy transmission lines and operates on the electromagnetic wave theory.

- My Warranty is You (Garantim Sensin)

A digital application for tracking warranties that includes documentation and an alert system makes it possible to handle product warranties on a single platform and provides swift access to warranty services.

- Organic Vehicle (Organik Taşıt)

Short-distance travel, fast and simple deliveries, and cargo are all possible uses for the solar-powered electric bicycle known as the Organic Vehicle.

The following projects have been approved, and work on them is still ongoing, as part of the 7th Nar Program, which completed in 2022:

- Metaoda

It is a climate change concept gamification project based on virtual reality that unites us with younger generations on the same platform, allowing us to pass on our understanding of climate change and sustainability to new generations and giving them the chance to learn through experience. Enerjisa's quarterly Voices Among Us gathering took place in the metaverse universe as part of the project. Participants in this closed-circuit event in a virtual world built their own avatars and engaged with a projection of the metaverse.

- Smart Screw in Cutting (Kesmede Akıllı Vida – KAVİ)

Electricity meters with the Smart Screw in Cutting (SSIC) application ensure that illegal electricity use due to a damaged seal is prevented. 57 operation centers belonging to our distribution companies are actively using the application as part of the project. As a result, we encourage the expansion of the campaign against illegal electricity use in the areas served by our distribution companies and we make a significant advancement in our customers' payment options.

- TopraklaSA

This technology eliminates the requirement for pole climbing and the use of a bucket vehicle during the local grounding process, assisting the project to reduce occupational health and safety (OHS) risks. An application for the EMRA R&D Fund was submitted and approved as part of this project.

A contract has been made with the supplier in this procedure, and work is being done in accordance with the project plan.

- Life Curtain (Can Perdesi)

This product will prevent life and property losses and lower OHS-related dangers. It can cover pits and trenches and is portable due to its foldability. Application for EMRA R&D Fund made within the parameters of the project was approved. A contract has been made with the supplier in this procedure, and work is still being done within the parameters of the project plan.

VENTURE CAPITAL FUND INVESTMENTS

We assess venture capital fund investments in order to have a say in the entrepreneurial ecosystem as investors, to have access to the latest technologies, fresh ways of conducting business, and ground-breaking products, as well as to learn more about the venture capital investment process.

We hold a stake in Revo Capital Fund II in this situation. The International Finance Corporation (IFC), European Bank for Reconstruction and Development (EBRD), European Investment Fund (EIF), and German Development Finance Institution (DEG) are among the fund's investors, and its size has surpassed EUR 90 million. By offering initiatives and business development opportunities, we hope to strengthen the Turkish technology startup ecosystem through this investment.

Innovation

R&D Projects Investment Amount

10.9

Million TL

As part of our goal to lead the New Energy World using innovation, we collaborate with universities on R&D projects.

R&D

Our R&D unit, which runs various projects focused on developing new products, systems, or designs, closely follows technological advancements in the energy sector. The unit focuses on researching the best practices worldwide regarding the distribution network and developing solutions unique to Türkiye with local resources. The main areas of work for our R&D unit include renewable energy sources for a sustainable future, electric vehicles, microgrid and storage systems, Internet of Things, information and communication technologies, artificial intelligence, big data, and cybersecurity.

Our R&D projects are financed through both local and foreign resources. In projects where the EPDK R&D fund is the main source of funding, resources from the European Union Framework Programs, ITEA, and EUROGIA are also used. In 2022, we spent approximately 10.9 million TL on projects supported by the European Union Framework Programs, TÜBİTAK, and the EPDK R&D fund.

Our R&D and Innovation Committee operates under the leadership of our CEO and includes top-level executives from all business units as decision-makers and guides. The R&D and Innovation Committee is a structure where opinions from different expertise areas are blended during the process of implementing new products, services, or projects. We select R&D projects considering internal needs and expectations, our strategic goals, and international R&D developments. As the outputs of our R&D work are also shared with the EPDK, they have the potential to influence future legislation.

As part of our goal to lead the New Energy World using innovation, we collaborate with universities on R&D projects. Our collaborations with Middle East Technical University (METU), Özyeğin University, Istanbul Technical University (ITU), Sabancı University, Osmangazi University, and Sakarya University continued in 2022.

As we hold a leading position in the sector with our R&D projects, we serve both in the management and technical evaluation committee of the EUROGIA 2020 cluster, operating in the field of energy under the umbrella of the International R&D Support Program EUREKA. Our CEO, Murat Pinar, is the president of the cluster.

The R&D projects we conducted in 2022 are as follows:

Microgrid Management and Control

Methods: The fundamental building blocks of microgrids consist of a renewable energy source, storage systems, loads, and a microgrid management system that designs the relationship between these three elements. Initiated in 2019 with local resources and support from the EPDK R&D fund, the project has successfully implemented microgrid control hardware and management software in 2021. The system was observed to be able to physically control the power coming from renewable sources and the grid as “disconnect from the main grid,” “engage the load,” and “store power.” Moreover, the tested system can successfully store and analyze the data it obtains on a remote server. Benchmark and test work for the developed system have been completed in

Denmark. The second phase of the project has been structured to turn the prototype into a product and has won a “label” from the Eurogia cluster.

Development of a Local Recloser:

Reclosers are equipment that automatically re-energizes the network in the event of temporary faults occurring on radial lines, especially in rural areas, ensuring supply continuity. Unlike other medium voltage equipment, there is no local production of reclosers, and due to their high costs, distribution companies cannot use reclosers despite their substantial need. As part of the project supported by the EPDK R&D fund, both an overhead line breaker and a control panel have been produced for a local and affordable recloser. Three reclosers, whose type tests and factory acceptance tests have been successfully completed, have been installed in Başkent, Ayedaş, and Toroslar regions. The product, which successfully passed CESI certification tests, has also received a local product certificate. Dissemination efforts for the project are ongoing.

Double-Storey Transformer Center

Design: One of the biggest problems in the distribution sector is securing space for transformer installation. In this project, with the support of the EPDK R&D fund, a smaller and double-storey transformer center design was created to solve the location problem of transformer centers. The ICMED tests of the multi-storey transformer system were successfully completed, and field installations were carried out.

Innovation

Improvement of Energy Quality and Efficiency with Sensor and Monitoring Software Production for High Voltage Overhead Lines:

The aim of this project, carried out with the EPDK R&D fund, is to establish a domestically produced Energy Monitoring System that can be installed on overhead lines for the purpose of analyzing electricity use, identifying losses and leaks, and pinpointing illegal usages. It is aimed to determine intervention points by monitoring the current load profile drawn by the consumer from the line in real time with measurements taken from 3 phases, and analyzing sudden load losses caused by consumers. The project will be completed at the end of 2022 with installations made in 10 different facilities.

Anomaly Detection on Energy

Transmission Lines-Vis-Inspect: For ensuring energy continuity, it is crucial to carry out repair and maintenance processes most efficiently. Additionally, reporting of fault-maintenance data for network inventories within the scope of the maintenance instruction manual and photographing deficiencies are also important steps. The Vis-Inspect Project, supported by the EPDK R&D fund, was initiated in July 2021 to improve these processes. Within the project, data obtained from the network inventory on the fault and maintenance route were collected using on-vehicle cameras, and rural data were

collected with drones. This data has been given meaning using image processing technology. This meaningful data can be viewed on a web-based platform developed within the project. Thus, it provides input to maintenance plans. The project was completed in August 2022.

National Smart Meter Systems: The project is being carried out with the support of the EPDK R&D fund under the coordination of ELDER, with the participation of 21 distribution companies. In line with the needs of smart city and smart grid transformation, it is aimed to determine the requirements of meters and modems and their communication systems with suitable technology, and to establish a local system with optimal features accordingly. The project, which started in 2020, continued in 2021 and 2022 with the development of meter and modem prototypes. Pilot studies were carried out in

2022 and a user-friendly mobile application was developed. System integration studies are ongoing.

Next Generation Network Design Project (Energy Transmission Lines):

The project aims to make line designs suitable for the next generation network design and to offer suggestions to decision-makers about the necessary regulatory changes, in order to solve problems related to distribution elements, primarily energy transmission lines, which all distribution companies encounter. The project is being carried out with the support of the EPDK R&D fund and the participation of TEDAŞ, ELDER, and 21 electricity distribution companies, under the leadership of Toroslar EDAŞ. The aim of the project is to design and ready for production poles suitable for next-generation network design. As part of the project, lines with different features in 3 regions are being examined and modeled.

Also, emergency poles made of composite materials will be designed to replace poles that collapse in snow disasters. At the end of the project, certain poles will be redesigned and included in the TEDAŞ legislation.

HASAT-2

HASAT Phase-2 project is carried out with the participation of 15 EDAŞs, which includes the field applications of the HASAT Phase-1 project, where methods to ensure energy efficiency in the electricity distribution sector are identified. Within the scope of the project, studies have been conducted on transformer energy efficiency, the use of distributed production in energy efficiency, LED conversion in general lighting, and energy efficiency awareness index. A web-based platform has been developed that can calculate transformer losses under the scope of transformer energy efficiency, recommend transformer changes to minimize these losses, evaluate this analysis in terms of cost-benefit and reciprocity, and extract data directly from distribution companies. The product developed in this project received the first prize in the University-Industry Cooperation Category at the 2022-2023 Academic Year opening ceremony. Our Mobile Microgrid (RECON) that we developed under the title of distributed production as Toroslar EDAŞ is used to reduce line losses in remote end units. The product, based on plug-and-play philosophy, instantly converts remote end units into microgrids and provides uninterrupted power with entirely clean energy sources.



Innovation

ISG-GOR project is a project worked with two different image processing technology initiatives, where the checks and reports of certain instructions are automated.

ISG-GOR

Enerjisa distribution companies have been using the video confirmation system for many years to reduce accident risks in field operations. Within the scope of this system, certain OHS (Occupational Health and Safety) instructions are followed with instant live images, and the remaining instructions are controlled by watching recorded images. Noncompliances are detected by watching these images, and the training program of the relevant staff is tightened. In this way, it is aimed to minimize the risk of accidents. However, recording an average of 500 hours of images every day requires a lot of effort to watch these videos the next day and report them. ISG-GOR project is a project worked with two different image processing technology initiatives, where the checks and reports of certain instructions are automated. The project aims to minimize the efforts of watching videos and to detect non-compliances with artificial intelligence-based image processing algorithms in images that are hard to detect with the human eye.

Voltbreak:

MCBs (Miniature Circuit Breakers) are the most used materials in the distribution network. MCBs generally have mechanical parts. In the VOLTBREAK project, it is planned to develop a circuit breaker designed entirely with solid-state circuit elements. Voltbreak will have the

capabilities of real-time voltage reading at frequent intervals, remote access/ adjustability, cutting the circuit without creating an arc, preventing voltage fluctuations, and limiting consumption, unlike conventional circuit breakers. The project that started in 2022 will continue in 2023.

TopraklaSA:

The grounding process on aerial lines is performed separately for each phase by climbing the pole with bucket trucks. The TopraklaSA project will introduce a grounding system that is easy to carry, can be implemented without climbing the pole, and can be used even in challenging terrain conditions where bucket trucks cannot enter. The product to be designed will have a structure that can rise with a mechanical cycle when placed under the line. With TopraklaSA; it is aimed to provide intervention opportunity in all conditions, minimize OHS risks, use time and budget more effectively, and reduce SAIDI-SAIFI values with shorter outage times.

Mechanical Voltage Regulator:

The aim of the project is to develop a completely mechanical system that does not use any electronic materials to prevent voltage fluctuations caused by irrigation in the summer and heating in the winter, especially in the Toroslar Region. With this study, it is aimed to reduce maintenance,

repair, and labor costs, and to prevent problems arising from voltage fluctuations in the applied region. The project is a 15-month project and it is planned to disseminate the product resulting from the project. There is no product similar to the product to be developed on the market.

Smart Laboratory:

The aim of the project is to prepare a feasibility study for the establishment of a test field and laboratory where all distribution companies can test the equipment, techniques, and technologies used in smart grids and microgrids. The project involves researching examples from around the world (CESI, KEMA, ICMET, etc.), investigating the test arrangements, test methods, accredited tests they use, and determining the requirements for a laboratory that can meet our country's needs. The project, which started in 2022, will continue in 2023.

3rd Party Damage Tracking:

This project, which started in 2022, aims to develop a protection device that will be mounted at the entrance points of the building to prevent device damage in customers. This device will cut the circuit when the voltage level exceeds the limit values and restore power when the voltage level returns to normal. This device will also record data related to supply continuity (SAIDI, SAIFI).

Innovation

NOCA Project is being carried out with the participation of 21 distribution companies and coordinated by ELDER.

In the distribution network, the phase-neutral voltages can exceed the required values due to the breaking of the neutral conductor or accidents that occur in the excavation works of different institutions. Therefore, electrical devices used by customers can be damaged. This problem negatively affects customer satisfaction and causes significant costs to distribution companies when considering the compensations paid. The device to be developed within the scope of the project aims to prevent these problems.

Digital Maturity Project:

This is a project being carried out with the participation of 21 distribution companies and coordinated by ELDER. It aims to evaluate the current digital maturity of the sector, identify the investment needs necessary to increase its digital maturity, and create a development roadmap specific to each distribution company, their region, and strategy.

Within the scope of the project, the digital maturity levels of 21 distribution companies will be determined, and taking into account the current geographical location, customer portfolio, the status in quality parameters and investment budget of each distribution company, a development roadmap will be prepared to reach the target determined for that company or group of companies on different axes.

NOCA:

This is a project being carried out with the participation of 21 distribution companies and coordinated by ELDER.

With the Noca Codeless Application Development Platform Project, it is aimed to implement a codeless application development platform where web and mobile applications can be easily made using visual tools without needing traditional programming skills, with a drag-and-drop method.

All the tools needed to develop codeless software will be gathered under a single platform umbrella within the scope of the project.

With the project, distribution companies will gain agility in new applications they will develop to easily update their old systems, integrate process innovations, or strengthen their operational processes within the scope of digital transformation projects.

Momentum Entrepreneurship Acceleration Program:

The “Momentum Entrepreneurship Acceleration Program” was launched by Enerjisa R&D unit in 2020 with the aim of producing solutions to current problems faced by the energy sector and making these solutions available, developing easy-to-implement and scalable technologies, and contributing to the formation and growth of next-generation ventures. Aiming to support impactful ventures in the energy sector, the Program brings together ventures with Enerjisa distribution companies, helping ventures overcome the challenges they face in the process between the prototype product and commercialization, while addressing current problems and future opportunities.



Innovation

In 2022, the third term of the Momentum Entrepreneurship Acceleration Program received 68 venture applications, internal unit meetings were held with 45 ventures, and technology verification studies were successfully completed with 11 ventures. The ventures accepted into the proof-of-concept (POC) process in 2022 are listed below:

Venture Name	Project Phase	Project Definition	Impact Area
Seatech	Technology Verification	Elimination of the problem caused by the inability to match faults coming from different sources (Scada, 186), ensuring that a single team is sent to the area by identifying the same faults.	Improvement of fault processes Process optimization
Bomensoft	Technology Verification	Measurement of the approach distance of the vegetation using images obtained from drones.	Digitalization of the process Input to maintenance plans
NFTTeam	Technology Verification	Investigation of NFT applications in the energy sector.	Roadmap development New process
Servissoft	Technology Verification	Detection of anomalies by analyzing data obtained from meters.	Digitalization of the process Optimization Reduction of loss and theft rate
The Clico	Technology Verification	Autonomous analysis and reporting of customer complaints.	Improvements in customer satisfaction surveys Digitalization of the process Material technologies
Numondial	Technology Verification	Measurement of oil quality and status in the transformer to prioritize maintenance.	Reduction of loss and theft rate Improvement of customer satisfaction and cost reduction by preventing interruptions caused by transformer failures
Binary Labs/Kozalak	Technology Verification	Protection of distribution inventories with early detection of forest fires in forested areas.	Digitalization of the process Contribution to sustainability Reduction of fault and maintenance costs
Wyseye	Technology Verification	Protection of distribution inventories with early detection of forest fires in forested areas.	Digitalization of the process Optimization
Lena	Technology Verification	Digitalization of the process of fault categorization and automatic transmission of inventory needs lists specific to faults to field personnel, and associated communication of information to the warehouse and headquarters.	Material technologies Process optimization
Hummingdrone	Technology Verification	Detection of whether pruning work for new energy transmission lines to be established in forest areas is done in accordance with the project using drone images.	Digitalization of the process Resource optimization Remote supervision
Optiyol	Technology Verification	Transfer of the work order to the most suitable field team by performing route optimization.	Improvement of fault and maintenance processes Increase in customer satisfaction as a result of rapid response to faults

Data Security

Maintaining the confidentiality, integrity, and availability of the data we gather, and process is our key goal in terms of corporate information security.

We are aware that because of the digitalization process, the amount of data we handle, send, and store is increasing quickly. As a company that offers a public service, we believe it is our duty to follow all applicable legal requirements to provide the highest level of security and confidentiality for the data of our customers. So, in order to ensure data security, we carry out the procedures and actions outlined in our corporate policies and guidelines.

Maintaining the confidentiality, integrity, and availability of the data we gather, and process is our key goal in terms of corporate information security.

Information Security Management Policy

As Enerjisa, we view all the data that we gather, analyze, and present using a variety of techniques and that belongs to us and our stakeholders as essential resources. We take the highest precautions to protect this data. As a result, we successfully implement the Corporate Information Security Management System at our Company within the parameters of the ISO/IEC 27001 Information Security Management System standard.

The basic goal of corporate information security is to guarantee the availability, confidentiality, and integrity of the data that we collect and process. The primary objective of corporate information security is to prevent potential material and intangible losses that may have an impact on us or our stakeholders, to identify these losses rapidly if they do occur, and to minimize the potential ramifications by designing, operating, and monitoring our processes, as well as by taking precautions that include continuous improvement. This is due to the nature of our corporate activities.

Regardless of their roles or responsibilities, all our employees and connected third parties abide by our information security practices, policies, and procedures. In accordance with the applicable laws, violating corporate information security policies and procedures may result in disciplinary action as well as criminal penalties.

We make sure that each unit's manager is in charge of carrying out all essential actions within the scope of their responsibilities and keeping an eye on business operations to ensure compliance with corporate information security policies and procedures.

We pledge to uphold all relevant institutional information security requirements, ensure adherence to all applicable laws, regulations, and other similar rules, and continually enhance our information security management system.

Information Security Management Approach

Scope

Our information security management approach is designed, implemented, and maintained in accordance with our information security management policy and the widely recognized ISO 27001 standard. Our Information Security Management Approach encompasses Enerjisa Enerji A.Ş., our electricity distribution companies (İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş., Başkent Elektrik Dağıtım A.Ş., Toroslar Elektrik Dağıtım A.Ş.), incumbent retail companies (Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş., Enerjisa Başkent Elektrik Perakende Satış A.Ş., Enerjisa Toroslar Elektrik Perakende Satış A.Ş.) and Enerjisa Müşteri Çözümleri A.Ş.

Data Security

We carry out the required technological and administrative controls at every point where data is obtained, processed, transmitted, and stored.

Data Security

In order to meet our business needs and ensure compliance with laws and regulations, we at Enerjisa make sure that technical and administrative measures related to information security and operational processes are carried out by our Cyber Security Group Directorate under the Information Technologies and Digital Business Management Department. We offer the assistance and tasks required to satisfy information security requirements.

We recognize that data is a valuable resource, thus we adopt the steps and activities outlined in our company policies to ensure the greatest level of security and confidentiality for customer information while adhering to all applicable rules and regulations.

We carry out the required technological and administrative controls at every point where data is obtained, processed, transmitted, and stored. In consideration of the level of confidentiality of the data, we only process data as needed for business purposes and make sure that only authorized staff members can access it.

We are the owners of the copyrights of the data and materials on our website. Except for those belonging to third parties, we reserve all copyrights, registered trademarks, patents, intellectual property rights, and other property rights relating to the information and materials on our website.

We implement the information security management system in all operational processes with a clear risk management strategy, following information security policies, procedures, instructions, and other issues such as standards, frameworks, and guidelines based on global and sectoral good practices. We make pertinent documentation available to all of our employees and share it via our document management system. To manage information security risks and make sure that data is properly protected, we employ information security documentation. Even when they leave the company, we continue to hold all employees accountable for adhering to the Information Security Management Policy and related procedures in the operation of business processes.

Protection of Personal Data (PDPL)

As the Data Controller, we take the required steps to process any personal data we receive verbally, in writing, or electronically from sources such as the head office, regional offices, customers, dealers, the website, call center, etc. Except for the circumstances listed in Article 5 of the Law on Personal Data Protection (PDPL), we ensure that the customer's explicit permission is obtained before conducting business or continuing to provide services.

In the electronic systems and physical environments we use, our business units securely store personal data processed for carrying out their daily operational activities. To ensure lawful data processing, we communicate with data owners via a variety of channels with explanation texts about the data processing activities, including the aims of processing, the security precautions taken, the rights of the

data owner, and the application channels. If it is not covered by the exception, we get explicit consent in line with the PDLP and make this clear before processing the data.

The security of personal data is one of our key priorities as the data controller. In accordance with the relevant legislation, we create and update policies and procedures for the protection of personal data and implement the required and appropriate technical and administrative security measures to safeguard private data against unauthorized access, misuse, loss, or disclosure.

Except for data transfers that do not require explicit consent in accordance with Article 5 of the Law on Personal Data Protection, we do not share any personal data submitted for product and service sales/ applications through our website or already in our system with third parties. According to PDLP Article 5, the Regulation Legal Team determines whether explicit consent is necessary.

We take every measure possible to guard against unauthorized access to the data entered by our customers on our website. In order to safeguard the privacy of our customers' personal information, we ensure the highest level of availability for our system and access infrastructure.

In compliance with Article 7 of the PDLP, we erase, destroy, or anonymize personal data when its intended use and the time during which it may be legally stored expires.

Data Security

We inform all our employees, including contractors and outsourced employees, about the proper methods to report any information security incidents or vulnerabilities that could result in incidents.

We may collaborate with other companies as necessary to deliver specific services. We ensure that these companies abide by our terms and conditions as well as security principles. We make sure that the data processors with whom we collaborate appreciate information security and behave responsibly towards one another. We also have a legal guarantee for this. Data processors, as that term is used in the law, only act on our behalf and in line with our instructions, as well as the terms of the agreement we have with them.

We adhere to the PDPL's Article 11, which outlines the rights of people whose personal data is processed. We, therefore, want to let our customers know that they have the following rights against us:

- To receive notification regarding the processing of their personal data,
- To inquire as to whether their personal data has been processed,
- To learn the reasons for processing their personal data and whether those reasons have been met,
- To know who their personal data has been given to, both domestically and internationally,
- To seek the deletion or destruction of personal data within the parameters specified in Article 7,
- To request the rectification of incomplete or inaccurate personal data,
- To request that third parties to whom personal data have been provided be notified of the actions taken (requests for the correction of incomplete and inaccurate information, requests for the deletion or destruction of personal data),

- To request compensation for losses sustained because of improper personal data processing,
- To object to any outcome that is damaging to them as a result of analysis of personal data processed only through automated systems.

Within the required time frame, we reply to requests from our customers by looking through system logs and customer documents. We would like to remind our customers that they can contact us through the communication channels listed in our clarification texts to exercise their rights regarding the processing of their personal data.

Incident Response

Our Cyber Security Group Directorate has a Cyber Incident Response Team. Any incidents that negatively impact our information or industrial control systems and interfere with our regular business operations—regardless of whether they were brought on by software, hardware, or human error—are regarded by us as information security incidents. We investigate problems like malware, phishing attacks, unauthorized access, cyberattacks, and data exfiltration (data leaks) as part of our incident management procedure. We continuously monitor our company's applications, systems, and access components using monitoring and detection techniques that are well-regarded in the information security sector. We ensure that any occurrences found during monitoring are investigated, the required steps are taken, and problems are effectively remedied.

Through cyber intelligence services, our Cyber Security Group Directorate keeps up with technological advancements and vulnerabilities all over the world. We build a safe development life cycle, conduct annual penetration testing by unbiased teams, and guarantee the security of our company's apps and services. We also conduct source code analysis, maturity tests, and vulnerability scans. The Cyber Security Group Directorate reviews, monitors, and advises on any flaws found during these examinations.

We inform all our employees, including contractors and outsourced employees, about the proper methods to report any information security incidents or vulnerabilities that could result in incidents. We also send out notifications frequently about these channels. The process document defining the next steps after notification is reviewed and put into practice on a periodic basis.

In addition, a provision in our Information Security Awareness Commitment document that we have signed with third-party suppliers and vendors requires them to alert us in the event of data security issues.

Information Security Awareness

We place a high priority on protecting our data and systems, thus we often hold workshops to raise understanding of information security. To guarantee that every person takes part in these trainings and to promote a culture of security throughout the company, we track the completion rate.

Data Security

Through EnAkademi, we provided Personal Data Protection Law (PDPL) training to our employees in 2022, and 731 employees finished 743.1 hours of online training.

We also regularly simulate phishing attacks and run practice exercises for them throughout the year to maintain preparedness. Senior management receives an evaluation and report of these outcomes. Additionally, we create cyber security newsletters that are distributed to all employees every two weeks to share news about domestic and international cyber security. Additionally, every two weeks, we also share e-learning training videos about information security. We send all employees enlightening emails at the conclusion of each quarter with the statistics of recent attacks in our nation and elsewhere in the world. We also have physical reminders of our clean table and clean screen policies.

An information security commitment that indicates that information security issues are the shared duty of all employees must be signed by every member of our employees. We take these precautions seriously in order to protect our systems and data.

Licenses and Certificates

We take the security of data and information extremely seriously. Due to audits carried out by accredited institutions, we and our distribution and retail companies have earned the ISO 27001 Information Security Management System certificate. The ISO 20000 Information

Technology Service Management System certificate, which was also attained through audits carried out by accredited institutions, is also held by our distribution and retail companies. Additionally, the ISO 22301 Business Continuity Management System certificate has been obtained by our retail companies.

The Electricity Licensing Regulation, the Industrial Control Systems (ICS) Information Security Regulation, and the Electricity Distribution and Sales Call Centre Service Quality Standards are just a few of the regulations and standards that we follow to ensure compliance. Through our Cyber Security Group Directorate, we also routinely assess our compliance with the ICS Security Analysis and Testing Procedures and Principles as well as the Information and Communication Security Guidelines of the Digital Transformation Office of the Presidency of the Republic of Türkiye.

Information Security at Third Parties

To ensure the quality and consistency of the services offered when we collaborate with other companies, we make sure to include confidentiality clauses in our contracts. In the event that data sharing is necessary for business reasons, we only disclose what is required and have a procedure in place for permission to make sure safe data transfer. To protect this data, we implement

security measures that are compliant with international standards in our systems and applications. Based on the criteria outlined in our annual plan, we assess vital suppliers' information security. The Cyber Security Group Directorate is in charge of ensuring that any shortcomings found during evaluations are addressed, and we instruct our employees on information security.

Trainings

Through EnAkademi, we provided Personal Data Protection Law (PDPL) training to our employees in 2022, and 731 employees finished 743.1 hours of online training.

A total of 3,177.7 hours of online training were given to 2,007 of our employees, who successfully completed it. We also assigned information security interactive training and an assessment using EnAkademi. We organized both online and in-person information security training courses for our new hires, and 93 employees received a total of 93 hours of training. In total, we gave our 5,066 employees 1,714 hours of awareness training through 21 videos on information security awareness in 2022.

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Climate Strategy

WE TAKE RESPONSIBILITY FOR A BETTER FUTURE

Enerjisa's Role and Commitment to Decarbonisation

We, as the leading electricity distribution, retail, e-mobility, and customer solutions company in Türkiye, reach and serve to over 22 million people in 14 provinces by distribution and retail and play a central role in energy transition and decarbonization nationwide with our efficiency solutions.

We position ourselves as a driver of societal decarbonization, through our power grid operations, services and products that enable a cleaner, smarter, more sustainable, and digital way of living.

Within the scope of our strategy and sustainability framework, we attach significance to setting rational targets, improving all our business processes and taking action along the Decarbonization Journey.

To avoid the adverse effects of climate change and ensure a better future for everyone, we acknowledge the Intergovernmental Panel on Climate Change (IPCC)'s Call to Action¹ for limiting the global warming to 1.5°C and in step with society's progress towards the goal of UN Paris Agreement on climate change, **we commit to aligning our business with a Net Zero Pathway by 2050.**

We commit to reduce our Scope 1 and 2 emissions 30% by 2030 compared to the baseline year 2021.

We acknowledge that gender equality is an accelerator of climate action. The full, equal, and meaningful participation of women in the clean energy transition would be instrumental to a greener and more sustainable future.

Where We Are Today

We have improved and expanded our reporting scope and methodology for 2021 emission data, therefore we have chosen 2021 as the baseline year for the emission reduction target in order to reflect the impacts of our decarbonization initiative more accurately. The emission baseline year provides a benchmark to compare any variations in emissions output throughout a reporting period and the targets set.

Total emissions for 2021 for the total of Scope 1 and 2 is 1,993,556 tCO₂e. All reduction initiatives to reduce Scope 1 and 2 and the net abatement in emissions will be calculated by using this baseline year data.

Enerjisa Enerji Baseline Year (2021) Emissions:

Scope 1: 59,952 tCO₂e

Scope 2: 1,993,604 tCO₂e

Scope 3: 19,072,386 tCO₂e

(Included categories; Purchased Goods & Services; Fuel and Energy Related Activities, Employee Commuting, Business Travel, Waste)

Total Emissions: 21,065,942 tCO₂e

Our Emissions Reduction Targets

We will reduce our Scope 1 and 2 emissions 30% by 2030 compared to the baseline year 2021.

It is an absolute reduction target that aims to reduce the total amount of greenhouse gas emissions as a part of our climate change mitigation efforts.

We aim to reach this target by improving our infrastructure and increasing the efficiency of the grids across all regions we operate, accompanied by transforming our fleet and reducing the use of refrigerants.

Our Scope 3 constitutes the most significant proportion of Enerjisa Enerji's emissions footprint driven by emissions from the generation of electricity, which we sell to our customers.

Although our Scope 3 emissions are highly dependent on the national electricity generation mix and we do not have a direct impact on it, we will focus on gradually reducing the carbon intensity of our portfolio by transforming and expanding our sustainable products and services.

¹ <https://www.ipcc.ch/report/sixth-assessment-report-cycle/>

Our Approach to Environmental Management

We envision a society in which everyone has reliable access to sustainable, affordable, and clean energy.

We assume responsibility beyond what is required by regulatory bodies in our relationships with contractors and suppliers, encouraging stakeholders to adopt environmental best practices, promoting environmental performance, and carefully monitoring environmental impacts. In 2022, Enerjisa has set tangible goals for pollution prevention, life-cycle management, cyclical waste management and resource efficiency in line with its environmental management system, identifying and taking the steps necessary to reach those goals. External audits, carried out by internationally accredited organizations, ensured the efficacy and sustainability of the environmental management systems at Enerjisa.

A culture of environmental responsibility is exhibited at Enerjisa at every level of the corporation. In 2022, our employees, including upper management, received 8,873 hours of environmental and sustainability education through seminars and workshops. Many of our employees and their families participated in a waste collection event and tree planting activities orchestrated by Enerjisa, where we encourage employee participation in volunteer activities.

Upper management is linked to culture of environmental consciousness that runs through every level of our company. The OHS and Environment Departments working under the distribution and sales



business units of Enerjisa have access to the CEO through the Head of Distribution Business Unit and the Head of Sustainability and Corporate Competencies Department. Upper management is also directly involved with our voluntary ESG-related committees, the Sustainability Executive Committee and Thematic Sustainability Working Groups.

The coming years pose unique challenges not only to the energy sector, but to human society at large. We believe that in order to be fully prepared for these challenges, our sustainability strategy must be fully integrated into our business strategy. For

Enerjisa, the climate crisis and the global energy crisis are one and the same; they must be assessed as interconnected problems with a joint solution to successfully overcome either. We envision a society in which everyone has reliable access to sustainable, affordable, and clean energy. We have integrated this aim into our company mission and values in order to help build a better way of doing things. Because at Enerjisa, we believe there is always a way to do better.

Emissions

Total emissions for 2022 for the total of scope 1 & 2 is 1,635,972 tCO₂e.

Our industry is critical to the transition to a low-carbon world. As a result, reducing carbon emissions and tackling climate change are high on our priority list. Our Company/CEO scorecard, which includes climate change indicators, has been approved by the Board of Directors. These goals are conveyed to the relevant business units, and their achievement influences annual performance and, as a result, compensation.

To meet our stakeholders' demands for transparency and consistency, we regularly analyze and improve our reporting methods, as well as monitor our emissions in accordance with Scope 1-2-3. Our Scope 1, Scope 2, and Scope 3 emissions have been subjected to an annual external assurance process since 2020. Depending on numerous factors, such as the recent availability of new data gathering technology or an expansion in reporting scopes, it may be necessary to update data for earlier years. When changing values have a significant impact on our consolidated figures, we restate the relevant data in the sustainability report.

Total emissions for 2022 for the total of Scope 1 & 2 is 1,635,972 tCO₂e. All reduction initiatives to reduce Scope 1 & 2 and the net abatement in emissions will be calculated by using this baseline year data.

Enerjisa Enerji Emissions (2022):

Scope 1: 45,280 tCO₂e
Scope 2: 1,590,692 tCO₂e
Scope 3: 19,877,523 tCO₂e

(Included categories; Purchased Good & Services; Fuel and Energy Related Activities, Employee Commuting, Business Travel, Waste)

Total Emissions: 21,513,496 tCO₂e

We have detailed our calculation method and improved our Scope 3 calculations in 2022 within the scope of our emission calculations.

In 2022, we released 45,280 metric tonnes of carbon emissions under Scope 1. Our Scope 3 emissions, which include emissions from electricity provided to customers, were 19,877,523 metric tonnes, and our Scope 2 emissions, which include distribution losses, were 1,590,692 metric tonnes. Our energy intensity in 2022 was 0.25 kg CO₂/TL (2021: 0.62 kg CO₂/TL).

Details of our emissions can be found in **Annex V.**

Air Quality

We have little direct influence on air quality because we are not involved in the production of electricity. Furthermore, we monitor and seek to reduce emissions from our fleet of vehicles, machinery, and generators in compliance with the Regulation on Control of Industrial Air Pollution.

Except in extreme cases, our operations do not release any hazardous gases aside from the use of fossil fuels for transportation and heating. We frequently engage in several efforts to broaden the monitoring area now used to detect and report indirect GHG emissions, or air-polluting gases.



Emissions

To mitigate the negative effects on the environment, we engage in innovative activities and use a range of operations:

Practices to Reduce Emissions		Impacts of the Practices
Scope 1	<p>Fleet Vehicles/Fuel Consumption In the administrative vehicle fleet, we aim to replace diesel vehicles with hybrid and electric vehicles.</p> <p>After the driver tracking system for the cars in the distribution business unit is completed, the fleet requirements of the vehicles in the fleet will be tracked; therefore, the number of vehicles and, consequently, fuel consumption will be reduced.</p>	<p>Fleet Vehicles/Fuel Consumption With the addition of 46 electric and hybrid vehicles to the fleet in 2022, the percentage of administrative vehicles that are electric or hybrid increased from 13% to 16%.</p>
Scope 2	<p>We wish to reduce Scope 2 emissions by receiving electricity from renewable sources for our energy consumption.</p> <p>Electricity consumption is continuously monitored to improve efficiency through root-cause analysis and rehabilitation activities.</p>	<p>In 2022, all of our facilities' electrical demands were met by green energy sources, with the exception of the Distribution Business Units.</p> <p>In 2020, a pilot project to monitor real-time electricity use using the Automatic Meter Reading System (AMRS) was launched in the distribution business line (98 buildings).</p> <p>As the initiative was expanded to other locations in 2022, the number of buildings where electricity use is recorded in real time by the AMRS system reached 189.</p>
Scope 3	<p>The first bilateral agreements (known as Power Purchase Agreements, or PPAs) to supply electricity directly from power plants that generate electricity from renewable energy sources were signed in December 2020.</p> <p>Solutions for Customers (Indirect Impacts) Green Energy Solutions: Two types of certifications are used to reduce or negate GHG emissions from consumer electricity use.</p> <p>Lighting Conversion Solutions: In 2022, We launched a 10,600 luminaire LED conversion project using the Energy Performance Contract (EPC).</p> <p>Projects to Improve Process Efficiency: In order to enable waste heat recovery, the EPS model collaborated with Brisa, a Sabancı Group firm, in 2022.</p> <p>CHP and CCHP solutions: We are happy to announce that a cogeneration and trigeneration facility with a capacity of 3.8 MWe is now operational.</p> <p>Solutions for Decentralized Energy: We installed a 1.5 MWp SPP in 2022, increasing the total installed power to 24 MWp.</p> <p>Enerjisa Digital Channels We expanded the digital and remote application channels for retail organizations and we expect to reduce the need for customers to visit physical channels.</p> <p>Digital Application System in New Connection Over 100,000 connection applications with the proper papers are received yearly by 45 operation centres under our three distribution companies. As a result of the August 2021 upgrade, applications for extra connections can now be submitted online and 24/7, at ybp.eedas.com.tr.</p>	<p>Due to bilateral agreements for such resources, a percentage of the electricity distributed to qualified customers came from renewable energy sources.</p> <p>Benefits to Customers Green Energy Solutions: In 2022, We sold 450,000 MWh of renewable energy certificates and tons of CO₂ emission reduction certificates.</p> <p>Lighting Conversion Solutions: our light conversion projects that we launched in 2022 will save 2,790 MWh of energy and prevent 1,550 tons of CO₂ emissions.</p> <p>Projects to Improve Process Efficiency: By the project that we initiated in 2022 will reduce CO₂ emissions by 630 tons per year and save approximately 1,150 MWh of electrical energy.</p> <p>CHP and CCHP solutions: We expect that the effectiveness of these facilities would cut CO₂ emissions by more than 30,000 tons over the next ten years.</p> <p>Solutions for Decentralized Energy: We installed total capacity which provides for a yearly reduction in CO₂ emissions of 21,500 tons.</p> <p>Enerjisa Digital Channels We decreased the number of applications submitted through physical channels by 7% in 2021 as a result of exclusive developments made for digital and remote channels.</p> <p>Digital Application System in New Connection By 2022, we will have eliminated the use of about 7 million sheets of A4 paper, saving approximately 90 trees every year.</p> <p>As applications could be submitted without having to travel to the operations centre, the usage of fossil fuels decreased, as did the carbon footprint.</p>

Energy Efficiency

We as Enerjisa Enerji disclosed our Energy Policy publicly in 2022.

Concentrating on and improving energy efficiency is a critical first step in combating climate change. We try to reduce the direct and indirect effects of the energy consumed in our operations because we are acutely aware of our critical contribution to the fight against climate change. We monitor our energy consumption, invest in energy efficiency, and strive to minimize our environmental effect.

By monitoring energy usage with a systematic approach across all of our activities, we want to ensure effective resource use and, as a result, lower energy consumption. In this context, we aim to establish, put into place, and maintain an energy management system with the objective of enhancing the performance and efficiency of energy use.

We as Enerjisa Enerji disclosed our Energy Policy publicly in 2022. We carry out all of our operations in accordance with the Energy Policy, and we work hard to maintain all of our activities to add value likewise this policy. **Click here to access our Energy Policy.**

We actively contribute to the preservation of the environment and natural resources by conducting systematic and measurable monitoring of our operations for the efficient use of energy, as promised in our policies. In 2022, electricity requirement of all Enerjisa Enerji facilities, other than Distribution Business Units, were met by green energy supply to support the growth of renewable energy sources and reduce our carbon footprint. On Annex-V, you may view our KPIs, which provide a numerical representation of our energy performance.

With the help of our successful energy management initiatives, we address climate change, the most significant worldwide environmental issue.

Due to our commitment to adding value, we established and implemented the ISO 50001 Energy Management System for our 3 distribution companies in 2022 which lends assistance us on higher energy efficiency performance, cost savings, improved environmental performance, compliance, enhanced reputation, increased operational effectiveness, improved risk management.

A certified independent organization successfully conducted the ISO 50001 Energy Management System Certification audit in 2022 at 16 distinct locations and 40 business units.

Various activities were carried out in our three distribution companies in 2022, taking into account the objectives of reducing the electricity used in buildings within the scope of energy efficiency, reducing the amount of fuel used within the scope of fleet operations, establishing and certifying the ISO 50001 Energy Management System.

To the previous year we reduced the electrical energy we use in our distribution companies buildings by 7% compared, we reduced our fuel consumption per kilometer by 5.2% in Başkent EDAŞ, 2.3% in Ayedaş.

On the basis of energy efficiency approach, we have carried out the following projects:

Smart Grid Initiatives

Smart grid technology can improve energy efficiency by optimizing electricity production, distribution, and consumption. This technology can enable the integration of renewable energy sources, as well as increasing demand responsiveness. We investigate grids built in accordance with renewable energy systems for future energy infrastructure and energy storage systems through pilot projects. As part of these projects, we intend to manage the infrastructure for electric public transportation and charging in an integrated manner. These pilot schemes aim to drastically reduce greenhouse gas emissions while also improving energy efficiency. We also intend to use smart electricity meter and automatic meter reading research to reduce energy losses caused by meter failures.

We control the environmental impacts of our operations while delivering cutting-edge energy solutions to our customers in order to address climate change.

HASAT Project

The HASAT Project was launched in collaboration with ELDER and other Electricity Distribution Companies with the goal of developing novel practices and methodologies to improve energy efficiency in the electricity distribution industry and defining an energy efficiency roadmap. The project's purpose is to develop techniques that will aid in the identification of systemic and infrastructure modifications, as well as to incentivize consumers to utilize energy more efficiently.

Biodiversity

We consider that the 16th UN Conference on Biodiversity (COP16), which Türkiye will host in 2024, will be a year of serious awareness.

We prioritise biodiversity conservation in order to mitigate any possible negative effects of our activities on the environment. Our environmental strategy emphasises the preservation of the natural environment and the prevention of vegetation damage. Our operations are based in Türkiye's 14 provinces, which make up roughly 60% of the country's biogeography. To assess the present situation, the flora-fauna specialists developed "Ecosystem Risk Assessment Reports." We take the necessary steps to reduce the environmental impacts of our investments in accordance with relevant national and international laws, as well as the Biodiversity Conservation Action Plan, when our investments pass through sensitive, protection, or development zones in terms of biodiversity and natural ecosystems.

The Strategic Plan for Biodiversity 2011-2020 and its 20 Aichi Biodiversity Targets form the basis for a new global biodiversity framework that will be agreed upon at COP15. The new framework is projected to offer demanding and quantifiable biodiversity preservation and restoration targets, as well as goals for addressing issues that contribute to biodiversity loss, such as climate change and unsustainable resource use.

We consider that the 16th UN Conference on Biodiversity (COP16), which Türkiye will host in 2024, will be a year of serious awareness. We take care to maintain our operations in line with the goals of the Kunming-Montreal Global Biodiversity Framework published in 2022.



BIODIVERSITY HIGHLIGHTS IN 2022

- AROUND 85 TONNES OF RAINWATER were collected at Enerjisa Enerji's locations where a rainwater collection system was installed for use in cleaning, syphons in bathrooms, and garden irrigation.
- Enerjisa Energy has reduced its environmental impact by transitioning to a carbon-neutral business and zero-waste processes.
- It is intended to keep the business' activities in a structure that adopts COP15 targets over the long run by adhering to these targets.

As part of our funding deal with the European Bank for Reconstruction and Development (EBRD), we created a "Biodiversity Conservation Action Plan" for three distribution areas in 2020. The "Ecosystem Risk Assessment" and "Bird Protection Plan" were created in accordance with the EBRD's Biodiversity Conservation and Sustainable Management of Living Natural Resources Guide and as a result of the ornithological surveys,

respectively. Türkiye is an important bird feeding and breeding region, and it is situated on two main and global bird migration routes. There are conservation areas in the areas where we are distributing energy, and the major avian flyways intersect the AYEDAŞ, Toroslar EDAŞ, and Başkent EDAŞ electricity grids.

The Enerjisa Enerji Biodiversity Conservation Action Plan seeks to comply with both domestic legal obligations and international obligations, such as the Convention for the Conservation of European Wildlife and Natural Habitats (BERN), the Rio Convention on Biological Diversity, the RAMSAR Convention (Convention on Protection of Wetlands), which Türkiye ratified in 1994, and the EU Habitat and Bird Directives.

As part of the Biodiversity Conversation Framework Action Plan, the following actions were carried out:

- The distribution areas' ecosystem diversity and traits were described. As a result, the action plan must include a biological diversity inventory as well as conservation measures to serve as the basis for conservation actions in all areas that must be conserved within the boundaries of electricity distribution regions. As a result, the status of important bird and plant areas, sensitive areas, national parks, natural parks, RAMSAR sites, wetlands, and other areas specified by national and international laws and agreements was defined. Disruptions caused by birds and other wildlife are noticed and documented.
- The vulnerability, rarity, and degree of protection of living species were defined.

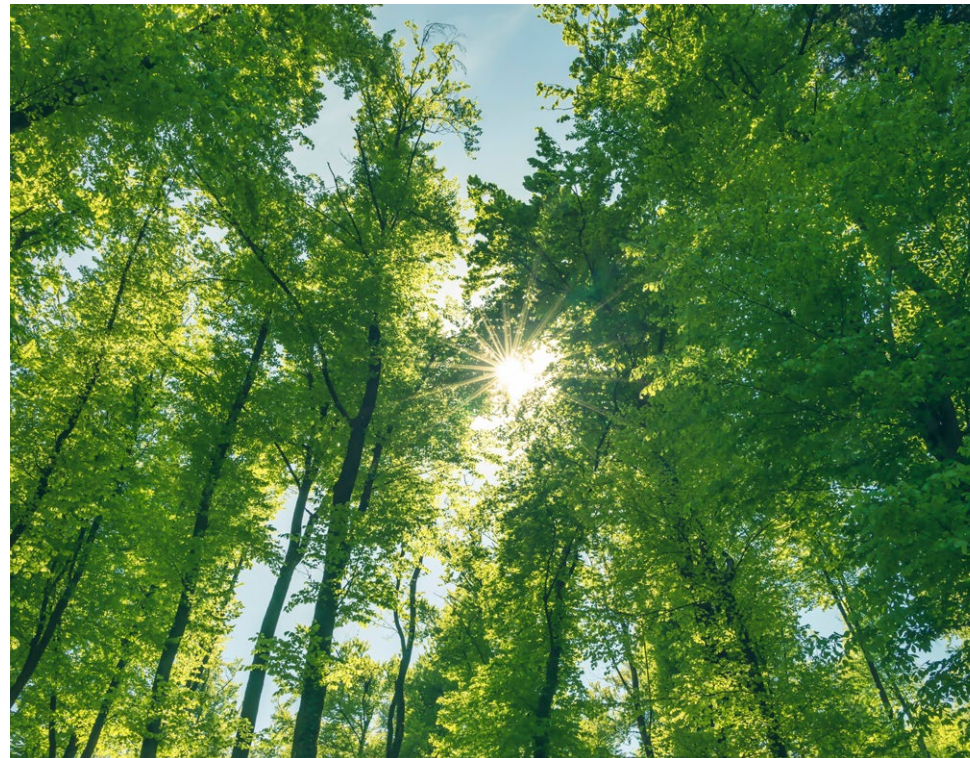
Biodiversity

We prioritise environmental protection and sustainability alongside distribution system safety.

The creation of a biodiversity procedure to oversee and monitor mitigation activities, as well as to define these actions in the procedure, is presently underway. The potential effects of electricity distribution operations on the ecosystem and associated habitat are evaluated. We take all necessary precautions in all of our activities to preserve current biodiversity and to comply with applicable laws. We monitor potential environmental risks in our fields of expertise, assess them, and devise mitigation strategies. We assess the potential impacts of each facility.

The following initiatives have been undertaken by us as part of the biodiversity conversation:

Daphne Project: With the Daphne Project, we want to avoid underline trimming or pruning and instead use suitable tree species to ensure line security and prevent potential fires. As a result, we prioritise environmental protection and sustainability alongside distribution system safety. The project aims to reduce interruptions and losses on energy transmission lines caused by trees, prevent prolonged power outages, reduce costs associated with losses, and maintain ecological balance.



We focused on choosing the best tree variety with the highest added value and financial return as part of the project. Based on the findings of our research, we decided to plant bay trees (daphne), and we planted 5,500 bay tree saplings in the designated location in Bartın. The project has a number of direct and indirect effects, such as reducing the strain on maintenance teams, lowering the cost of repairing malfunctions, reducing energy waste, avoiding potential mishaps, and so on.

High Voltage Aerial Line Insulation

Project: Migrating birds are at risk of electrocution because they frequently perch on utility lines, nest between conductors, or do both. These kinds of encounters frequently end in bird deaths. As part of the High Voltage Aerial Line Insulation Project, which began at the close of 2017, insulators were installed on several power lines.

Bird Deterrent: Insulators are installed on lines that are over bird migration routes or are deemed hazardous. In Adana, an insulator placement path was chosen, and tracking activities began. The project's goal is to conserve both the variety of avifauna and the quantity of birds in the area.

Bird Deflector: To decrease bird deaths caused by electric shocks, a trial project to connect Bird Deflectors to the designated aerial lines has begun.

Waste Management

We strive to reduce waste at the source, reuse what we can, and recycle what we cannot.

Our current linear economic model is failing, made apparent negative socio-environmental externalities like pollution, climate change, and resource scarcity. A transition to a more circular economy has never been more necessary. Correct and efficient waste management is key both in lightening the load on the earth's resources and in solving the global issue of pollution. At Enerjisa we work to ensure our commitment to furthering these efforts through our involvement in projects such as the Zero Waste Project. We also strive to rise above adherence to related regulations and aim for continuous improvement in our waste management systems.

We strive to reduce waste at the source, reuse what we can, and recycle what we cannot. Any waste that cannot be reintroduced to the economic cycle is disposed of responsibly, according to relevant legislation and international standards. The Enerjisa Waste Management System is designed in compliance with ISO 14001 and applicable regulations to help us as an organization reach our sustainability goals and manage waste sensibly.

Hazardous Waste

Enerjisa handles hazardous waste with the utmost care. Hazardous waste is stored, transported, and disposed of in accordance with relevant legislation and industry standards. Before they are delivered to authorized waste companies for recovery, any hazardous waste resulting from Enerjisa operations are sorted and stored safely at our Logistics Service Centers Hazardous Wastes Temporary Storage areas, located in 8 cities within the areas in which we operate. Fulfilling legal requirements, all sites have received Hazardous Waste

Temporary Storage Permits, as well as annual insurance for Dangerous Goods and Hazardous Waste Compulsory Liabilities. All hazardous waste generated by Enerjisa operations is directed to recycling facilities. In 2022, our operations resulted in 5,122 tons of hazardous waste.

Non-Hazardous Waste

Enerjisa's approach to non-hazardous waste disposal is shaped by the type of waste produced and its capacity for reuse. As previously stated, we are aware of the importance of transitioning to a circular economy in which by-products and wastes can be reincorporated into the economic cycle, thus making everyone better off. The role that corporations must play in that transition is quite large, so the circular economy approach informs every decision we must make on our waste-related impact. In 2022, our operations resulted in 6,279 tons of non-hazardous waste.

Our non-hazardous waste disposal is guided by the regulations of the Zero Waste Project. Under our Distribution Business Unit, the headquarters located in the Toroslar region of Southern Anatolia and AYEDAŞ headquarters received basic level Zero Waste Certificate, as well as two operation centers. Under our Retail Business unit, the Toroslar headquarters Regional Directorate also achieved basic level Zero Waste Certification.

Grid Waste: Operational grid waste may contain valuable recyclable or reusable materials. Our commitment to circularity in Enerjisa operations requires that we reintroduce such materials into the economy wherever possible. Thus, any grid waste is subject to processes for Material Quality Control and our Recycle Test Center

to determine potential for recovery. We ensure that all such waste is appropriately collected and either recovered for reuse or stored according to regulations and disposed of by licensed recycling facilities.

Domestic and Recyclable Waste:

Recyclables are sorted on-site using designated bins for recyclable plastic, paper, metal, and glass. Organic and biodegradable wastes are collected separately for composting. All domestic waste is turned over to the municipal waste collection system and then directed to municipalities' licensed waste management facilities.

Biodegradable Waste: Organic and biodegradable wastes are composted on-site at our AYEDAŞ headquarters, the operation centre of Erenköy, and the Marmara Region and Black Sea Region Directorates. The resulting compost is used in the facilities' gardens.

Vegetable Oils: We require catering companies that wish to do business with Enerjisa to verify delivery of vegetable oil wastes to licensed disposal centres in compliance with the Vegetable Waste Oil Control Regulation.

Hygienic Waste: Single-use hygienic materials such as gloves and masks are disposed of separately via our waste collection and disposal system in line with the post-COVID legislation regarding such wastes.

Medical Waste: Medical waste from the healthcare units on-site is disposed of by licensed companies in accordance with the Regulation on Medical Wastes.

Water Management

Since we solely use water for domestic purposes and do not discharge any industrial pollutants, the direct impact of water-related risks on operations is low.

According to the United Nations, over 2 billion people worldwide lack access to safe drinking water, and this figure is expected to climb as a result of factors such as population growth and climate change. Furthermore, many areas are experiencing more severe and frequent droughts, which can exacerbate water scarcity, cause crop failures, and have other negative consequences for ecosystems and human well-being.

Türkiye has a major water scarcity problem and is on pace to become “water-poor” as a result of large agricultural areas, increasing municipalities and population. As a result, some communities have severe water shortages, while others have enough.

Water is used in our activities to clean, sanitize, and irrigate. Although the consequences of our actions on water are minor, we act responsibly and appreciate the importance of water to our value chain and all of our stakeholders.

Since we solely use water for domestic purposes and do not discharge any industrial pollutants, the direct impact of water-related risks on operations is low.

As Enerjisa Enerji, we turned off the existing underground wells used for fire extinguishing taps and garden irrigation. Therefore, the consumed water in all of our locations now is from municipal water. As a result of our processes, no industrial wastewater is discharged.

We directly discharge effluent into the city sewer system rather than into a receiving environment. Vegetable waste oils from cafeteria kitchens and other industrial chemicals do not contaminate wastewater.

In order to prevent any environmental pollution in public water, surface water, and groundwater resources while carrying out their electricity distribution activities outside the confines of their own buildings, our distribution companies issued the Chemical Leakage-Spill and Pollution Prevention Plan Instructions and made sure that all of their employees were aware of the situation.

Because the direct use of water in our operations is limited to domestic applications, the immediate impact of water-related risks on operations is rather modest. Water-related risks, on the other hand, may have an influence on our customers' ability to pay because they consume a lot of water in their activities, and hydrological details may also have an impact on energy prices. The pertinent business units monitor these risks and take the necessary precautions. On the Investor Relations page, you can see the applicable Water Policy, which is released in 2022.

Click here to access our Water Policy

We established a target for water consumption in 2022 by continuing the water management work in 2021, allowing us to increase our efforts to reduce water use. The water consumption target that we set for the Distribution Business Units in 2022 is determined as part of ISO 14001 Management. The goal was to use 3% LESS WATER (from the municipality) in structures than the previous year. We devised appropriate planning and implemented water-saving measures.

Monitoring and lowering water consumption are the responsibilities of Administrative Affairs Units in both the distribution and retail business lines.



TO DECREASE OUR WATER CONSUMPTION IN 2022, WE:

- maintained our efforts to improve water conservation awareness in our buildings and planned employee awareness campaigns.
- utilised faucet aerators to save water. In total, our Distribution Business Units use 931 faucet aerators, accounting for 65% of all faucets. There are 267 tap aerators in our Retail Business Units.
- collected around 85 tonnes of rainwater and used for cleaning work, toilet siphons, and garden irrigation in our locations where rainwater collection was established.

Impact for Society

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Our Approach to Social Management

We care about our employees' health and happiness, so we act as a role model for workplace health and safety.

We empower people for an inclusive society and prosperity, encourage a talented and diverse workforce in a safe working environment, and act responsibly for creating a wider positive impact on the community.

We recognize the extensive reach of our societal influence, acknowledging that it has the potential to affect various aspects of our operations, including our reputation. With this understanding, we prioritize our societal impact to augment our success, concentrating not only on our industry footprint but also on our contributions to the wider world.

We work in a rapidly changing sector that is developing because of important global trends, and we want to be prepared for the future by putting our people and society first. To create an attractive workplace, contribute to societal prosperity, and have a positive impact on our community, we are prioritizing inclusion, diversity, accountability, ethics, and transparency.

People of today are increasingly searching for meaning and purpose in their job, and they are more likely to be drawn to companies that are changing the world for the better. Thus, we invest in attracting and retaining talent, and we try to foster the personal and professional development of all of our employees. We commit to evaluating the outcomes of our talent management strategies. We also believe that having a diverse workforce and an inclusive environment is beneficial.

We are committed to increasing diversity, particularly in managerial roles, in terms of age and gender equality, within this framework.

We care about our employees' health and happiness, so we act as a role model for workplace health and safety. As part of our commitment to the Zero Accident Journey, we aim to avoid all fatalities and critical and high-potential near-miss occurrences.

We enhance societal prosperity directly and indirectly through our community investments and voluntary contributions. We focus on socially conscious initiatives that have a substantial impact on the local community. As part of our corporate social responsibility programs, we continue to carry out initiatives that are geared towards society, the environment, energy conservation, and education.



Talent Management

All of around 11,500 Enerjisa employees, who represent 14 different provinces and four different generations, are valued “Talent” in our eyes.

6.3 YEARS
AVERAGE SENIORITY

35.4
AVERAGE AGE

AROUND

11,500
EMPLOYEES

People are the driving force behind the sustainability change since they are at the heart of our business. Investments are made to attract and retain bright employees, and the effectiveness of talent management programs is monitored.

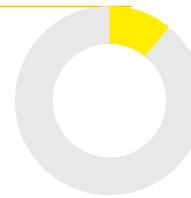
We invite all employees to attend virtual meetings on various topics such as agility, self-awareness, and gender equality.

We promise to assess the results of our talent management initiatives. We also think that having a diverse staff and an inclusive workplace are powerful.

All of around 11,500 Enerjisa employees, who represent 14 different provinces and four different generations, are valued “Talent” in our eyes. Our goal is to rank among the top 15 firms across all industries and emerge as the Energy sector’s most competitive employer. We make an effort to adjust to how work is changing and to follow the Future of Work.

Female Ratio (%)

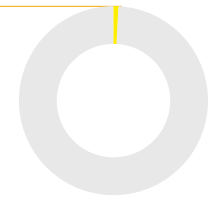
11%
Total
Employees



31%
White-
collar
employees

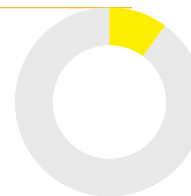


1%
Blue-
collar
employees

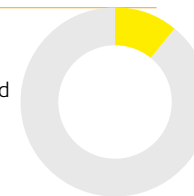


Female Ratio (%)

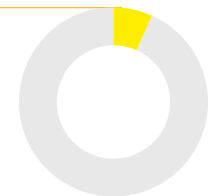
10%
<30 years
old



11%
31-49
years old



6%
>50 years
old



Talent Management

We are pleased to announce that numerous major international award programs will recognize our People and Culture practices in 2022.

At Enerjisa Enerji, we have designed our People and Culture practices to achieve the following goals:

- Create a purposeful work environment that fosters good communication, culture, and an organizational climate.
- Create leaders and sound management procedures.
- Give all of our potential and current employees equal opportunities in all people and culture processes without discrimination.
- Provide a range of options for growth and professional advancement through training and development.
- Boost our employer brand to draw in and keep talented staff.
- Strive for organizational excellence to increase stakeholder satisfaction and loyalty.

We are pleased to announce that numerous major international award programs will recognize our People and Culture practices in 2022. For all of our outstanding work, we have amassed 68 awards.

We are honored to be placed first among Turkish companies, third globally, and second globally, respectively, at the International Stevie Awards for Great Employers and the Globe Awards.

These successes demonstrate our commitment to fostering a supportive and rewarding work environment for all of our employees.

Talent Acquisition

We adhere to our human rights, diversity, and inclusion policies while respecting the idea of equal opportunity in hiring to identify the best qualified individual based on corporate culture, position-specific abilities, and experience. We promote diversity and inclusion throughout all of our processes, ensuring that everyone is treated equally regardless of their age, gender, nationality, religion, sexual orientation, race, ethnicity, marital status, health, status as a person with a handicap, political views, union membership, and other similar factors. We do our business in accordance with the law and the Enerjisa Code of Conduct.

We use digital orientation Meta/Or to provide our new recruits with a positive and enjoyable experience in their early days. The program starts before their date of employment and continues afterwards, with the aim of ensuring a smooth onboarding process.

We at Enerjisa Enerji are committed to making the hiring process simple and effective for potential applicants. As of the beginning of 2020, we have been managing recruitment, evaluation processes, and applicant experiences in a digital environment as part of our end-to-end digital recruitment process. As in 2021, we also conducted orientation in a digital setting. Our digital orientation program, Meta/Or, starts before and continues after the new hires' start date, giving them a pleasant and easy experience.

In order to provide our new hires a positive experience, we have built an end-to-end digital recruitment and evaluation process and brought the orientation process online. We have included this aim on our function-based objective cards, monitored it throughout 2022, and taken the necessary steps because we are committed to boosting the representation of women at Enerjisa Enerji.

Our “You Choose (Sen Seç)” program provides flexible working hours, a dress code, remote work options, and a flexible benefits system based on the needs of the employees. 68% of our white-collar employees took part in this program in 2022.

The “You Are Worth It” (Sana Değer) Online Appreciation Platform was created by us to recognize and show gratitude for employees' contributions to the growth and culture of our company. The platform provides a number of tools for our employees to show appreciation for one another, mark significant occasions, and support their coworkers.



Talent Management

In accordance with our guiding principle of “Inclusion,” we work hard to create an environment where our employees feel respected and included.



Performance Management System

We place a great priority on a high-performance culture that is based on responsibility, continual learning, agility, passion, and dedication. We have put in place a performance management system that is completely in line with the strategies, commitments, and objectives of our business to accomplish this goal. Our system values employee development, enables open and frequent feedback and promotes teamwork.

Our performance management system is intended to be transparent, agile, adaptable, and simple to use. It is easily accessible to employees via our mobile application or website. We also provide extra elements to help our high-performance culture, such as:

- The ability for employees to link their targets with other colleagues,
- The ability to add and revise targets within the system, which is always open,
- Clear and transparent targets that are easy to understand,
- Target-oriented dialogues between managers and employees,
- Instant and continuous structured feedback throughout the year,
- A milestone-setting function that helps employees track their targets with ease.

We are dedicated to constantly enhancing and updating our performance management system to meet the changing needs of our employees and our business since we believe it to be a crucial instrument for developing and encouraging our high-performance culture.

Participation in Management

We highly value our employees and their feedback. In accordance with our guiding principle of “Inclusion,” we work hard to create an environment where our employees feel respected and included. We always urge all of our employees to take part in decision-making.

Periodic internal meetings, annual target-setting and performance review meetings, live streaming, participation in committees and projects within the confines of roles and duties, and participation in decision-making mechanisms are all examples of ways that our employees can participate in management. Through various channels, including the intranet, mobile applications (İKON), the suggestion system (Bir Fikrim Var), feedback systems, and surveys, employees can also express their needs, ideas, and opinions. To make sure that the required adjustments are made, we evaluate the information obtained through these platforms and create action plans.

We launched the “Bir Fikrim Var” project in 2022, fusing the Nar Program and Suggestion System. Through this integration, we were able to assess employee ideas and suggestions made on İKON at the appropriate time and place throughout the year. In accordance

with our methods for recognition and appreciation, we assess and reward employees who contribute to our suggestion system. We are especially in favor of high-potential personnel becoming involved in management decisions. We use a variety of avenues to inform our employees about corporate developments, and we hold annual management meetings to update our employees on the state of the business as a whole.

Freedom of Expression and Right to Association

We respect our employees' right to freedom of expression and not put up with conduct that restricts this freedom. In compliance with the applicable laws, we also support the freedom to form a union.

We are happy to inform that our distribution companies and the TES-Union (Turkish Energy, Water and Gas Workers' Union) have signed a Collective Labor Agreement (CLA). The terms of the agreement will be applicable to 7,810 blue-collar workers for a period of three years (01.03.2021-29.02.2024). They will be paid according to CLA regulations, and so will their working conditions. As of July 2022, on a member count basis, TES-İŞ Union is Türkiye's eighth largest and the energy business line's biggest union with 69,650 (27.47%) members.

Talent Management

Our employee turnover rate in 2022 was 2.3% for men and 0.6% for women.

Employee Engagement and Satisfaction

We cherish our employees' satisfaction and engagement at Enerjisa Enerji, which is why we take measurements to gauge those factors every year.

We are pleased to report that in 2022, the engagement rate and employee satisfaction score were **73% and 82%**, respectively. These results were better than both Türkiye's and the Energy Sector's averages.

We were delighted to find that our employees gave the highest engagement scores to aspects of the survey examining equality of opportunity in performance, career, training, and development. This outcome demonstrates the effort we make to provide fair possibilities for our employees' professional development.

We were honored to receive the "Excellent Employee Experience" certificate and the top score of 88 in the "Happy Place to Work" poll in 2022, which put us among the highest rated companies.

Our employee turnover rate in 2022 was 2.3% for male and 0.6% for female. According to the results of comparable research conducted by internationally renowned companies, these rates are lower than the sector and Turkish averages.



We utilize several methods, including focus groups and one-on-one interviews, to gather employee complaints, comments, and suggestions to make sure we are meeting their needs. We also have a help desk system where employees may make requests for assistance with administrative concerns, and we include input when organizing and carrying out proactive activities.

We received 12,008 requests in total in 2022, and 96% of them were resolved. When an employee submits a request, we forward it to the appropriate person and start the resolution process. When the requested action is finished, the person in charge of the operation sends a notification to the employee who made the request through the system, announcing completion of the action.

Received Requests	12,008
Closed Requests	11,495
Open Requests	513

For our business to succeed, we think that employee satisfaction and engagement are crucial. To do this, we take part in annual surveys to assess employee engagement and satisfaction, and we carefully consider employee feedback to enhance working conditions, raise engagement levels, and lower turnover rates. In order to measure satisfaction immediately, we also run pulse checks using our İKON application on a number of People and Culture practices.

Talent Management

We acknowledge continuous development as a key value, and we constantly learn from our past experiences to improve ourselves.

Work-Life Balance

We support offering flexible working circumstances because we recognize how important it is for our employees to have a healthy work-life balance. We have launched a variety of projects in 2022, including holistic well-being training on physical and mental health, live broadcasts, and support systems, in keeping with this concept and our attempts to adapt to the future of work.

We have put in place procedures like meeting time restrictions and meeting-free hours to facilitate work-life balance. Since 2019, all of our head offices have adopted our Sen Seç working model, which offers flexible working hours, a flexible dress code, and remote work. In 2022, we examined our remote working policy and expanded it to better meet the demands of various employee groups. In order to promote remote working, we also offered benefits including inventory support, communication packages, and support for transportation.

We acknowledge continuous development as a key value, and we constantly learn from our past experiences to improve ourselves. We strive to develop with a vision of the future and spearhead change.

In order to better ourselves, grow with the vision of the future, and drive change, we firmly believe in continuous improvement and constantly learn from our past experiences.

We employ innovative strategies in our people and culture management, staying in line with international trends. We focus on bringing in fresh talent while nurturing our existing workforce using talent management practices that foster a high-performance culture and readiness for the future of work.

We firmly believe in individual success as the cornerstone of our organizational triumph. To realize this, we use a suite of talent management techniques to recognize and enhance the competencies of our employees.

A key aspect of our strategy is to secure our company's sustainability through robust succession planning for every critical role. This approach is integrated with our annual potential evaluation studies, allowing us to closely track our employees' career trajectories. Our internal promotions constituted 81% of managerial and higher appointments in 2022, testament to our effective talent management.

Our tools and programs facilitated an average of 41.3 training hours per employee in 2022, underscoring our dedication to continuous learning and development.



Talent Management

We aim to assisting our workers in leading our company in the most effective and efficient manner.

For more information on the training hours provided, please see the **Annex VI**.

Trainings	2020	2021	2022
Total number of employees who received training	8,013	11,270	11,497
Total training hours	139,993	415,772	483,375
Total training expenditure (TL million)	11.2	24.9	45.3
Training Hour (by Employee Type)	2020	2021	2022
Employees in senior management and above	526,4	551,75	743
Employees in mid-level management	5,366	9,452	9,080
Employees in entry-level management	13,098	25,598	23,237
Other white-collar employees	52,376	107,935	116,353
Blue collar	68,627	272,236	333,961
Training Hour (by Gender)	2020	2021	2022
Female	32,196	52,618	42,716
Male	107,797	363,154	440,659
Training Hour (by Training Type)	2020	2021	2022
Professional development	27,543	45,673	68,143
Technical Development	9,214	155,437	211,186
Individual Development	24,978	53,341	25,052
Leadership Development	10,736	11,216	13,058
Occupational Health and Safety	67,522	150,105	164,730
Training Hour	2020	2021	2022
Total training per person (hour)	13.44	36.79	41.3

Under the umbrella of our "People & Culture" philosophy, we aim to assisting our workers in leading our company in the most effective and efficient manner possible using the programs we have established to train efficient leaders.

Talent Management

We take into account the wage market, the industry we work in, our policies, and macroeconomic indicators in all of our procedures.

Rewards and Benefits

We aim to ensure a constructive and competitive work environment by implementing a competitive and fair wage policy through regular market analyses. Our aim is to attract the necessary talent and maintain a high degree of loyalty among our current employees.

We support competitiveness, fairness, transparency, and recognizing good performance when it comes to perks and compensation. We take into account the wage market, the industry we work in, our policies, and macroeconomic indicators in all of our procedures.

By putting in place a competitive and equitable wage policy after conducting frequent market studies, we hope to ensure a productive and competitive work environment. This serves to both recruit the required talent and uphold the high level of loyalty among our current workforce.

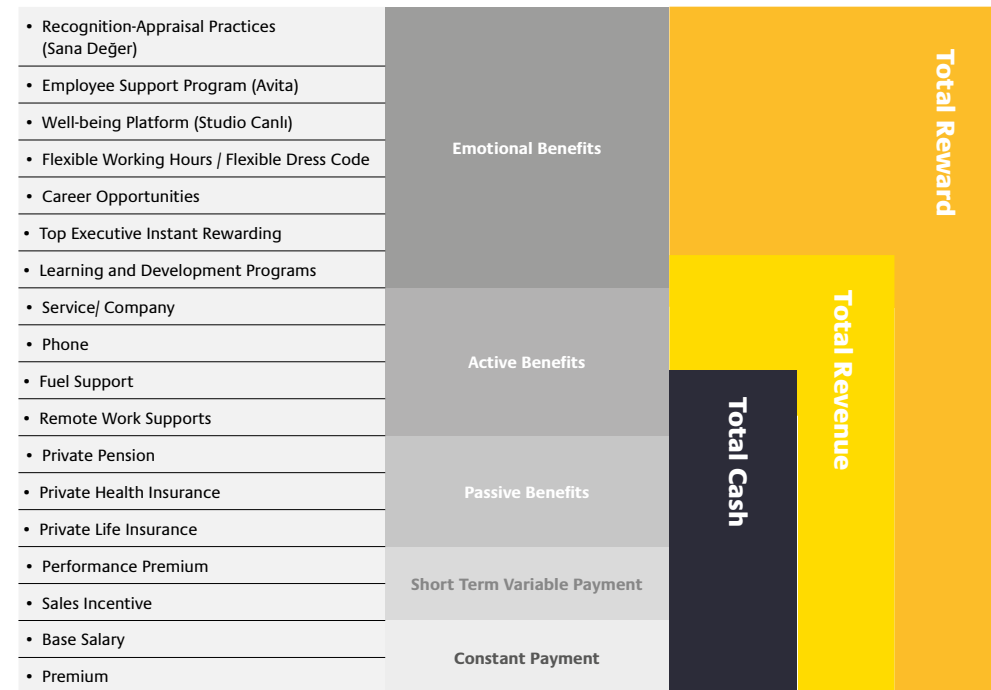
In our continuous effort to enhance our employees' wellbeing, we have also incorporated the Employer Contributed Private Pension System for all our white-collar employees. This initiative aligns with our vision to not only support immediate health and wellbeing but also to secure our employees' financial future. This system signifies our commitment to the long-term

prosperity of our people, where we make regular contributions on their behalf, aiding in their long-term financial planning and fostering a sense of security.

We employ an external job evaluation system that is frequently used by internationally renowned organizations to establish position levels. To establish our basic pay policy, we receive reports, surveys, or statistics on compensation from

independent compensation consultants and take part in yearly wage surveys.

External consultants offer grade-based reference pay information for all grades based on the market, peer group, sector, etc. We also adhere to the Collective Labor Agreement when determining salaries for blue-collar workers.



Talent Management

Leadership Development Purposed Programs

The LEAP (Leadership Acceleration Program) is a program we developed to improve the leadership abilities of our management team at the director level.

Leadership Development Purposed Programs	Duration	2022 Number of participants (Common Func)	2022 Number of participants (Distribution)	2022 Number of participants (Retail)	Total number of participants
STEP	1 year	46	110	35	191
JUMP	1 year	58	229	82	369
X-CELERATE*	1.5 year	1	-	1	2
X-POSURE*	1.5 year	2	1	-	3

* Within the scope of cooperation with Sabancı Holding.

Talent Management

Our three-module X-CELERATE Program lasts for about eight months and includes a variety of learning techniques.

LEAP (Leadership Acceleration Program)

The LEAP (Leadership Acceleration Program) is a program we developed to improve the leadership abilities of our management team at the director level and boost their knowledge of new technology and practical applications in the energy sector.

STEP

To improve the leadership skills of our executives at the manager and group manager levels, we collaborated with the Sabancı University Executive Development Unit to develop the STEP Management module. We started the program in 2019 to maintain the high-performance culture, and it has continued through 2022 with its focus on leadership and comprehensive well-being.

JUMP

With the help of the mixed learning approach, we created this program to make sure that individuals who take on team and process executive roles become more effective in their existing positions. With this program, we bring a flexible, social, and individual development world to our employees by combining learning techniques like remote learning and simulations.

X-CELERATE

We developed this program with our senior management in mind, specifically the general manager, department manager, chairman, and director levels. It will help them develop transformative, connected, inspiring, and inclusive leadership styles.

Our three-module X-CELERATE Program lasts for about eight months and includes a variety of learning techniques like virtual classroom training, one-on-one coaching sessions, company experience-sharing trips, and business simulation apps.

X-POSURE

To maximize the potential of our medium-level leaders, such as managers and group managers, we designed a program with three modules. The learning options available through our program include in-person training, coaching sessions, business simulation apps with qualified instructors, and webinar sessions.

Talent Management

Individual Development Purposed Programs

Our YODA Mentorship-Adverse Mentorship Program enables younger employees to mentor senior management because we think that different generations may benefit from one another.

Individual Development Purposed Programs	Duration	2022 Number of participants (Common Func)	2022 Number of participants (Distribution)	2022 Number of participants (Retail)	Total number of participants
EnAkademi	1 year				3,803
Gate: Self Awareness Journey	1 year	24	433	180	637
X-LAB*	4-6 months	7	28	15	50
X-TEND*	8 months	43	142	80	265

* Within the scope of cooperation with Sabancı Holding.

Talent Management

Our We Learn from Each Other Platform seeks to advance cultural awareness inside our organisation.

YODA Mentorship- Adverse Mentorship

We have a program that enables younger employees to mentor senior management because we think that different generations may benefit from one another. Our mentors can explain the dynamics and expectations of their own generation because they have great experience working at senior management levels. Employees who are mentored can comprehend the characteristics of the younger generation and gain insight from their counsel in both their personal and professional lives.

EnAkademi

The EnAkademi e-learning portal we developed aims to give our employees the resources they need for their professional development and required training. Our employees have access to a variety of e-learning, in-person training, simulations, videos, articles, and development action recommendations through EnAkademi, enabling them to manage their own technical knowledge and career development.

Gate: Self Awareness Journey

The GATE self-awareness journey, which we established, is intended to raise individual awareness, examine strengths and weaknesses, establish development objectives, and let top performers choose the right tools to help them reach their objectives.

We Learn from Each Other

By ensuring that we, as Enerjisa employees, share our expertise and experience with one another, our We Learn from Each Other Platform seeks to advance cultural awareness inside our organisation. With the help of our internal educators, who are subject-matter experts, we place a strong emphasis on the development of our technical skills and competencies as well as learning about one another's cultures.

X-LAB

For those of our employees who have the ability to “make change happen” through their job and display courage and an innovative point of view, we have developed this program.

X-TEND

We have implemented this program to give participants the abilities necessary for success in the corporate world in the future, including resilience, creative problem-solving, understanding of climate change, diversity, and inclusivity. It is open to all the employees of the Sabancı Community and their families.



Talent Management

Young Talent Development Purposed Programs

With the support of YOUNG ENERGY Program, we help our participants prepare for prospective future roles by removing barriers to their performance and potential.

Young Talent Development Purposed Programs	Duration	2022 Number of participants (Common Func)	2022 Number of participants (Distribution)	2022 Number of participants (Retail)	Total number of participants
YOUNG ENERGY	1.5 year	2	5	3	10
ENTER	9 months	0	71	0	71
ITALENT	9 months	28	0	0	28
RETAIL-X	1 year	0	0	17	17
SPARK	20 days	0	67	0	67
TP-X	1.5 years	2	1	1	4
SEED	1 year	1	1	1	3

Talent Management

Young professionals interested in the digital transformation who wish to further their education are the ITALENT Program's primary target audience.

YOUNG ENERGY

We created this program to nurture high-potential individuals at the beginning of their careers and to groom potential executive candidates. With the support of this program, we help our participants prepare for prospective future roles by removing barriers to their performance and potential.

ENTER

Our program aims to give fourth-year university students and graduate students in electrical and electronic engineering, political science and international relations, math, statistics, business administration, economy, and industry engineering the opportunity to experience the energy sector and our energy distribution operations. In this one-year program, prospective engineers are allocated in

a rotating fashion to the departments of path functional units, path and data management, and energy distribution, where they get instruction on all aspects of the business of electricity distribution. Attendees can explore their areas of interest while receiving mentorship help from talent coaches. In addition to the power path, we have added acquisitions to the data and functional paths for the first time in 2022.

ITALENT

In order to equip fourth graders and graduate students with digital skills and prepare them for the world of technology, we have a long-term internship experience program. Young professionals interested in the digital transformation who wish to further their education are the program's primary target audience. We provide young people with the chance to obtain work experience in a variety of information technology and digitalization functions as well as the chance to take part in training modules created for their professional and personal growth, supported by a number of tools.



Mahmut Can Alp Program – ENTER

From the first day to the last, I had the opportunity to access technical information about the electricity distribution sector through this program. It was a very valuable experience for me to witness professional business life before graduating from the university. It was a program in which our questions were not left unanswered, and our perspective on life and events was greatly expanded thanks to the time we spent with the valuable people we met throughout the process. In my opinion, Enter graduates – ones who have productively utilized the program – have much more advantages in terms of knowledge and experience compared to other new graduates in business life.

RETAIL-X

Our Young Talent Program seeks to hire recent graduates with up to two years of business experience who wish to work in electrical retail sales organizations. Our program looks for to attract and nurture new talent while strengthening Enerjisa's strategic position within the retail industry. In addition to providing training in a setting conducive to long-term learning, we also offer possibilities for function-specific rotation as well as mentorship and coaching processes.

SPARK

Our internship program aims to give third and fourth year university students studying engineering, economics and administrative sciences, or social sciences the chance to learn about and get experience in the electricity distribution sector over the course of 20 days. The program comprises project work, technical field excursions, technical training, coaching support, and project presentations.



İrem Berfin Kerpiççi Program – ITalent

I've continuously realized how lucky I was to be selected as one of the ITalents in my last year of university. Our mentors not only taught the necessity of the job, but also included us in the projects as an indication of trust. As we completed each task, our self-confidence is strengthened together with our experience in the field. Along with its core benefits, such as experience and knowledge, this program has helped us a lot in managing the stress and pressure that we feel as we are approaching to the end of the university. It was extremely comforting to have our mentors close to us. This, by far, has been the most valuable achievement for me.

TP-X

We have designed the TP-X program to help those in the Sabancı Community with high potential and those just starting out in the workforce hone their leadership abilities. The program lasts for 1.5 years and uses a variety of learning techniques, including business simulation apps, development coaching, and webinar sessions with recognized instructors.

SEED

In order to boost our young talent pool for strategic growth areas and to improve our Employer Brand of New Generation Sabancı to the target talent group, we have developed this program with the goal of attracting young talent to the Sabancı community.



Begüm Biçer Program-Retail-X

Retail-X has been a journey in which I participated in skill development training in a long-term learning environment, improved myself through mentoring and coaching processes, and gained different experiences with cross-functional rotation opportunities. The development program was designed in line with industry trends and modern learning principles, with methods that would meet the expectations of the new generation, and learning components that would appeal to all learning styles were included in the program. I believe that this journey, where different perspectives expand our horizons, will guide all Retail-X participants throughout their professional business life.

Talent Management

Our goal with Sales School Program is to improve customer satisfaction, operational excellence, and service quality.

Professional Development Purposed Programs

Professional Development Programs	Duration	2022 Number of participants (Common Func)	2022 Number of participants (Distribution)	2022 Number of participants (Retail)	Total number of participants
Sales School	1 year	0	0	319	319
Koza Development Program	1.5 year	0	0	62	62
Corporate Sales Academy	1.5 year	0	0	60	60
Technology Development Academy	1 year	246	0	0	246
Patika Development Academy	1 year	16	287	27	330
Engineering Development School	1 year	0	541	0	541
Energy Management Academy	8 months	0	0	21	21
Advanced Data Analytic Academy (iVAA)	8 months	3	11	6	20
Industry Leaders	1 year	0	3	1	4

Talent Management

We introduced the KOZA Development Program in 2019 to aid in the growth of our sales team and enhance their experiences.

Sales School

Together with Sabancı University, we started the Sales School in 2014. We offer our employees a variety of behavioral and technical training through this program that is necessary for the industry from the perspective of Sales and Customer Focus. Our goal is to improve customer satisfaction, operational excellence, and service quality.

KOZA Development Program

We introduced the KOZA Development Program in 2019 to aid in the growth of our sales team and enhance their experiences. This program is created to contain training that satisfies the requirements of three different attendee profiles, as well as a project module where participants share their related recommendations for business process development/improvement with senior management. The program lasts 1.5 years and involves instruction to support the development of people's skills and abilities.

Corporate Sales Academy

To aid in the growth of our corporate sales teams, we provide the Corporate Sales Academy. By broadening their strategic perspective, the program seeks to ensure that our sales team perform to their fullest ability in a fast-paced business environment. Our 1.5-year program comprises technical instruction, skill development, and motivational gatherings where participants can network with influential personalities in the industry.

Technology Development Academy

To make sure that our technology teams are up to date with the newest trends and capable of developing their abilities in areas that are important, we created the Technology Development Academy. We continually update the program to reflect the demands and priorities of the day and give our staff access to the most recent technological advancements. Our goal is to increase the performance of our information teams in accordance with our vision and strategy and to maximize their potential.

Patika Development Program

The Patika Development Program was developed in conjunction with Sabancı University EDU. This program is created to improve an employee's abilities in administrative, supervisory, and technical jobs that are frequently needed in the workplace. In 2022, we offered our employees access to webinar modules on subjects including self-awareness and emotion, thinking methods, various personality types, and effective expression techniques. This was done with the help of senior management and focus groups.

Engineering Development School

We have created a digital development program on EnAkademi with the intention of improving the technical expertise and skills of engineers working for Enerjisa distribution companies. We introduce facility acceptance procedures in a virtual reality (VR) setting with the VR Glasses Project, a first in the distribution sector. To ensure remote acceptance using this technology, we provided VR acceptance training to 455 engineers.

Talent Management

We are pleased to announce that the İVAA Program's fourth phase was successfully completed with a technical focus on data scientists and data translators.

Blue Collar Development School

We are pleased to announce that 6,219 of our staff members have successfully completed the mandatory documentation procedures necessitated by law for our electricity distribution activities (such as EKAT, License, Working at Height Safely, Safe Woodchopping and Trimming, and Professional Competence Certificate). In order to secure their safety and improve their action abilities while working on distribution network field activities, we also gave 294 of our defect repair operators a one-day Field Safe Working (Level 1) training session. In order to improve the technical proficiency of our maintenance teams, we also gave 417 of our employees two days of Level 1 Maintenance training as part of the Planned Maintenance Principles and Procedures announced by the 4th Application Period by the Energy Market Regulation Authority (EMRA) in 2021.

Energy Management Academy

We created The Energy Management Academy to utilize innovative methods to examine the greatest potential of our Energy Management team in a dynamic and quickly-changing business environment from the standpoint of compliance with the long-term success of our company. Our program offers guests information that benefits our industry and our company. The Energy Management Academy offers technical training tailored to the energy markets as well as motivational speeches and competency training to hone existing abilities and acquire new ones.



Advance Data Analytic Academy (İVAA)

In collaboration with Sabancı Holding, Sabancı University, and Sabancı EDU, we have implemented this program with the aim of developing a sustainable human resource in this area to support leadership in digitalization. We are pleased to announce that the program's fourth phase was successfully completed with a technical focus on data scientists and data translators.

Industry Leaders

For the purpose of ensuring the professional and leadership development of engineers and technical executives in the Industry, Building Materials, and Energy Group enterprises of the Sabancı Community, we have devised a program. We think it's important to invest in our team members and give them the tools they need to succeed.

Diversity, Equity and Inclusion

At Enerjisa Enerji, we believe in promoting diversity and gender equality from the very beginning of our recruitment process.

We are firm believers in the value of an inclusive workplace and diverse workforce. At Enerjisa, we implement several initiatives in order to ensure equal opportunity and fair representation. We strive to increase representation in our workforce, specifically in management positions. Discrimination of any kind, including discrimination based on age, gender, language, religion, nationality, race, ethnic origin, sexual orientation, marital status, health, disability status, political opinion or union membership, is strictly prohibited under our **Diversity and Inclusion Policy**. On the other hand, we have the DEI (Diversity, Equity and Inclusion) Committee. The DEI Committee was established in 2022 to ensure effective management of diversity, equality and inclusion initiatives and strategies. Sustainability and Corporate Capabilities

Department Head Ebru Taşcıoğlu has been appointed as chairperson of the committee with her Diversity, Equality and Inclusion Officer role during 2022. Committee make recommendations to the CEO and the Sustainability Executive Committee.

“Gender equality, international exposure, tenure and independency are considered during the selection of Board Members. Accordingly, while fostering an inclusive corporate culture and enhancing the company’s ability to navigate the complex and ever-changing energy sector, Enerjisa embraces diversity in all dimensions of the organization, including Board. BoD diversity leads to more balanced decision making which is the backbone of a strong corporate governance.”

At Enerjisa Enerji, we believe in promoting diversity and gender equality from the very beginning of our recruitment process. We don’t just focus on gender, but also value age diversity and generational differences, which helps our employees learn from each other. Our goal is to offer fair and equal opportunities to all employees, candidates, and business partners throughout our business processes and value chain. This is reflected in our Diversity and Inclusion Policy, which ensures that all white-collar job adverts are open for application to our current employees. We also prioritize the inclusion of persons with disabilities and have over 337 disabled employees, which exceeds the legal requirement. We recognize our responsibility in creating a positive impact in the realm of human rights across society, and strive to do so in all our endeavors.

In 2022, we provided 1,064 hours of equality and inclusion training to 403 employees. Of the newly recruited employees in 2022, 65% are below the age of 30, and 35% in between 30 and 49. While 25% of the employees are below the age of 30, 72% are in between 30 and 49. 51% of the employees have been with Enerjisa Enerji for 5 to 10 years. Persons with disabilities are encouraged to participate in social and economic life in equal terms.



Diversity, Equity and Inclusion

In 2022, the Sustainability Executive Committee continued to respond to any reports of discrimination or abuse by employees, ensuring that the necessary preventative measures were taken.

Equal Opportunity and Non-Discrimination

Enerjisa is dedicated to providing an environment that is free from discrimination against employees based on language, religion, nationality, race, ethnic origin, age, gender, sexual orientation, marital status, health, disability status, political opinion, union memberships, or similar reasons. We adopt an approach based on equality in all People and Culture processes, ensuring fair and equal conditions motivate employees and increase their participation and productivity. In 2022, the Sustainability Executive Committee continued to respond to any reports of discrimination or abuse by employees, ensuring that the necessary preventative measures were taken.

Besides abiding by the mandatory laws, rules, and regulations, our actions are guided by our Code of Conduct, titled **Enetik 2.0**. We communicate our guiding values to all workers through the **Human Resources Policy and the Code of Conduct**. Our commitment to the highest standard of ethics and compliance with non-discrimination standards is not only the right thing to do; it also protects Enerjisa and its employees from legal and reputational risks.

Inclusion

We strive to create not only a diverse environment, but also an inclusive one, where every voice is heard. Therefore, Enerjisa encourages employees to participate in the decision-making processes at every opportunity. Employee participation in management includes attendance at periodic internal meetings, annual target-setting and performance evaluation meetings, live streaming and participation in decision-making mechanisms, committees and projects within the framework of roles and responsibilities. Employees may also share their requests, suggestions, and feedback through various channels such as the intranet, mobile applications (IKON), suggestion systems (Fikir Kumbarası), feedback systems, and surveys. The results obtained through these platforms are analyzed, and action plans are prepared accordingly to ensure necessary changes are implemented. In accordance with the Suggestion, Recognition and Appreciation systems, Enerjisa evaluates and rewards participating employees where appropriate. We particularly support the participation of employees showing high potential in management decisions. We communicate company-related developments to employees through various channels and brief them on the Company's overall situation through annual meetings with management.

Inclusivity via the “Not Without You” (Sensiz Olmaz) Platform

Head of Sustainability and Corporate Capabilities (CSO) oversees diversity, equity, and inclusion initiatives within the company, which are conducted through the “Not Without You” platform. Launched on International Women’s Day in March 2021, the platform focuses on promoting gender equality and providing equal opportunities to all individuals, with a particular emphasis on young people and individuals with disabilities. The platform is divided into subcategories, including “Not Without Equality” (Eşitlik Olmazsa Olmaz), “Not Without Youth” (Gençlik Olmazsa Olmaz) and “Not Without People Challenging Disabilities” (Engel Tanımayanlar Olmazsa Olmaz). Our goal is to ensure that everyone has an equal chance to succeed at Enerjisa and in the business world.

The “Not Without You” platform is proof of our dedication to inclusion, equity, and diversity in every facet of our business. By giving everyone the same opportunities, we respect the worth of every person and the diversity that a diverse workforce and culture bring to our organization. We believe that fostering an inclusive and respectful work environment where everyone feels valued, respected, and heard benefits not only our employees but also our business as a whole. The fact that over half of our workforce has been employed at Enerjisa Enerji for 5-10 years is testament to our success in the matter. We are pleased to be a part of the larger effort to create a more just and equitable society for all through our ongoing efforts.



Diversity, Equity and Inclusion

We are proud to maintain that Enerjisa is ahead of the curve when it comes to women in executive positions.

Gender Equality

Our goal is to boost the representation of women in the energy sector, and we are taking several steps towards achieving this objective. One of these steps is to showcase the experiences of female employees working in various roles across our company through PR initiatives. One example is a 2021 short film we have shared with external stakeholders and students via our social media accounts and at university events in order to increase the visibility of women in our sector. We are continuing such visibility efforts through 2022. We hope that by providing the correct role models, we can inspire female students and potential engineering candidates to consider a lively career in energy distribution.

Throughout 2022, educational sessions on social gender equality and activities to raise awareness were conducted over the “Not Without Equality” Platform. Additionally, the **Gender Equality Communication Guide**, first introduced last year in 2021, continued to be part of the discourse on gender equality in the workplace in 2022. Our objective is to promote awareness of the language used in communication and to encourage the use of gender-inclusive language and approaches in all forms of communication. The guide provides suggestions for language selection and methods that support gender equality in the workplace.

We are proud to maintain that Enerjisa is ahead of the curve when it comes to women in executive positions. According to UN Women, women make up only 22 per cent of management positions and 11 per cent of senior management on average in Türkiye’s private sector, in stark contrast to Enerjisa’s 27% and 15%, respectively.

Women Employment Statistics



11%

Within total labor



31%

Within white collar employees



1%

Within blue collar employees



25%

In Board of Directors



27%

In managerial positions



15%

In senior management (director and above)



25%

STEM (IT, Engineering, etc.) positions



24%

In income-generating executive positions

Diversity, Equity and Inclusion

We strive for gender equality in all aspects of our business operations.

Breastfeeding Leave: Working mothers with children under the age of one are allowed 1.5 hours of paid leave per day to nurse their children, in accordance with Turkish Labor Law. The employee may determine when and how often they will take this leave. Our offices also provide lactation facilities in accordance with regulations.

Parental Leave: Enerjisa provides 16 weeks of paid maternity leave in total, 8 weeks before birth and 8 weeks after birth, in accordance with the Turkish Labor Law. Up to six months of unpaid maternity leave is given to female employees whose maternity leave ends, upon request. Additionally, an employee whose spouse gives birth is given five working days of paid paternity leave in accordance with the Turkish Labor Law.

Violence Against Women

We take a strong stance against the rising violence towards women and make sure to raise awareness and provide support. In March, we shared the relevant ministry helpline numbers through messages on all electricity bills to help customers facing or witnessing violence.

Gender Equality Program

We strive for gender equality in all aspects of our business operations. To support the Sustainable Development Goal 5.5, two of our company representatives and an ambassador participated in the Gender Equality Program of the UN Global Compact in 2021. The program aims to increase the number of women on corporate boards and supply chain initiatives, and guide companies to set ambitious and achievable corporate goals for gender equality.

United Nations Women's Empowerment Principles

As a sign of our commitment to gender equality, we have been a signatory of the United Nations Women's Empowerment Principles since 2019.



Diversity, Equity and Inclusion

Enerjisa campus activities include both online and on campus participation in career fairs, seminars, and other extracurricular activities.

Generational Representation

There are several initiatives at Enerjisa to ensure multiple forms of diversity, including age diversity. Age diversity is crucial in a business as it brings a variety of perspectives, experiences, and ideas to the table. A diverse age range among employees can lead to a more innovative and creative work environment, as each age group brings their unique strengths and skills. It also allows for intergenerational learning, where younger employees can learn from the experience and wisdom of older colleagues, while older employees can benefit from the fresh perspective and

technological skills of younger colleagues. Moreover, age diversity promotes a more inclusive workplace, where all employees feel valued and appreciated, regardless of their age. As a reflection of this approach, we launched the **“Not Without Youth” (Gençlik Olmazsa Olmaz)** platform to keep in touch with our goals and programs focusing on youth inclusivity.

Campus Activities: Enerjisa campus activities include both online and on-campus participation in career fairs, seminars, and other extracurricular activities. Representatives from Enerjisa speak with university students about the energy sector and career opportunities at Enerjisa.

ENTER New Generation Talent Management Program: ENTER is a mentoring program designed for senior and graduate students in electrical or electronic engineering. During this nine-month program, future engineers are assigned to various business units at Enerjisa to experience engineering workflows in the electricity distribution sector firsthand. Students are mentored by talent coaches and are able to explore their individual areas of interest.

Retail X: This program targets the recruitment of new graduates with the purpose of strengthening our strategic position in retail energy, improving upon human capital, training future leaders and facilitating succession for managerial roles.

Young Energy: This program aids promising young professionals in kickstarting their careers in order to cultivate the next generation of industry leaders.

YODA Reverse Mentoring Program: With the YODA Reverse Mentorship program, we aim to create an intergenerational dynamism within the ranks at Enerjisa. This program allocates a young professional as a mentor to each senior management. In our experience, both sides benefit greatly from the other's relative experience and fresh perspective.

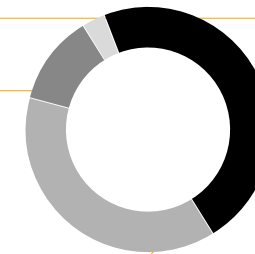
SPARK: SPARK is an online summer internship program that places young academics in appropriate intern-level roles in an Enerjisa distribution company. The program allows university students to learn about the electricity distribution sector from behind the scenes, as well as providing opportunities for personal and professional growth. An emphasis on sustainable development is also present in the program material.

Employee Distribution by Disability

3%
Hearing Disabled

12%
Visually Disabled

38%
Physically Disabled



ENBIZ: Launched in 2016, the ENBIZ program focuses on integration of disabled individuals into the workforce. In 2022, the program continued its efforts raising awareness and providing occupational training opportunities to disabled external participants.

Health, Safety and Well-Being

We support the physical and mental wellbeing of our employees with live wellbeing lectures and sessions.

We acknowledge that our employees and contractors are committed to pivotal tasks, which include distributing electricity and implementing alternative energy solutions. These essential roles come with certain health and well-being implications. As they carry out these vital roles, the physical and mental health of our employees is a priority. We are dedicated to ensuring their well-being, knowing the vitality of their tasks.

Employee Support Program

We support the physical and mental wellbeing of our employees with live wellbeing lectures and sessions. We promote activities such as fitness, mindfulness, pilates, yoga and nutrition to improve the living conditions of our people.

Through our expert supported “Avita Employee Support Program”, we look forward to offering individual counselling services to our employees and their families. Our goal is to provide proactive support to assist employees in resolving any challenges they may encounter and reducing their negative effects.

We kept providing these services in 2022, and the Avita Employee Support Program got 2,683 requests. We remain committed to providing these helpful resources to ensure the well-being of our employees and the people close to them during difficult periods.

We place significant emphasis on maintaining the highest standards in Occupational Health and Safety across all our operations. In order to mitigate potential risks and ensure the safety of our workers and contractors, we implement a variety of precautionary measures. To keep track of our performance in maintaining safety standards, the senior management team periodically reviews Key Performance Indicators (KPIs) related to Occupational Health and Safety.

The Head of the Distribution Business Unit, who in turn reports to the CEO, is directly responsible for the Occupational Health, Safety, and Environment Group Management team. Similar to this, at the Retail Sales Business Unit, the Head of the Sustainability and Corporate Capabilities Department, who in turn reports to the CEO/CFO, oversees the Occupational Health, Safety, and Environment Unit. Occupational health and safety-related issues must be handled by senior management.

The monthly OHS-E Report, which includes important accident data and accomplishments of Safety Improvement Plan objectives, allows us to periodically assess OHS performance. The senior management team’s performance evaluation uses this report as a major component.

Our OHS policy reflects the strong commitment that our company has to occupational health and safety (OHS). We have made this policy accessible for review and have discussed it with our employees and other stakeholders. Our policy places a strong emphasis on the value of preventing accidents and diseases through proactive measures, adherence to legal requirements, and ongoing improvement. We are committed to making sure that everyone can work in an environment that is safe and healthy.

The Occupational Health and Safety Management System

We consider it essential to manage Occupational Health and Safety (OHS) in compliance with global standards. As a result, we have put the ISO 45001 Occupational Health and Safety Management System into place at all our distribution and retail sales companies’ sites and facilities. We successfully finished the certification renewal procedure in 2020 in accordance with the most recent standard. With an emphasis on preventive measures, a more effective and integrated strategy based on risk and opportunity, and the philosophy of continuous development, our occupational health and safety management system has been revolutionized. In 2022, our yearly interim audits demonstrated that we had complied with our commitments to ongoing improvement and that our operations followed the management system.



Health, Safety and Well-Being

We develop emergency plans for each region and hold annual emergency drills to maintain preparedness.

Additionally, our retail sales companies started their efforts in 2020 to achieve ISO 45001:2018 Occupational Health and Safety Management System certification. Our retail sales companies conducted internal audits in three regions, evaluated their adherence to the Occupational Health and Safety Management System, and finished the certification process in 2021. In 2021, Eşarj also received the certification. Therefore, all our services are included in the scope of ISO 45001.

For possible new projects, unusual operations, adjustments to ongoing operations, and new work locations, we undertake risk assessments. Before beginning new operations, we make sure OHS requirements are being followed. We employ the Fine-Kinney method for risk assessment, and risks are identified based on their likelihood of occurring, seriousness, and frequency. We categorize detected risks and take precautions to reduce any risks that are higher than acceptable levels.

We develop emergency plans for each region and hold annual emergency drills to maintain preparedness. We determine the steps that must be taken to resolve any noncompliance problems discovered during yearly exercises and oversee their implementation.

We have established monthly and annual goals to encourage greater OHS awareness. In order to enhance OHS performance and more accurately pinpoint risk areas, we work together with our staff and stakeholders. We urge all of our employees and independent contractors to take part in risk analysis and incident investigations and to offer their input.



Our OHS committees give our employees the opportunity to participate in pertinent decision-making procedures on OHS issues. Employees are represented on these committees as well. When choosing personal protective equipment, we consider the opinions of field workers, employee, and union representatives, and we make sure they are involved in the selection of materials.

Investing in OHS training is a crucial step for us to instill and spread our culture of safety and health. We proactively organize events to enhance awareness among our employees, business partners, and contractors in all regions where we operate. Our commitment is to leverage all communication channels available to keep our contractors informed about any work accidents and near misses in all of our facilities. Furthermore, we rely on the Contractor Communication Portal to establish effective communication with our contractors in distribution companies.

Our aim with the Zero Tolerance Policy Towards Violence is to establish the principles and enforcement process for creating a work environment that is safe, equalitarian, and does not tolerate any form of violence.

Zero Tolerance Policy Towards Violence

Elaborating on our commitment to a safe, inclusive and respectful workplace, we launched the Zero Tolerance Policy Towards Violence in 2022. The purpose of this policy is to establish principles and enforcement procedures that promote an equitable and non-tolerant work environment against all forms of violence at Enerjisa. As part of this mission, we strive to raise awareness about violence, provide confidential support mechanisms for employees who have experienced violence, and enforce our policy through rigorous examination and auditing processes.

[Click here to access our Zero Tolerance Policy Towards Violence.](#)

Health, Safety and Well-Being

We furnished 164,730 hours of OHS instruction for 11,673 employees throughout 2022, equating to 14.1 hours of OHS training per employee.

OHS Training

We diligently work to preserve our ingrained OHS culture and ensure a secure work environment for all our team members. By promoting consistent training and enhancement initiatives, we aim to minimize OHS risks for our employees and contractors while maintaining a healthy workplace with regard to OHS management. Safety training is a crucial aspect of OHS management, as it bolsters both our OHS culture and our employees' professional competencies. In 2022, we persisted in delivering OHS trainings in adherence to Covid-19 pandemic precautions. During the pandemic, OHS training remained a focal point, comprising 34% of total employee training for the year. We furnished 164,730 hours of OHS instruction for 11,673 employees throughout 2022, equating to 14.1 hours of OHS training per employee. Alongside OHS training, our Technical Development Management provided technical education to our workers. Furthermore, we offered a three-day hands-on training program on Working Safely at Heights to 465 field workers and a refresher course on the same topic to 1,652 employees according to their job roles. In order to increase staff awareness about occupational health and safety, encourage their involvement, and contribute to the growth of our company's OHS culture, we executed several projects in these areas in 2022:

OHS Week

We used educational messaging during OHS Week, which took place between May 4 and 10, to increase OHS awareness throughout the whole business and highlight the value we place on OHS awareness.

Training for Contractors

Our commitment to upholding occupational health and safety (OHS) standards extends to our contractors as well. To ensure that these standards are met, we follow a strict protocol for OHS training programs that contractor companies are required to provide for their employees under the legislation. This protocol includes field audits, document controls, and regular meetings to monitor the implementation of these programs. In 2022, we are proud to report that a total of 7,675 contractor employees received basic OHS training from their respective companies. By prioritizing the OHS training of contractors, we aim to foster a culture of safety and responsibility across our entire organization and create a work environment where everyone feels valued and protected.

Field Audits

We have established detailed guidelines and procedures to ensure the safety of our employees during work activities. As part of this effort, we provide comprehensive training that adheres to established regulations and procedures, and we conduct frequent field inspections to verify that proper practices are being followed. Last year alone, we performed over 46,630 inspections on our own employees. In addition to our internal efforts, we also take our responsibility to improve the OHS culture of our business partners and contractors seriously. Our relevant business units conduct one-on-one visits to contractors, where they request safety improvement plans and conduct approximately 18,934 OHS field inspections in 2022.



Health, Safety and Well-Being

We conducted a study using the Hudson & Parker method, which includes 18 parameters, to assess the maturity of our OHS Culture within our Distribution Companies.

Projects to Improve OHS Performance

At Enerjisa, we prioritize the prevention of occupational accidents as a critical element of a safe working environment. Our incident investigations focus on identifying the root causes of accidents, and we utilize innovative technologies throughout our organization to prevent accidents, especially in high-risk processes. Unfortunately, in 2022, we experienced a loss of one of our employees due to an occupational accident. In response, we conducted a comprehensive investigation to determine the root causes of the incident and implemented appropriate actions to prevent future occurrences. Our senior management closely monitored these actions to ensure the continued safety of our employees.

In 2022, we implemented the following improvement measures with the goal of preventing potential incidents and improving our organization's safety culture.

Underlying Causes of Unsafe Acts Seminars:

In our 2019 model-based critical behavior analysis study, we sought to comprehend the root reasons of crucial dangerous acts. As a follow-up to this research, we began a series of seminars in distribution companies where we attempted to comprehend and explore the fundamental reasons behind

unsafe acts. A total of 750 engineers, team leaders, and managers attended the seminar where Professor Dr. Türker Özkan from the Psychology Department of Middle East Technical University explained the classification and underlying reasons of unsafe behaviors.

OHS Culture Maturity Assessment:

We conducted a study using the Hudson & Parker method, which includes 18 parameters, to assess the maturity of our Occupational Health and Safety (OHS) Culture within our Distribution Companies. Our research aimed to identify the strengths of our Regional Managements and areas that require improvement. We will use the findings to determine regional actions and as a critical input for our Regional Managements when developing their Safety Improvement Plans.

In addition, we also performed an OHS Culture Maturity Assessment study for our Eşarj and Customer Solutions businesses. The results of this study will play a crucial role in establishing our OHS roadmap for expanding our business models, ensuring no loss of meaning or clarity.

OHS Communication Project – Not without You:

We disseminated our OHS (Occupational Health and Safety) video across various social media platforms to explain the potential risks associated with work activities, with the slogan “Every task can be finished by the end of the day, but not

without your participation.” As part of our “Not Without You” communication initiative, we continuously released incident videos depicting past serious accidents in distribution companies and their underlying causes on easily accessible platforms for all employees throughout 2022.

ISO 39001 Road and Traffic Safety Management System Implementation:

We began implementing the ISO 39001 Road and Traffic Safety Management System in Distribution Companies in order to bring a systematic approach to the issue of Traffic Safety. We completed standard and internal auditor trainings in 2022, and we provided practical training to the team that will construct the management system in 2023.

Safety Improvement Plan (SIP):

In our company, we prepare and implement Annual Safety Improvement Plans in all of our business units. In 2021, we aimed to increase participation and ownership by giving selective targets to Regional Managers of Distribution Companies, and it was successful. As a result, in 2022, we extended this approach to include all SIP targets determined by Regional Managers. We wanted to ensure that Occupational Health and Safety targets are embraced throughout the organization by involving Regional Managers, who set their targets based on the needs in their respective areas of responsibility and monitor the progress of target achievement. Furthermore, the top management of the Eşarj and Customer Solutions companies determined the targets based on the needs of their activities.

Health, Safety and Well-Being

We, as Enerjisa Enerji, have planned workshops to teach our contractors the lessons we have learnt through accidents.

Lessons Learned from Accidents Workshops for Contractors:

We, as Enerjisa Enerji, have planned workshops to teach our contractors the lessons we have learnt through accidents. We have discussed at these seminars details of severe accidents that happened while contractors were working and the steps, we took to address them. Our goal was to share our experience and approach to occupational health and safety (OHS) with contracting companies. These training allowed contractors to better grasp OHS and learn from past mistakes in order to avoid repeating them in the future.

Weekly Incident Bulletin:

We distribute investigation findings of accidents and near-misses across our Distribution Company via the Weekly Incident Bulletin. We believe that this weekly publication will aid the dissemination of investigation reports to all employees and enhance occupational health and safety communication within the company.

Monthly OHS Bulletin:

We create a monthly OHS Bulletin and post it on our OHS Communication boards. This Bulletin highlights notable OHS operations within our retail businesses.



Ongoing Coronavirus Measures

We have kept a Coronavirus Crisis Committee functioning in response to the current Covid-19 pandemic. This committed team effectively handles pandemic-related problems by acting as soon as necessary. Our original action plans, created to respond to active cases that were either suspected or proven, have been kept current in accordance with the Ministry of Health's notifications.

We continue to closely monitor the situation, informing the Coronavirus Crisis Committee every day of the number of confirmed, suspected, and recovered cases. The committee also receives a weekly report that includes trends in case numbers, confirmed and recovered cases, the average age of infected individuals, their state of treatment, and the outcomes of contact tracing. We are still committed to protecting the health and safety of our workforce and communities through these ongoing efforts in these challenging times.

OHS Performance Indicators

We monitor our occupational health and safety (OHS) performance in line with critical accident targets. In addition, we ensure the participation of the entire organization in OHS audits and contractor management by monitoring SIP targets at the directorate level.

Management of Vulnerable Customers

We are conscious that managing vulnerable groups in our industry should center on making sure that these groups receive equal access to services.

To make sure that people have access to these essential amenities, some vulnerable groups in society may need special consideration. We are conscious that managing vulnerable groups in our industry should center on making sure that these groups receive equal access to services without facing discrimination.

Providing affordable electricity to vulnerable communities is a critical component of our social justice strategy and promotion of sustainable energy as a public service provider and role model. We make certain that all persons, regardless of physical limitations or handicap, have access to services.

As a public service provider that serves as a role model, providing affordable energy to disadvantaged communities is a critical part of our agenda for social justice and the promotion of sustainable energy. We ensure that services are accessible to all, regardless of disability or other physical limitations.

Equal Access Projects: With the support of barrier-free initiatives, our physical and digital service channels have been transformed into a structure where everyone can complete their transactions quickly and effortlessly. Despite the difficulties that disabled clients face on a daily basis, we are devoted to offering “Equal Access for All”. It is believed that these initiatives will boost the accessibility of all customer services supplied through physical and digital channels for consumers who are disabled, as well as make transactions simple and quick.

Improvements Made in Customer Service Centers (MHM): Thanks to customer service agents that speak sign language at 11 different MHMs, there are floor reliefs for customers with hearing impairments and contrast paints on the walls; Accessible MHMs have been developed for customers with low vision or visual impairments so that all customers may readily obtain service, including wheelchairs, WCs, disability ramps, call buttons, and jet kiosks. By expanding these applications to new service points in the near future, we hope to improve the lives of more customers.

Visually Impaired Digital Project: In keeping with our egalitarian approach, our collaboration with Blindlook has improved the user experience for blind or visually impaired customers and ensured that 100% of digital channel transactions are performed utilizing audio simulation technology.

Barrier-Free Invoice Project: We provided customers with embossed invoices over the IVR channel in order to accommodate their needs as people who are blind or visually

impaired. After a customer has phoned the call center once and made a request, they are also registered in the system, and their subsequent calls are given precedence.

Retail Sales Agreement with Braille Alphabet: For the subscription transactions of visually impaired clients visiting MHMs, we created a Retail Sales Agreement and a PDPL form Braille alphabet with embossed letters.

Device Dependent Patients (Hasta Var Program): We continued to provide emergency supplies to these places in the case of an outage or when a patient's medical condition necessitates the usage of essential medical equipment. In 2022, there were 2,281 customers that used this service.

Electricity Consumption Support for Underprivileged Customers: We continued to provide energy assistance to Turkish citizens who are currently eligible to receive monthly or regular social assistance from the Social Assistance and Solidarity Foundations in order to meet their minimum needs under the Presidential Decree on the Provision of Electricity Consumption Support to Low Income Households (“Decree”). The Decree provides 75 kWh of support for households with one to two occupants, 100 kWh for households with three occupants, 125 kWh for families with four people, and 150 kWh for households with five or more occupants.

We identify vulnerable consumers and specialize in the services we provide to them in accordance with the legislation.



CSR and Community Investments

Our business model is inherently in service of the greater community.

We at Enerjisa provide power to nearly ¼ of the entire population of Türkiye; And with great power, comes great responsibility.

By nature, Enerjisa is a socially oriented company which operates within the greater community. With over 109,000 acres/sqkm of land under its jurisdiction, Enerjisa is responsible for providing electricity to over 20 million people from the biggest city to the smallest, most remote villages. That's nearly ¼ of the entire population of Türkiye. Our business model is inherently in service of the greater community. Thanks to our multiple points of contact with the communities we serve, many opportunities

arise for our organization to lend a helping hand. Creating a better tomorrow has always been a top priority at Enerjisa. As an extension of this stance, we invest our time, profits, and soul into community projects in an effort to enrich all lives through innovation and sustainable development.

I am Protecting the Energy of the World

The conservation of energy is a critical issue in Türkiye, and one way to address this is by raising awareness of energy efficiency, particularly among primary school children. The project "I am Protecting the Energy of the World" was launched in 2010, in partnership with the Ministry of National Education, to promote energy conservation among children. Since then, more than

300,000 pupils from 750 schools across 14 provinces have been provided with energy conservation training through the participation of 450 volunteers from the company. In 2022, the project continued with the screening of a children's theatre and events were held in several cities, reaching about 6,000 children. As part of the Sabanci Republic Mobilization, the company collaborated with the Science Virus platform to organize Energy Savers project activities, which involved approximately 3,000 children between the ages of 7-10 and 120 volunteer youth in the fields of energy saving, sustainability, and global awareness. The project volunteers provided age-appropriate lessons to the children.



CSR and Community Investments

With SENTRUM Project, we aim to raise awareness of energy efficiency and renewable energy resources.

SENTRUM

The SENTRUM project, carried out in cooperation with the United Nations Development Program (UNDP) and Sabancı University, successfully transformed the Sustainable Energy Based Tourism Practice Center in Ayvalık Küçükköy over an 18-month period. The project aims to make a direct or indirect contribution to 10 of the 17 United Nations Sustainable Development Goals. Among these goals, the project seeks to raise awareness of energy efficiency by developing a Sustainable Green Destination Model, support social, environmental, and economic transformation in sustainable tourism, contribute to socio-economic development through awareness-raising efforts for energy efficiency and renewable energy sources, and establish a scalable and repeatable Sustainable Green Destination Model in Ayvalık Küçükköy.

Cenk Bayırlı Director Institutional Partnerships and Alumni Relations-Sabancı University

As Sabancı University, we are focusing on socially and environmentally important goals such as sustainability and renewable energy. We are conducting important and pioneering studies that support the United Nations' Sustainable Development Goals. To support sustainable development and contribute to society, we launched the Creative Technologies Workshop in Ayvalık Küçükköy in 2019. Considering the children's right to education and equality are prerequisites of a developed society, we are organizing science and technology-based trainings with our faculty members and students. We are extremely happy that the Creative Technologies Workshop is the pilot of the SENTRUM Project. We believe this project will be a pioneer in the field of sustainable tourism and will continue in different regions of our country.

Pelin Rodoplu Portfolio Manager Sustainable and Inclusive Growth-United Nations Development Program (UNDP)

As the United Nations Development Program (UNDP), we carry out our work on a global scale in line with the Sustainable Development Goals determined by the UN System, based on Turkey's development priorities.

In this context, we implemented the SENTRUM Green Destination Model Project in Ayvalık Küçükköy in cooperation with Enerjisa Enerji and Sabancı University to support the social, environmental and economic transformation needed by the tourism industry. With the project, we aimed to create a scalable and repeatable model for sustainable tourism practices by raising awareness about energy efficiency and the use of renewable energy resources in Küçükköy, which has a rising tourism potential.

While prioritizing the promotion of activities such as the protection of cultural and natural values, the implementation of energy efficiency and renewable energy applications, waste management, waste separation, we supported our vision for a four-season active destination that will support the welfare of the people of the region with a wide range of tools from technology to art. With the practices we have implemented in Küçükköy, we have taken an important step in mobilizing the sustainable tourism potential.

Our cooperation with Enerjisa Enerji and Sabancı University has set a good example that a sustainable transformation in the tourism sector can be achieved more effectively with strong partnerships.



<https://www.sentrum.com.tr/en/>

CSR and Community Investments

At Enerjisa, we believe in supporting our employees' involvement in social responsibility initiatives and activities that contribute to social welfare.



The SENTRUM project yielded several outcomes, including a thorough analysis of the region's tourism resources, identification of cultural and natural values that can be marketed in terms of tourism, and engagement with stakeholders. The project also examined green destination standards in different countries and created roadmaps on green purchasing, sustainable transportation, production and consumption, which were shared with relevant public institutions and local communities.

Energy survey studies were conducted for tourism enterprises and public buildings in the region, and eight businesses were supported with energy-efficient lighting and white goods, while solar power plant and energy efficiency applications were implemented in two public buildings. The project provided education opportunities to high school students, women in the region, and business owners on topics such as energy efficiency, sustainable tourism, waste management, climate change, and gender equality.

SENTRUM was established as the Sustainable Energy Based Tourism Practice Centre. With it we aim to raise awareness of energy efficiency and renewable energy resources. A permaculture garden, created in the workshop's garden to promote sustainable agriculture, is open to visitors and will raise awareness of sustainable farming practices. We also specifically involved the participation of women in all processes, informed and empowered them, and prepared a Gender Equality Action Plan to guide the studies.

The SENTRUM project also created alternative walking and cycling routes and implemented the energy route and cycling/walking route, which allow visitors to experience the region's source values. As a supporter of the SENTRUM project, we at Enerjisa implemented energy

efficiency practices as part of SENTRUM, which contributed to the transformation of Küçükköy, supported local economic development, and promoted sustainable tourism.

The project resulted in significant energy savings, with exterior insulation, temperature-controlled double-glazed window and PVC frame application, air source heat pump application, modification of radiators, and replacement of all radiator valves with thermostatic valves. The public parking area in front of the Küçükköy Municipality Science Affairs Department was also integrated with Eşarj, Türkiye's first and fastest electric vehicle charging station network company. As a result of the "Energy of My Business" applications, annual energy savings equivalent to 15,000 kg of coal were achieved, and the amount of carbon emissions to be prevented corresponds to an average of 90,000 kg/year. Overall, Enerjisa Enerji invested a total of 10 million TL in the Green Destination transformation of Küçükköy, taking on a leading role in making both significant monetary and innovative contributions to designing sustainable living for a better future.

Social Welfare Projects

At Enerjisa, we believe in supporting our employees' involvement in social responsibility initiatives and activities that contribute to social welfare. We understand that voluntary participation in such activities not only boosts employee morale and loyalty, but also strengthens their sense of belonging to the company. That is why we actively encourage our employees to participate in social responsibility projects and initiatives.

Recently, our employees took part in the **Sabancı Republic Mobilization**, a program initiated by Sabancı Holding, which ran from October 29 to November 10 of 2022. During this period, our employees volunteered for a total of **15,516 hours** (a collective total of nearly 2 years!), participating in various activities such as waste collection, waste separation workshops, installation of the Kozalak Early Fire Detection system, Energy Savers project, I am Protecting the Energy of the World Children's Theatre, participation in the 44th Istanbul Marathon, and planting saplings in the Permaculture Garden.

In addition to supporting our employees' participation in social responsibility initiatives, we also sponsor a coding program developed by Kodluyoruz, an association that focuses on coding education. This program aims to provide young people with the skills and knowledge needed to succeed in the digital age.

As part of our commitment to promoting the well-being and development of young people, we have been supporting the **Başkent EDAŞ Sports Club** since 2010. This program provides young people between the ages of 15 and 19 with the opportunity to participate in sports, develop themselves, and reach their potential. In 2022, the club had a total of 128 athletes under the supervision of two coaches, and competed in three football categories: U14, U16, and U18. The team achieved remarkable success, with the U16 and U18 categories winning first place in Ankara, and the U14 category coming in second.

Foundations



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Corporate Governance



We believe that building a solid foundation of corporate governance and risk management, coupled with active engagement with stakeholders, is critical to maintaining sustainable business growth. Our focus is on ensuring that we effectively communicate our operations and performance to all stakeholders.

In today's investment landscape, it is imperative that companies provide transparent and standardized information that enables investors to evaluate long-term value creation strategies and risk profiles. At Enerjisa Enerji, our culture, ethics, and compliance policies are built upon our core principles. We understand that our behavior

shapes our culture, and in turn, our culture determines our performance. It is essential that our principles are upheld throughout our value chain, and we take steps to ensure that these principles are reflected in our daily policies and procedures.

Our corporate governance framework rests on four fundamental pillars: transparency, fairness, responsibility, and accountability. We strive to uphold these principles in our management approach and continuously improve our corporate governance practices by benchmarking against best practices. Since 2019, we have been included in the BIST Corporate Governance Index and use this as a guide to further improve our governance practices.

For more detailed information on our corporate governance practices, please refer to the **Enerjisa Enerji 2022 Corporate Governance Rating Report**.

Governance Structure

Our company operates under a robust corporate governance system that is overseen by our Board of Directors, the highest management body within the organization. The board is comprised of eight members, two of whom are independent to ensure an objective decision-making process that aligns with our commitment to transparency and accountability.

Our Board of Directors is led by a separate Chairperson and Vice Chairperson, a structure that reinforces our focus on effective management and promotes sound corporate governance practices. To support the board, we have established several committees, including the Audit Committee, Early Risk Detection Committee, and Corporate Governance Committee, which report directly to the board to ensure that all decisions are made with due consideration to our stakeholders and their interests.

In 2022, our Board of Directors convened 5 times in total to evaluate strategic matters concerning the Company. The attendance rate of Board meetings was 90%. Our corporate governance practices are central to our company's long-term success. We strive to maintain transparency, fairness, responsibility, and accountability in all our operations, and we regularly review and improve our corporate governance practices to align with best practices and industry standards. We believe that this approach is essential to building a sustainable future for our company and our stakeholders.

Corporate Governance

Committees

Corporate Governance Committee

Following our public offering in February 2018, we established the Corporate Governance Committee to strengthen our commitment to effective corporate governance practices. According to the Committee Charter effective as of April 1, 2022, members of the Committee are selected from Board members and Investor Relations, Mergers & Acquisitions and Tax Director. The Committee is chaired by an independent Board Member.

The main objective of the Corporate Governance Committee is to provide suggestions to our Board of Directors on ensuring compliance with the Corporate Governance Principles set by the Capital Markets Board and other globally recognized corporate governance principles and best practices. Additionally, the Committee proposes methods for implementing these principles and monitors the company's adherence to them.

Moreover, the Corporate Governance Committee carries out the duties and responsibilities of both the Nomination and Remuneration Committees. The Corporate Governance Committee convened four times in 2022.

At our company, we place a high value on transparency and accountability, and our Corporate Governance Committee serves as a key component of our governance framework. For further details on the Working Principles of the Corporate Governance Committee, please click the link provided.

Audit Committee

The Board of Directors is assisted by the Audit Committee, which is made up of two independent members. This committee is responsible for advising the Board of Directors on the integrity of financial statements, internal control processes, and the effectiveness of the Internal Audit function of the Company. They also ensure the effectiveness of internal audit processes and functioning systems, the independence, qualifications, and performance of external auditors, as well as compliance with applicable laws and regulations.

The Internal Audit department is responsible for planning and conducting internal audit activities related to the efficiency of the company's internal control system.

The Audit Committee and the Company management receive the audit results, and the Internal Audit Department monitors the planned actions.

The Audit Committee is regularly informed of the Internal Audit Department's activities. In 2022 the Audit Committee held four meetings during which the Audit Committee was informed on topics including, but not limited to, improvement areas identified in audit/consultancy activities and relevant action plans, results of follow-up activities, information about performed ethics investigation activities and significant considerations about other activities.

To learn more about the **Audit Committee's working principles**, [click here](#).

Early Risk Detection Committee

The Early Risk Detection Committee is a vital component of our corporate governance framework. Comprising of members selected from our Board, including two independent members, the Committee is chaired by an independent Board Member. The main function of the Committee is to monitor potential risks and opportunities that may impact the Company's strategies and existence.

The ERDC had 3 meetings during the year 2022 and 7 reports/meeting minutes were submitted to the Board of Directors.

At each committee meeting, the members receive regular reports on risks and opportunities, and conduct an in-depth review of a prioritized topic to ensure that all potential risks are adequately addressed. The Committee also advises the Board on the definition of risks and opportunities that pose a threat to the Company, the appropriate mitigation actions to take, and early detection and precautions to be put in place.

Following Board review, the Committee and the Chief Financial Officer (CFO) oversee the implementation of the recommended actions to mitigate potential risks. The Committee also provides periodic reports to the Board on the progress of these mitigation measures.

To learn more about the **Early Risk Detection Committee's working principles**, [click here](#).

Compliance Management

In order to maintain and strengthen our commitment to ethical and legal business practices, we established the Compliance Function in 2020, assigning clear roles and responsibilities to the function. The Compliance Function is responsible for the effective execution of compliance management by identifying and preventing compliance risks, creating and maintaining compliance awareness, organizing compliance training, guiding employees, and regularly reporting compliance management performance to the Board of Directors.

To further support our efforts in this regard, we initiated the process for obtaining ISO 37301 Compliance Management System Certification. As part of the process, we prepared our Compliance Policy, which was approved by the Board of Directors. We have received the ISO:37301 Compliance Management System Certificate upon extensive audit process on Enerjisa group companies conducted by KPMG Germany (Official accreditation by the German Accreditation Body (DAKKS) is pending.)

The Compliance Function performs regular compliance risk assessments to identify potential compliance threats in our activities and the risk level to which we are exposed. We ensure that the necessary measures are taken in a timely and complete manner to prevent possible violations and compliance risks by regularly evaluating and identifying said risks under the supervision and monitoring of the Board of Directors and top management. Through our proactive approach to compliance management, we are able to eliminate compliance risks and protect ourselves from severe fines, administrative and criminal sanctions, and behaviors that may damage our reputation.

As part of our commitment to compliance management, the Compliance Function guides Company employees proactively for effective compliance management. The Compliance Management Unit replies to information requests from employees regarding actions and processes that may violate the Code of Conduct, carries out activities to raise awareness of related issues, and plans training for our executives. By regularly monitoring compliance rules and possible risks through the risk matrix prepared in accordance with the related

legislation, we are able to identify areas for improvement and take necessary action to ensure compliance with applicable regulations and ethical business practices.

Our Compliance Function is committed to promoting a culture of compliance and ethical business practices throughout the Company. By prioritizing compliance management and staying vigilant for potential risks, we can continue to build trust with our stakeholders and maintain our reputation as a responsible corporate citizen.

[Click here to access our Compliance Policy.](#)



Business Ethics

Our company places great importance on maintaining high ethical standards and transparency throughout all aspects of our operations and relationships with stakeholders. We updated our Code of Conduct in 2020 to reflect these values and ensure their implementation. Our core values include ethics, transparency, honesty, and integrity, and we are committed to fighting bribery and corruption to safeguard our company's reputation and ensure smooth operations. We recognize the importance of ethical management for all stakeholders, and actively engage in dialogue and collaboration with NGOs in this area. As a corporate member of the Turkish Ethics and Reputation Society, we are dedicated to upholding ethical standards and have committed to complying with the principles of Transparency International in 2021.

Click here to access our Enerjisa Code of Conduct.

Code of Conduct

At Enerjisa, we have adopted the Enetik 2.0 Code of Conduct as a unifying framework that guides our actions and decisions across all aspects of our business. Our Compliance Management Unit works closely with relevant teams to develop and review the Code of Conduct on an annual basis, ensuring it remains up-to-date and comprehensive.

Enetik 2.0 covers a broad range of topics, including human rights, environmental protection, anti-bribery and anti-corruption, compliance with legal regulations, fair competition, data privacy and confidentiality, media relations, engagement with public institutions and political organizations, conflicts of interest, gift giving and donations, working outside of the company, dress code, and health and safety. All employees are required to acknowledge and adhere to the Code of Conduct, while the Compliance Management Unit oversees compliance efforts. Our Compliance Management Department employees have completed the Corporate Ethics and Compliance Management training provided by the Ethics and Reputation Society (TEİD) and have been certified as Ethics and Compliance Managers.

As part of our risk management approach, we conduct qualitative risk assessments twice a year to identify potential violations of the Code of Conduct, including those related to anti-bribery and anti-corruption. Risks are reported Early Risk Detection Committee or Risk Management Committee and evaluate their realization at the beginning of each year. Through backtesting, we assess the accuracy of our risk reports from the previous year, as well as the probability and impact of risk realization. The Internal Audit Department is responsible for monitoring the follow-up and investigation of any violations of the Code of Conduct, while the Corporate Compliance Function supports their efforts.

Informing Our Employees

Ensuring that all employees are aware of and understand the Code of Conduct is a crucial part of our compliance program. In addition to making the Code of Conduct easily accessible on our website and mobile application, we provide regular online training to all employees.

In 2022, we continued to prioritize the expansion and sustainability of our compliance culture by providing a total of 4,218 hours of online Code of Conduct training to 2,717 employees. This training also included specific modules on anti-bribery and anti-corruption, which are areas of particular importance to us.

To ensure that employees in relevant business units receive targeted training on areas of specific concern, we also organized exclusive training sessions. We believe that providing specialized training in this way enables us to better identify and address potential compliance risks in these areas.

Looking ahead to 2023, we have already planned specific training sessions focused on anti-bribery and anti-corruption. Continuing to prioritize compliance education and training maintains a strong culture of compliance throughout our organization.

Business Ethics Violation Reports

At Enerjisa, we believe in the importance of transparency and accountability, and encourage all employees and stakeholders to report any potential violations of our Code of Conduct. We have established various reporting channels to ensure that all reports are handled in a confidential and professional manner.

Employees and stakeholders can anonymously report any non-compliance or violations of the Code of Conduct through multiple channels, including the "Enerjisa Enetik Line," email, fax, or postal mail. In addition, stakeholders can also make notifications to the Sabancı Holding ethics line. We ensure that employees who honestly and in good faith report a violation or suspected violation shall not face any retaliation as per our "Anti-Retaliation Policy." Other than violations or non-compliant behaviours, our employees and stakeholders can reach out to our compliance function in case of hesitation in order to get guidance on issues that may lead to violations.

The Internal Audit Department is responsible for reviewing all reported notifications and investigating them if required. We guarantee confidentiality and anonymity for all reporting channels, and all notices are scrutinized and reported to senior management and, if necessary, to the Disciplinary Board. The Audit Committee is informed about the notices reported to the Disciplinary Board, ensuring that we maintain high levels of compliance and ethical standards throughout the organization.

Business Ethics

We received 95 notifications via different channels, such as the ethics line, shareholder requests, business units, human resource departments, etc. and resolved all of them.

Anti-Bribery and Anti-Corruption

We take the prevention of bribery and corruption very seriously at Enerjisa. Our Anti-Bribery and Anti-Corruption Policy is binding for all employees and stakeholders, including the Board of Directors, companies contracted for goods and services and their employees, business partners, and suppliers. We ask all business partners to sign the Enerjisa Supplier Compliance Declaration, committing to comply with our Anti-Bribery and Anti-Corruption Policy.

In 2021, we revised the responsibilities of the Board of Directors to include ensuring that no employee shall suffer any harm due to refusing to pay bribes. Our Compliance Management Unit is responsible for developing the Enerjisa Code of Conduct and the Anti-Bribery and Anti-Corruption Policy, providing training to employees, and responding to requests for an opinion. The Internal Audit Department works with Compliance Management to raise awareness about compliance with business ethics in general, as well as all internal procedures and policies, including the Anti-Bribery and Anti-Corruption Policy.

To ensure compliance, we provide online training to all employees on anti-bribery and anti-corruption, and we organize exclusive training for relevant business units. Employees and stakeholders can anonymously report any non-compliance or violations of the Code of Conduct through various reporting channels, including the Enerjisa Enetik Line and the Sabancı Holding ethics line. We have an Anti-Retaliation Policy in place to protect employees who report violations in good faith.

The Internal Audit Department reviews all reported notifications and investigates them if required. We maintain confidentiality and anonymity of all reporting channels. The notices are scrutinized and reported to senior management and, if required, to the Disciplinary Board. The Audit Committee is informed about the notices reported to the Disciplinary Board.

Overall, we are committed to preventing bribery and corruption and ensuring that all employees and stakeholders uphold our ethical standards.

Informing Our Employees

We have disclosed the Anti-Bribery and Anti-Corruption Policy to all our employees. The policy is continuously updated and easily accessible to everyone through the Document Management System and our website.

Our online ethics training includes anti-bribery and anti-corruption training. To further enhance our training efforts, we have created a more detailed and interactive video training specifically on anti-bribery and anti-corruption, which was released in December 2021 by the Compliance Management Unit.

In 2022, the People and Culture department assigned an interactive video training session to all white-collar employees via the EnAkademi platform. Additionally, we have prepared another interactive video training on our Human Rights Policy and general human rights approach in 2022. All employees across the company were tasked with completing the training by the Compliance Unit.

Notifying Other Stakeholders

We ensure that the suppliers and business partners we work with adhere to the highest anti-bribery standards. We maintain open and ongoing communication with them to prevent any potential corruption issues from arising in the future. To this end, we conduct regular reviews of their anti-corruption performance in a frequency as deemed necessary in accordance with compliance risk mapping. If necessary, we engage the services of independent third parties to conduct assessments. Should any possible violations be uncovered, we take swift action in accordance with the terms of our contracts, imposing the necessary sanctions.

Business Ethics

Anti-Bribery and Anti-Corruption Notifications

We detected and investigated 40 bribery and corruption cases in 2022, and we implemented the necessary process improvements, legal actions, and disciplinary measures as a result. We imposed disciplinary sanctions on 25 employees connected to bribery and corruption following assessments. Enerjisa Enerji has not faced any lawsuits, administrative or judicial investigations, or any judicial or administrative sanctions related to bribery and corruption. At Enerjisa Enerji, we highly value stakeholder dialogue and collaboration with NGOs concerning anti-bribery and anti-corruption efforts. Since 2020, we have been a corporate member of the Turkish Ethics and Reputation Society. In 2021, we pledged to comply with Transparency International's principles to emphasize our dedication to meeting higher ethical standards.

Donations and Grants

We updated the Enerjisa Donations and Grants Policy during the Annual General Assembly Meeting on March 30, 2021. At the meeting, we approved a revision that clearly prohibits any donations to political parties, candidates, public officials, or political officeholders for political purposes. Instead, we agreed to donate and provide grants solely to public institutions, NGOs, and other private individuals and organizations for social, cultural, educational, and environmental sustainability-related purposes, as outlined in the updated policy.

Third-Party Transactions

We strive to establish sustainable relations with all third parties we do business with in line with the fundamental principles set forth in the Enerjisa Code of Conduct. To this end, we developed the Third Party Relations Policy in 2021, which was approved by the Board of Directors. The policy outlines the fundamental principles

and conditions that govern our work with third parties such as suppliers, dealers, authorized dealers, service providers, and consultants.

In 2022, we made some amendments to the policy, including the addition of a wide definitions section, determining the countries/regions subject to sanctions, and defining a risk-based preliminary assessment stage for third parties. We have also added criteria that require third-party control for sales and/or other business activities from countries, regions, and companies that appear risky in terms of compliance, particularly regarding solar panels and products containing critical metals and minerals.

In addition, we have added commitments to consider and follow the criteria of the United Nations and other international organizations, especially in the prevention of child labor and forced labor on Human Rights.

For more information, please access the updated Third Party Relations Policy [here](#).

Risk Management



Corporate Risk Management

As part of our governance approach, risk management is essential to formulate our corporate strategy, set goals, and monitor our performance. We strive to ensure sustainable and predictable profitability by effectively managing risks in the energy markets and safeguarding the value generated from sales and distribution activities. Our Risk Management Framework identifies risks and opportunities that could affect our financial, operational, and strategic plans. We evaluate, classify, and mitigate these risks using various techniques. The primary goal of this framework is to enhance transparency in management functions and support decision-making processes through regular reporting.

Our Central Group Risk Management function, established under the CFO organization, is responsible for scoring risks, monitoring and enhancing risk management processes, and regularly reporting risks, their impacts, and improvement actions. We follow quality standards such as COSO and ISO 31000 in risk identification and management and delegate risk coordinators in the business units to act as a liaison between the departments and the central risk management function.

Every year, we conduct risk management workshops with business unit risk coordinators and process owners to promote risk management awareness. During these workshops we discuss the previous year's significant issues, the annual risk management calendar, risk analysis, consolidation, and reporting methods.

2022 Developments

In 2022, the use of algorithmic approaches is necessary for risk management departments to accurately value risk exposure, perform stress tests, and conduct ad-hoc analyses to predict potential market turmoil. Our Group Risk Management department has moved away from using a licensed Excel add-in and has started to use R programming instead. This will improve flexibility in responding to the changing risk exposure and market shocks. The open-sourced nature of the programming language allows us to design a more

sustainable, adjustable, transparent, and transportable model library without paying additional license fees. An example of the benefits of using R programming is the recently developed cash stress test report, which highlights the most vulnerable month regarding cash need and the level of cash volume exposed to uncertainties related to market, operational, regulatory, and credit risks. We also utilize R programming in various ad-hoc reporting and helps establish sophisticated methods for quantitative analysis related to risk management.

Climate Risk Management

We initiated the Net-Zero Project in 2022, setting a course for a complete decarbonization of our operations. This initiative has since become the cornerstone of our strategic direction. Working in collaboration with third-party consultants, we have successfully defined our emissions scope (Scopes 1, 2, and 3) and established benchmarks against other companies in our sector.

By the start of 2023, we had set emission reduction targets, closely aligned with the objectives of the Net-Zero project. This involved conducting a comprehensive technology assessment to understand our existing capacity and the emission reduction potential within our market sector. Based on these evaluations and calculations, we are currently developing a comprehensive roadmap and business strategies.

Through the Net-Zero Project, we are aiming for a deeper understanding of the climate change-related risks and opportunities impacting our distribution and retail operations. For instance, the shift in the energy mix could lead to service intermittencies, which we believe can be mitigated by our strategic investments in smart grid technologies and digitalization. We also see the expansion of renewable energy networks as a major growth opportunity for our business.

Over a 10-year horizon, we are focusing on identifying, assessing, and managing a variety of risks that could impact our revenue, operations, reputation, and stakeholders. While this risk management approach covers a wide range of potential threats, our Net-Zero Project is specifically tailored towards addressing climate-related risks, aligning us with international initiatives such as the Paris Agreement and the Science-Based Targets initiative (SBTi). While Türkiye is targeting decarbonization by 2053, we have set a goal, striving for net-zero emissions by 2050.

Risk Management

Risk types in Enerjisa's climate-related risk assessments

We continuously review the climate-related risks and opportunities impacting our business across various areas, including regulation, technology, legal considerations, market dynamics, reputation, and physical effects of climate change.

Risk type

Explanation & Relevance

Current regulation

While most of the regulations covering our distribution operations are not climate-related, any regulation that impacts the electricity generation or distribution sector has a direct impact on our business, in addition to fines and sanctions. The current regulations that are covered by Enerjisa's climate-related risk assessments include the Green Tariff Regulation, F-Gas Regulation, YEK-G (a blockchain based renewable energy exchange system), YEKDEM (a set of renewable generation incentives), and Unlicensed Generation Regulation. Apart from the F-gas regulation, which has the potential to impact Enerjisa's direct operations due to the use of SF6 on switchgear equipment, most of the impacts are either downstream or upstream.

Through renewable incentives, green tariffs, IREC sales and unlicensed generation, both the demand and supply of renewable generation have been increasing rapidly. Enerjisa is responsible for connecting new renewable generation assets to its distribution network.

Emerging regulation

Türkiye is in a transitional period and has been rapidly updating its climate-related actions and regulations. For example, the draft Climate Law aims to reduce country's impact on climate change and aims to curb emissions aligned with the Paris Agreement. The Climate Law is expected to be the main legal framework to achieve Türkiye's GHG targets. Market-based mechanisms, especially an emission trading system (ETS) similar to the EU ETS is the main planned mechanism to achieve this target. Enerjisa operations are not covered under the current CO₂ monitoring regulation, therefore we are not expecting any mandates from an ETS regulation in the near term. However, the draft Climate Law references trade of energy efficiency certificates (white certificate), renewable energy certificates (green certificate), and other mechanisms. Türkiye is committed to the Paris Agreement and has set 2053 as the year for its Net-Zero target. These will be followed by changes in regulations on reporting, transparency, ETS, CBAM, e-mobility and renewable energy incentives. Türkiye has committed to selling only EVs by 2040, which will cause regulations to be revised.

Before Türkiye's first Climate Conference in 2022, Enerjisa got the opportunity to submit policy recommendations to the Ministry of Environment, Urbanization and Climate Change. We proposed changes for increasing R&D of climate-related opportunities, efforts for collecting more in-depth data, lost and theft related targets, and capacities for unlicensed production of renewable energy.

Technology

Enerjisa Enerji conducts climate risk evaluation of emerging regulation, technologies, and scientific studies. In addition, Enerjisa relies on internal estimates by our experts or external partners & shareholders. "Technology" is covered by the risk category "Operational Risks & Opportunities". Enerjisa's operations relies heavily on complex information technology, which brings many risks and opportunities. The power markets are evolving to be more decentralized, renewable (highly intermittent) and decarbonized, and for success of these trends, digitalization is paramount. It is an important tool to increase system flexibility and enable integration across entire energy systems. Digitalization and ICT is vital to decrease theft and loss rates in Enerjisa's distribution operations, which can eliminate significant amount of GHG emissions. To better face potential risks, Enerjisa is exploring wider uses of various digitalization projects and technologies such as IoT Grid Solutions, Smart Grids, Smart Homes & Cities, Advanced Sensors, AI and Blockchain Energy Trading.

For instance, Türkiye's commitment to only selling EVs in 2040 will be shifting the technology market too. We consider the expected increase in the sale of new technologies (EVs) as we plan our future charging station investments.

Risk Management

Risk type

Explanation & Relevance

Legal

Enerjisa Enerji operates in a highly regulated market and We closely follow the legal requirements and climate related legal risks. Enerjisa Enerji Compliance Management Unit is responsible for determination, reporting and prevention of compliance risks, carrying out the necessary awareness-raising and training activities, monitoring violations and implementing an effective compliance management system. In order to build a more compliant management system to better mitigate the legal risks, we have received the ISO:37301 Compliance Management System Certificate upon extensive audit process on Enerjisa group companies conducted by KPMG Germany (Official accreditation by the German Accreditation Body (DAKKS) is pending.)

In addition to regulations, climate-related risks, especially ones that may cause legal compliance issues due to acute physical events (flooding, wildfires, etc.) that may harm people and Enerjisa Enerji's grid are closely monitored as well. While operational teams closely monitoring climate-related physical risks, Enerjisa Enerji ensures the safety of its operations through its ISO 45001 Occupational Health and Safety Management System, where these climate related physical risks are also considered. Business Interruption Scenarios, Crisis Management and Emergency Recovery plans are updated annually and then reviewed by the Early Detection of Risks Committee and crisis management team to prevent facing legal issues, fines and sanctions due to climate-related risks.

Market

In line with our Risk Management Framework, Enerjisa Enerji conducts climate risk evaluation and monitor customer behaviors, and conduct strategic exercises to assess the future market dynamics and direction of new developments. We prepare for market shifts by helping shape regulations, exploring new business opportunities, and focusing on sustainable energy solutions. Risks and opportunities related to providing new products and services that are increasingly becoming more sought-after, is an integral part of the company's business plan and risk monitoring. In 2017, we established a separate entity called Enerjisa Customer Solutions to meet the customer solutions demand that is heavily influenced by climate change. Another important climate-related decision was to acquire Eşarj, an e-mobility solutions provider. Since Türkiye has committed to selling only electric vehicles by 2040, this acquisition will become more valuable with the coming shift in demand for EVs. Electric vehicle sales in Türkiye in 2022 increased by 154% compared to 2021. and this number is expected to rise in future.

Customer Solutions develops energy efficiency solutions and green products such as solar PV, E-mobility and green energy certificates. The adoption of these services is assessed via risk and opportunities related to market dynamics, such as price, accessibility, incentives schemes and public opinion.

Reputation

While the world's power markets are evolving to be more decentralized and decarbonized, consumers are increasingly looking for engaging with companies that offer products and services with purpose. What consumers think about our progress towards the new green era is one of our main considerations. Purpose can drive operations towards outcomes that customers value, creating deeper connection and opportunities for new products and services. Enerjisa Enerji firmly believes that the new energy world of tomorrow is green, digital, decentral, urban and decarbonized. And accordingly, focusing on sustainable energy solutions. Risks and opportunities related to the reputation and profile of Enerjisa Enerji as a proactive and environmental conscious energy company is evaluated, and related actions are integrated into the company's operations and business plans. Additionally, as Enerjisa we participate in national and international collaborations to support the activities to combat climate change since we believe not engaging in these activities could pose reputational risks.

Risk Management

Risk type

Explanation & Relevance

Acute physical

Enerjisa Enerji assesses the likelihood and impacts of acute physical risks such as storms, heavy snow falls, floods and wildfires based on historical observations and trend analyses. The frequency of storms and other severe weather events are modelled and concluded to have an increasing negative impact on our business. The Electricity Licensing Regulation requires distribution companies to ensure their assets related to electricity distribution activities with “all risk insurance” against natural disasters, fires, earthquakes, floods, terrorism, sabotage and similar risks.

Going forward, increasing severity of climate-related weather events may result in an increase in insurance premiums if the assets are not kept up to date, or additional mitigating actions precautions are not taken. Since the insurance market for electricity distribution companies has become more vital due to environmental risks, it has become harder to obtain certain insurances.

Enerjisa Enerji, as a power distribution company, is responsible for preventing blackouts and in case of occurrence as soon as possible, so that customers are customer's power absence is at a minimum. Heavy snowfalls and intense storm inhibit our repair fleet to reach the infrastructure causing the power interruption and thus increasing the duration of blackouts. Due to increasing number and severity of extreme weather events and changing regulations, Enerjisa Enerji recently purchased 26 new generators.

Chronic physical

Coastal regions are flooded more frequently, while drought seasons are getting longer in more internal regions. The impact of global temperature increase on the Mediterranean region is expected to be quite significant as even a 1.5 degree scenario increases annual hot days by at least 8 and increases summer maximum daily temperatures by 1.1 degrees Celsius. Warm extremes over land are expected to increase 173% in Southern Europe/Mediterranean.




Rainfall is also expected to increase by 7% (to 17% in a +3 degree scenario). Hydropower generation is accounted for approximately 30% of power generation in Türkiye each year. Excessive heat and decreasing rain and snowfall in Türkiye might result in droughts, which in turn might impact energy supply and prices. Demand is impacted considerably by heating and cooling needs during winter and summer times. In case of any extremities in temperature, the requirements for network investments might increase. The peak in supply along with droughts might lead to increases in prices. Enerjisa carries out hedges to mitigate the price risks. Droughts can have negative financial impacts on sectors with water input (agricultural irrigation etc.) in their activities. These customers can experience difficulties in their payments. Some of our distribution lines can run through forests and climate change increases the risk of forest fires.

As a take away of our chronic-physical risk assessment process, it was decided to increase the ratio of underground lines to mitigate the impacts. We increased the ratio of under ground lines from 25% in 2020 to 27% in 2022 in our distribution regions. As increases in frequencies and intensities might be harder to detect and mitigate, there is higher risk related to the malfunction of the network grid. Chronic heat waves and increased temperature increases the likelihood of shortening the life span of assets as well as more likely malfunctions (leading to higher frequency of blackouts as well as HSE related accidents). Heatwave-related risks are a part of the company's risk identification and include mitigation activities to deal with related impacts.

Risk Management

Climate Related Risk & Opportunity Disclosure

Climate risk:

Risks Of Organization's Value Chain	Risk type	potential financial impact	Time horizon	Likelihood	Magnitude of impact	Potential financial impact figure
Upstream	Current regulation & Mandates on and regulation of existing products and services	Increased capital expenditures	Short-term 	More likely than not 	Medium-high 	20,836,237 TRY

Time Horizon:

 Short Term

 Medium Term

 Long Term

Likelihood:

 Virtually certain

 Very likely

 Likely

 More likely than not

 About as likely as not

 Unlikely

 Very unlikely

 Exceptionally unlikely

Magnitude of the Impact:

 High

 Medium-high

 Medium

 Medium-low

 Low

Risk Management




We recognize and are preparing for a particular risk posed by the Electricity Licensing Regulation. This regulation stipulates that companies can be penalized based on the number of customers left without energy for more than 10 hours at a time, as well as the number of customers without energy for an aggregated 48 hours throughout a calendar year. Although we hold the right to file for force majeure to potentially be exempted from penalties, the ultimate decision lies with EPDK. Therefore, any insufficient investment in grid upgrades can pose a significant regulatory risk for us in the future.

Blackouts, whether they stem from energy supply shortages or power distribution grid malfunctions, do occur and result in customers being without power. This can have severe economic and operational impacts, especially for corporate energy users. A prime cause for power distribution grid malfunctions is weather-related interruptions, given that Türkiye is located in a climate-sensitive region. Extreme weather events like storms or heavy snow can lead to more frequent and intense energy interruptions. The risk of more frequent and longer blackouts increases as the effects of climate change become more severe. As a power distribution company, we might be subject to fines under the Service Quality Regulation in Electricity Distribution and Retail Markets, based on the number of customers affected and the length of energy supply interruptions.

Turning to the financial impact of this risk, we estimate penalties based on historical data from the power cuts of 2022. If 779 of our 10 million customers were to be without energy for more than 10 hours at a time, this would result in a penalty of 67,937 TRY. If 202,488 customers were without energy for more than 48 hours during a calendar year, we could face a penalty of 20.8 million TRY. These penalty payments, as stipulated by the Service Quality Regulation in Electricity Distribution and Retail Markets, would total an impact of approximately 20,836,237 million TRY.

To mitigate these risks, we increased our HV mobile generator capacity in response to more frequent and severe weather events. This was a lesson learned from severe weather events in 2022, which demonstrated the need to enhance our existing capacity. Last year, we added 26 new HV mobile generators and 110 portable generators to our inventory to minimize the impact and duration of major outages. However, the costs associated with managing this risk are not only related to the purchase of generators. We also account for annual maintenance costs and the expenses related to drone rental for fault detection in case of calamity. Consequently, we have calculated the total cost of response to this risk to be around 69,704,542.00 TRY.

Climate opportunity:

Opportunity of Organization's Value Chain	Opportunity type	potential financial impact	Time horizon	Likelihood	Magnitude of impact	Potential financial impact figure
Downstream	Products and services & Development and/or expansion of low emission goods and services	Increased revenues through access to new and emerging markets	Medium-term 	Very likely 	High 	3,000,000,000 TRY

We are excited about a significant opportunity that we foresee in the growth of electric vehicles (EVs) in Türkiye. Estimates indicate that there will be more than 2 million EVs in the country by 2030. Such an increase necessitates substantial investments into charging infrastructure, creating a significant demand for both hardware and software solutions.

We anticipate this trend will greatly benefit us, as the escalating need for grid modernization and added capacity will require increased capital expenditures (CAPEX). Such investments drive our regulated distribution revenues. Our subsidiary, E-şarj, is well-positioned to profit from this growth in EV penetration and charging needs. Our aim is to increase E-şarj's contribution to our consolidated revenues, and we believe our customer solutions business, in combination with E-şarj, could generate annual revenues exceeding 3 billion TRY by 2025.

Discussing the financial impact of this opportunity, we can look back to April 26, 2018, when our subsidiary, Enerjisa Müşteri Çözümleri A.Ş., acquired 80% of E-şarj's shares for 4,000,000 TRY. By 2021, we had increased our stake to 94%, with an additional investment of 42,447,000 TRY. E-şarj primarily operates an EV charging network and supplies charging station equipment. Our investments in developing this charging network have risen to 44 million TRY this year, resulting in a total investment cost of 90,447,000 TRY so far.

In terms of renewable energy sourcing, we are proud to report that 100% of all public charging related electricity consumption was from renewable sources in 2021, up from 55% in 2020. As we invest in our distributed generation and energy efficiency solutions through the ESCO/EPs model, our CAPEX investments are recorded under COGS. The projected cost of 3 billion TRY over a five-year period includes COGS for Müşteri Çözümleri and CAPEX for E-şarj. This figure has been rounded for confidentiality purposes.

Internal Control

We started the process of establishing Enerjisa Enerji's Internal Control Department in 2020. The establishment and dissemination of our internal control system were among the activities that completed successfully in 2021. We chose to put its principles, standards, and techniques into practice to ensure the highest standards, and we did so by referring to the widely used COSO Internal Control Framework, which offers best practices.

We are adamant that an essential component of efficient and sustainable governance is the internal control system. Its fundamental goal is to keep a controlled environment that is consistently effective and efficient, with well-defined controls, robust information and communication channels, and assistance for senior management in carrying out their oversight duties.

We used the Periscope program to model our end-to-end Process Management, Risk Management, Control Activities, and Business Continuity frameworks at Enerjisa Enerji in order to achieve efficient and effective management. We created transparent and reliable information flows as a result of these efforts, giving us insights into our business processes, their interdependencies, ownerships, risks, and controls. We now manage our processes, risks, and controls digitally, allowing for centralized monitoring of control efficacy and efficiency. As part of this program, we have defined over 900 workflows, close to 800 operational risks, and over 900 control activities (with 12.5% automated).

We are pleased to announce that the prestigious Globe and Stevie Award programs recognized the Periscope Project. Two gold medals in 2022 in the categories "Governance, Risk and Compliance Solution" and "Systems Management Solution," two silver medals in the categories "Award for Innovation Corporate Websites or Apps" and "Best Use of Technology," and two bronze medals in the category of "Best Use of Technology" were given to us. Additionally, Periscope won a bronze medal at the Stevie Awards in the "Energy Industry Innovation of the Year" category.

Pilot studies completed in 2021, and the management of our Distribution and Retail Companies approved the Annual Internal Control Plan for 2022 with the aim to effectively control risks inside our Company and subsidiaries. By the end of 2022, we successfully completed top management reports, considerably strengthening our oversight.

The Internal Control Procedure was released in 2021, and updates were made in 2022 to maintain its current relevance. All our employees have easy access to this method through our document management system.

According to our internal control plan, we will continue our internal control evaluation studies in 2023. Additionally, we have projects in the projects targeted at automating our internal controls to boost their efficacy and efficiency.

Internal Audit

Our Board of Directors' members form the Audit Committee, which is directly responsible to our Internal Audit Department. The goal of our internal audit activities is to inform the board of directors about the Company's and its affiliates' compliance with internal strategies, policies, and procedures as well as laws and regulations. We evaluate the efficiency and adequacy of internal audits, risk management systems, and compliance management.

By providing ideas and recommendations on preventive measures, protecting company assets, and increasing operational efficiency, we hope to improve work processes and create value for our company. In order to do this, our internal auditing activities follow the approved internal audit function and audit committee charters.

We create an annual risk-based internal audit plan each year, taking into account the results of the Company's most recent risk assessment as well as the views of relevant executives. This plan is submitted for approval by the Audit Committee and the Board of Directors. As stated in the approved audit plan, our audit activities follow global audit standards and meet COSO obligations. We were independently certified for quality assurance in 2018, demonstrating our adherence to these standards.

The evaluation and analysis of ethics reports from employees and other stakeholders, including shareholders, customers, suppliers, and public institutions, are also included in our internal audit function. In addition to our auditing activities, we offer consulting services that are consistent with the vision, mission, and guiding principle of our company: being a reliable partner in business and addressing the needs of senior management.

We effectively introduced Continuous Audit and Continuous Monitoring activities in 2022, which significantly helped all units provide efficient control practices. Even though they weren't initially part of the audit plan, we also communicated findings and improvement recommendations based on methods for data analytics with the relevant business units.

Business Continuity

Across 26 provinces and 44 sites, we are involved in electricity distribution, retail sales, and customer solutions. Given the breadth of our operation, ensuring consistent and sustainable energy services is of the utmost significance. Since 2015, we have put Business Continuity Management System (BCMS) practices into place to address this. With the use of these practices, Enerjisa Enerji A.Ş. and its subsidiaries seek to build a structure that can endure any interruptions and crises.

The Group Risk Department of our CFO organization is in charge of managing the worldwide BCMS, producing the relevant paperwork, and ensuring standards are followed. Additionally, during extensive interruptions, crises, or disasters that could affect Enerjisa Enerji as a whole, the department oversees crisis management processes and provides guidance to the Crisis Management Team.

Our BCMS documentation has been developed in compliance with the ISO 22301 BCMS standards. We update these documents yearly with input from every stakeholder involved in the process. Following thorough monitoring audits performed at our corporate headquarters with the involvement of our business continuity departments in Ankara and Adana, the ISO 22301 BCMS certificates of our retail sales companies were successfully

renewed in 2022. While the certification requirement only applies to our retail sales companies, Enerjisa business units such as our distribution companies and Enerjisa Enerji A.Ş. maintain the same level of BCMS infrastructure and documentation quality.

Critical Processes and Departments

Critical Departments are units that, in order to preserve business continuity, must initiate at least one process within a month of a crisis occurring. The owners of these departments' "critical processes," which are specialized processes, constitute the members of our Business Rescue Teams. These teams' main responsibility is to restore the damaged processes and make sure they continue operating normally after any disruption.

We organized Business Continuity Information Meetings with the participation of Critical Department managers to increase awareness and understanding of business continuity. These gatherings had the goals of updating documents, easing transitioning to digital processes, and providing insight into the changes that had been implemented all year. During these informative sessions, we additionally discussed about how to update our Business Impact Analysis documentation for the future year.

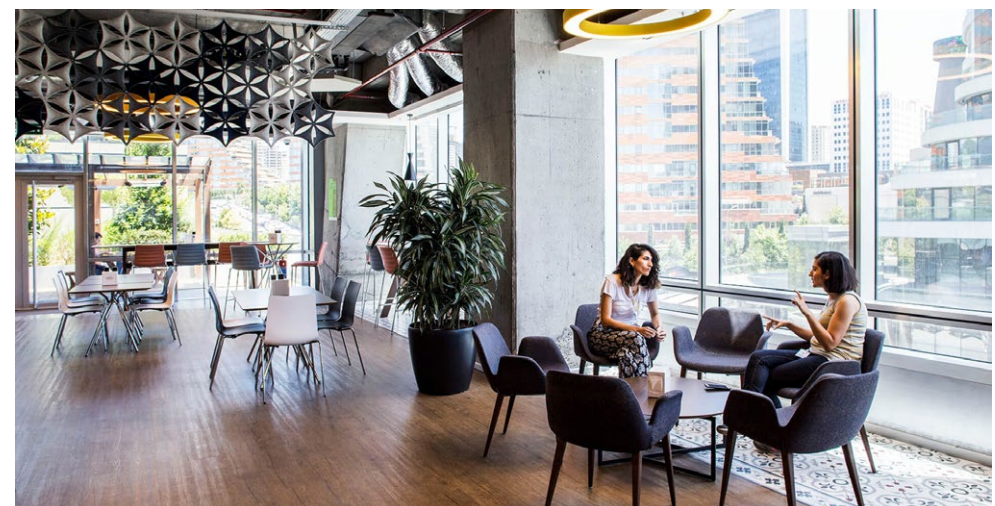
Coordination

Every year, we evaluate each site in accordance with the Crisis Management and/or Alternative Workplace standards that will be applied in the event of an interruption or crisis. The three regions in which these evaluations are conducted are taken into consideration when selecting the sites. To be sure that these sites are prepared and accessible, we collaborate closely with the appropriate units. We have identified twelve alternate locations in three regions as a consequence of the study we conducted, and we have modified our contingency plans in line with this. Additionally, we have defined the units that will be supporting the Crisis Management Team in such crises.

In 2019, we established the Business Continuity Committee, which consists of unit managers, to oversee our business continuity efforts. Regardless of any incidences, the Committee meets twice a year under the control of our Group Risk Department. Enerjisa Enerji's CEO oversees the Crisis Management Team and acts as the ultimate crisis manager in the event of a crisis. Every April, our CEO attends a special briefing session to stay updated on our business continuity measures following the certification audit and the Business Continuity Committee's initial meeting.

Drills and Exercises

We use two methods to assess how well the scenarios and forecasts developed as part of our Business Continuity Management System (BCMS) have worked.



Business Continuity

Prior to the annual ISO 22301 certification audit, we first conduct a scenario-based desktop exercise. In this exercise, a scenario is simulated, and a final report is prepared, shared, and shared to the auditors and other process stakeholders.

Second, our IT unit leads a Disaster Recovery Test. This 24-hour test is conducted every year. The Group Risk Management team takes part as an observer and is in the role of archiving the records of the test reports. During the ISO 22301 certification audit, the audit company receives access to these reports.

To simulate a real-life disaster scenario, all Enerjisa Enerji IT applications are shut down simultaneously throughout the exercise. According to the Business Continuity Management standards, we assess the Recovery Time Objective, Recovery

Point Objective, and Maximum Tolerable Period of Disruption. Data from our IT and Group Risk Management documents are synchronized with data from the exercise.

Developments in 2022

Focusing on the “human” and “capital” aspects, we assessed our business continuity practices. With a focus on improving the maturity of our digital applications, two crucial development activities have emerged inside our organization. Our operations are rapidly becoming digital, thus maintaining continuity on these new platforms was necessary.

Our application library, an important and often used procedure, first moved to a cloud platform. The security and performance of customer processes have been enhanced as a result of this transition, making it simpler to sign up new subscribers, conduct sales, and cancel current ones. We have improved

these processes more convenient by removing physical server interruptions and enhancing server performance. As auditors for this project, our business continuity teams—including IT, Business Continuity Management, and Group Business Continuity Management—are actively involved. They are in the position of reporting senior executives and the ISO 22301 certification authorities of this transformation.

The 2022 disaster recovery test is particularly critical because it covers all SAP-related back-office operations and provides vital insights on the software licensing requirements for our company. As a result, we started activities to restructure our software catalogue by deactivating less-used licenses and using the resources generated to acquire necessary or more effective software.

The “human” aspect of our activities entails adaptations relating to the transformation of the business we operate. Through our Future of Work project, we have built a telecommuting model standard with the objective of enhancing employee well-being, safety, and productivity. Additional steps have been made as part of this initiative to improve working conditions and track these improvements. For instance, we have given employees additional budgets to enhance workplace standards and provide device support for accessibility. Our company’s Governance, Risk, and Compliance platform, Periskop, keeps record of these ongoing risk mitigation activities as well as the performance measurement and monitoring associated with them. To evaluate the effectiveness of these activities, we use periodic reports like progress and deadline checks along with department-based turnover rates.

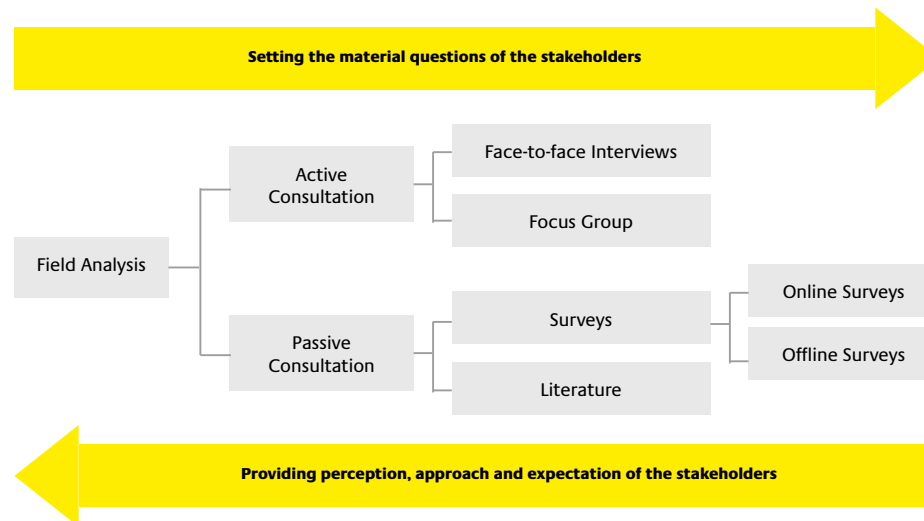
Stakeholder Engagement

At Enerjisa, we carry out our operations along with a broad network of stakeholders. This network includes our 10.6 million customers, around 11,500 employees, numerous Governors, District Governors, and Mayors in the provinces where we operate, public institutions and local administrations with whom we are constantly interacting, over 8,200 village headmen, our suppliers, business partners, civil society organizations, educational and teaching institutions, and public institutions and international organizations. We are aware that our stakeholders are directly or indirectly affected by our operations and therefore, we know that managing our relationships with them properly is an important factor for success.

The Chief Sustainability Officer (CSO), who also heads Corporate Capabilities, holds the primary responsibility for stakeholder engagement. Our approach to identifying stakeholders is based on the AA1000 Accountability Stakeholder Engagement Standard. In line with this Engagement Standard, we conducted a stakeholder analysis in 2022 to gather the views of our stakeholders.

AA1000

STAKEHOLDER ENGAGEMENT STANDARD 2015



We employed an online survey to gather information regarding the expectations of our workforce, as well as the perspectives of our external stakeholders. These stakeholders include customers, shareholders, non-governmental and international organizations, analysts, financial institutions, affiliate organizations, academic institutions, media outlets, business partners, suppliers, government agencies, regulatory entities, and local governments. The survey achieved a response rate of 42%.

To better meet the expectations of our stakeholders, we utilize a variety of communication methods to garner their feedback. Regular engagement with both internal and external stakeholders is maintained via the mechanisms outlined in the Annexes.

Stakeholder Engagement

Enerjisa Enerji Stakeholders



Through managing stakeholder relationships that meet the expectations of our stakeholders, comply with international standards, and support our business objectives, we engage with every stakeholder in our universe with different goals, communication tools, and periods. We have grouped our internal and external stakeholders into a total of 8 categories:

Stakeholder Engagement



Employees and Labor Organizations:

To create an affirmative and conducive work atmosphere, we establish clear communication channels and cultivate a corporate culture that spans the entire organization. Ensuring the provision of a secure working environment for our staff and encouraging their professional growth is our priority. This includes honing leadership abilities of our employees, offering various development-oriented training programs, and maintaining equal opportunity for everyone in the workforce.

We perform yearly surveys on employee engagement to monitor job satisfaction and engagement levels, thereby making certain that we are providing the most suitable and equitable working conditions. As outlined in our Human Rights Policy, we also respect the rights of our employees to unionize and to bargain collectively.

Customers: We hold the view that everyone has an inalienable right to access energy. Our mission is to provide the highest quality of power supply service, which we achieve through continuous enhancement of our products and services.

Serving approximately 22 million people, our strategy revolves around a customer-oriented approach. We deliver personalized products and services to our customers, in line with the ISO 10002 Customer Satisfaction Management System Standard.

Contractors and Suppliers: Our operations involve the procurement of goods and services from over 3,000 diverse suppliers. We classify about 100 of these suppliers as our top-tier critical suppliers. All suppliers in our distribution business chain are local. Recognizing the importance of a quality and sustainable supply chain, we support the progress of our suppliers and business associates.

Public Institutions and Regulatory

Bodies: These entities are vital stakeholders whose decisions can significantly impact our operations. We acknowledge the need for a regulatory structure that encourages investment, efficiency, and quality, all of which are essential for maintaining a dependable and cost-effective grid infrastructure in Türkiye. Our interaction with these institutions is based on principles of integrity, honesty, equality, and independence, without any political bias, reflecting our corporate identity. We regularly engage with public institutions and regulatory bodies.

Local Governments: As part of our “Local Governments Communication Plan,” which we renew annually, we consistently engage with the offices of local community leaders such as governors, district governors, majors, and mukhtars (elected village or neighbourhood leaders). By conducting face-to-face meetings, we understand the expectations of local governments. Their feedback and requests offer us opportunities to refine our working procedures.

Non-Governmental Organizations

(NGOs): As the industry leader, we actively participate in NGO initiatives that contribute to the progress of the sector and disseminate our vision for sustainability.

We remain actively involved in non-profit organizations and initiatives with the aim to advance our industry and expand the reach of sustainability vision within the private sector. Our Chairman of the Board also holds the position of Vice President at the World Energy Council. Chairman’s additional responsibilities include serving as a board member at the Istanbul International Centre for Energy and Climate (IICEC) at Sabancı University, a center dedicated to energy policy research and gathering global experts on energy and climate change. Moreover, he presides over the Association of Distribution System Operators (ELDER) and is a council member at the SHURA Energy Transition Centre.

Stakeholder Engagement

To enhance our environmental impact, we continued our affiliations with non-profit organizations in 2022. We remained active in TÜSIAD's Environment and Climate Change Working Group and the Circular Economy Sub-Working Group. In 2022, we also became a member of ELDER's Environment Working Group, which was created to promote collective action and unity among electricity distribution companies for better environmental management. We are part of the Business Plastic Initiative, initiated by TÜSIAD, and collaborate with the Business Council for Sustainable Development Türkiye (SKD Türkiye). Our CEO holds the Chairperson position of EUROGIA2020, a EUREKA Cluster focused on low carbon energy technologies. EUROGIA2020 is an industry and market-driven initiative, operating across the full energy value chain, from enhancing renewable energy and efficiency to lowering energy consumption and carbon emissions from fossil fuels. Additionally, our CEO is a board member of ELDER.

In the SENTRUM project, executed in collaboration with Sabancı University and the United Nations Development Program (UNDP), we pursued the objective of transforming Ayvalık Küçükköy into a hub for sustainable energy-based tourism. Our goal was to broaden the tourism sector's

accessibility to renewable energy, and contribute to its transformation into a more sustainable framework by capitalizing on its potential for energy efficiency. In 2022, we finalized the initial phase of our initiative aimed at endorsing energy efficiency, renewable energy, and other sustainable tourism practices in both tourist enterprises and public buildings. This was achieved by engaging with all local stakeholders in Küçükköy, a region that stands as a model for the 'green destination' concept in Türkiye.

At Enerjisa, our attention is drawn towards fostering diversity, equality, and inclusion across all our operations. We actively participate in non-profit organizations and platforms that advocate for diversity, equality, and inclusion, thereby helping to raise societal awareness and understanding about these subjects. In 2022, we joined as one of the inaugural member companies of the Network of Companies Against Domestic Violence. This network is managed by the Sabancı University Corporate Governance Forum, with support from the Sabancı Foundation and UNFPA, and hosted by TÜSIAD. We also lend our support and actively contribute to projects aimed at women's empowerment, through associations such as TurkishWIN and the Women in Technology Association.

Preserving the World's Energy

With the aim of creating awareness about energy efficiency among children, we are conducting the "I'm Saving My Energy" project under a protocol we signed with the Ministry of National Education of the Republic of Türkiye. Since 2010, we have provided training on energy saving to more than 300,000 students from 750 schools in 14 provinces. So far, 450 of our employees have volunteered in the project.

In 2022, on the 12th anniversary of the project, we continued with children's theater performances. With the events we organized in Istanbul, Kocaeli, Kastamonu, Ankara, Mersin, and Adana, we reached approximately 6,000 children, ensuring they became knowledgeable about energy savings. As part of the Sabancı Republic Mobilization, we conducted the Energy Savers project activities in collaboration with the Science Virus platform. With the help of 120 volunteer youths, we provided hands-on training in "Energy Saving", "Sustainability" and "Global Awareness" to approximately 3,000 children aged 7-10 through our project volunteers.

Other Projects:

- The 'Patient Alert' Project targeted at patients living on machines
- Professional Training Support through Mobile Education Center for vocational high school students
- The 'En-Biz' project aimed at strengthening the social integration of disabled individuals
- Sustainable Energy-Based Tourism Application Center (Sentrum) project
- Within the scope of Employee Volunteering, a total of 15,516 volunteer hours by 4,934 volunteer employees and their families for activities such as waste collection, waste sorting workshop, setup of Pinecone Early Fire Detection system, 'Energy Savers' project, 'I'm Saving My Energy' theater performance, participation in the 44th Istanbul Marathon, and tree planting events in the Permaculture Garden.



CORPORATE STAKEHOLDER ENGAGEMENT PLAN

As part of the loan agreement inked with the European Bank for Reconstruction and Development (EBRD) in 2019 and in accordance with the stipulations of EBRD Requirement 10 (EBRD PR10): "Information Disclosure and Stakeholder Engagement", we created a "Corporate Stakeholder Engagement Plan". We undertake the revision of this Plan annually. The Plan sets the groundwork for stakeholder engagement, public consultations, stakeholder identification, and grievance mechanisms at the corporate level, including the respective implementation procedures.

[Click here to view our most recent Corporate Stakeholder Engagement Plan.](#)

Enablers

147 People and Culture
150 Digital Transformation

People and Culture

“Adapting to the Future of Work” Approach

We are dedicated to getting ready for the future of work right now. We firmly believe in giving our employees the chances they require to realize their full potential and succeed in their positions. We want to build a workforce that is prepared to take on the challenges of the future by enhancing our current talent and luring the best people to our company.

In order to actively shape the future of work in partnership with our employees, we started our “Adapting to the Future of Work” programs in 2020. We identified seven fundamental elements that are crucial to the new workplace using a holistic approach. These activities included surveys, one-on-one interviews, and workshops to ensure widespread employees’ participation.

We have carried out 77 prioritized actions under the umbrella of “Adapting to the Future of Work,” adhering to the motto “On the Road to the Future!” (#Geleceğin Yolunda). These measures include modifying our work models in terms of their scope and specifics of their execution, as well as introducing support offerings that are suited to various work models. The future prosperity of our company depends on our ability to foster an environment where our people may flourish.

Adapting to the Future of Work

REMOTE WORKING	PHYSICAL AND MENTAL HEALTH	FLEXIBLE WORKFORCE AND HIGH PERFORMANCE	TALENT AND SKILL MANAGEMENT	FUTURE LEADERSHIP	PURPOSE DRIVEN ORGANIZATION AND CULTURE	DIGITAL, DATA-ORIENTED AND AGILE ORGANIZATION	DIVERSITY, EQUITY AND INCLUSION
Optimal use of remote working model with digital tools and workplace arrangements	Monitoring and improving the physical and mental health of employees in order to ensure sustainability	The use of flexible employment models and the design of performance management systems according to the new normal	Planning, acquiring and maintaining the talents and skills that will be needed in the future workforce	Developing the necessary leadership skills in senior and middle managers to manage change	Supporting organizational culture with vision and values that will inspire employees	Making working models and organizations more effective with digitalization, data-oriented and agile transformation	Enerjisa Enerji identifies diversity, equity and inclusion as a key focus area

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Remote Work: To meet the varied needs of various working groups, in 2022 we broadened and reevaluated our remote working practice. Because we recognize how crucial it is to make remote work easier, we gave our employees access to several amenities. These included communication packages, inventory assistance, and ergonomics support, ensuring that our employees have the materials and equipment they need to perform productively from remote locations.

Physical and Mental Health: We put a high priority on our employees' well-being, and as part of our commitment, we have given them access to a special wellness application. This app offers a variety of live classes led by professionals in the

fields of fitness, mindfulness, pilates, yoga, and nutrition. More than 1,000 of our employees actively utilize this program, which we are happy to see. We have also made it available to their families. The responses to our questionnaires have been overwhelmingly favorable, and a sizable portion of our employees have expressed satisfaction with the healthy lifestyle habits we advocate.

By publishing the Meeting Culture Manifesto in 2022, we made yet another significant advancement in our workplace culture. This manifesto introduces the idea of meeting-free working hours, which fosters more effective time management and improved attention. We think that this effort gives our employees the tools they need to manage their time more effectively and contribute to a more productive workplace.

The Enerjisa Sports and Esports Clubs, which let our employees have fun and develop our employer brand, are another accomplishment we are proud of. Over 1,000 employees eagerly sought to join our sports clubs in 2022, which cover a variety of activities like swimming, running, basketball, and esports. Our committed teams, selected through meticulous evaluation procedures and guided by expert coaches, have demonstrated their abilities and achieved exceptional success by taking home 219 medals in contests for swimming, running, basketball, and esports.

With the help of these programs, we hope to develop an atmosphere where our employees can thrive both personally and professionally while also enhancing their general well-being and fostering a strong sense of family within the Enerjisa Enerji family.

People and Culture

We recently modified the minimum and maximum performance bonus ratio in order to further reward excellence.

Flexible Workforce and High Performance:

We think that rewarding our employees who perform well is important. We recently modified the minimum and maximum performance bonus ratio in order to further reward excellence. With this change, it is hoped to strengthen incentives for exceptional performance and promote a commitment to improvement.

We have also examined and revised our practices for recognizing and appraising employees in keeping with our commitment to maintaining a positive work environment. These practices offer chances to mark significant occasions and improve relationships between our employees. We have implemented new measures that enable managers to immediately recognize and reward teams for their extraordinary work with an emphasis on boosting team dynamics and recognizing outstanding contributions.

To foster a culture of appreciation, motivation, and cooperation, we consistently improve our performance rating and recognition procedures. These programs aim to instill a sense of pride and success inside our company by making sure that our employees feel valued and inspired to give their best efforts.



Talent and Skill Management: With our Helios project in our retail companies, the ABC project in our distribution companies, and the Elpis project in our Technology function, we conducted segmentation, effort, and efficiency studies in 2021. These studies offered insightful data that served as the cornerstone for our 2022-launched Strategic Workforce Management project.

We use advanced data analytics through the Strategic Workforce project to locate skill families and specify desirable skill groups. This makes it possible for us to create a thorough model of workforce demand and supply, allowing us to keep track of talent shortages and make appropriate plans. A digital and analytical tool called strategic workforce planning helps us manage our people and culture effectively and holistically.

Through an all-encompassing digital platform for recruitment and orientation, we have been using data analytics in our hiring practices since 2020. This helps us expedite our onboarding processes and make wise recruiting decisions. In 2022, we also continued our internship and young talent recruitment programs with the goal of attracting varied talent from a range of career fields.

Within this framework, we introduced the Retail-X and I-Talent programs in the Retail business line and the Technology function, as well as the sixth term of the Enter Program in the Distribution business line. All employees will have equal opportunity and support for the development of their skills and talents thanks to these initiatives.

People and Culture

We enlarged the focus of our online Data Marathon, which employs machine learning, artificial intelligence, and data science methods to create responses for business problems.

In 2022, we also made white-collar job postings open to all current employees, underscoring our dedication to providing advancement opportunities and encouraging the expansion of our internal talent pool. We endeavor to develop a strong and capable workforce that propels our company ahead by developing the potential of our employees and fostering an inclusive environment.

Future Leadership: Every year, we hold the Leaders Summit to make sure all employees, regardless of management level, are equally educated about our strategy and long-term goals and are able to represent the Enerjisa culture to their respective teams. We host CEO Live Streams every three months so that all employees can learn about our present situation and ask the CEO questions. To enhance their leadership abilities for the future, we offer training and development opportunities to all Enerjisa leaders in areas such as social gender equality, remote leadership to teams, and holistic well-being.

We actively organize virtual meetings that focus on important subjects such as agility, self-awareness, and social gender equality. These meetings are inclusive, and we invite all our employees to participate.

Purpose Driven Organization and Culture: We view the transition to the future of work as a cultural change, and we have established the necessary culture with the support of employees at all levels

and meetings with senior management. Through the EN-Biz project's personal development programs, we support the employment of disabled candidates. To hear from employees with disabilities and examine their job processes with this perspective, we conduct focus group studies. As part of the Equal Access Project, we train our security team on appropriate attitudes and behavior towards people with disabilities and provide applied sign language training to our employees to improve the quality and inclusivity of our services to customers. In order to ensure accessibility in all working spaces, we also implement physical improvements. We have conducted virtual meetings on subjects like self-awareness, agility, and social gender equality since the beginning of 2021, and we have invited all employees to attend.

Digital, Data-Oriented and Agile Organization: We enlarged the focus of our online Data Marathon, which employs machine learning, artificial intelligence, and data science methods to create responses for business problems. To improve the end-to-end employee experience in 2022, we advanced the People and Culture-Connect project's digitalization efforts. 60 agile teams that underwent their transformation were successfully constituted. Through the Meta/Or project, we provided orientation training for recently hired employees in the metaverse, allowing them to discover the Enerjisa universe, interact with other members of our team who work in other locations, and improve their synergy

experiences. We also gave employees the chance to learn about our SCADA center and Customer Services Center, which are essential parts of our field operations, during a post-training site survey session. This helped them to get insight into the processes used there.

Diversity, Equity and Inclusion: As part of our "Not Without Equality" project in 2022, we organized awareness activities and social gender equality trainings. We also formed partnerships with institutions engaged in initiatives for women's empowerment. With the aim to support their development as individuals, we interacted with young people as part of the "Not Without Youth" program at events held by various non-governmental organizations, universities, and high schools. At Enerjisa, we recruited highly talented young people with remarkable skills through three talent programs. As a part of the "Not Without People Challenging Disabilities" initiative, we hosted focus groups with our employees, and we are now assessing our business processes based on the insightful information obtained. Our People and Culture group collaborates with trainers to make recruiting interviews more accessible, providing improved communication accessibility for our employees. We continue to work on projects that boost both physical and digital accessibility for both our customers and employees.

Digital Transformation

We carried out a detailed benchmarking analysis and participated in many activities with both internal and external stakeholders to ensure the success of our digital initiatives.

We deeply value continuous development, and we are committed to learning from our past experiences to drive self-improvement. We embrace a forward-thinking approach, always striving to develop ourselves with a clear vision of the future. As a company, we aim to be at the forefront of change, embracing innovation and driving positive transformation in the energy sector.

To simultaneously update our around 11,500 employees spread across various regions, we launched our digital People and Culture platform, İKON, in 2018. To provide our employees easy access to the personal information they require for their daily tasks, we have consistently developed İKON. The İKON program has a number of capabilities, including as viewing payroll, organizing remote work, planning annual leave dates, and choosing and evaluating training. We have greatly decreased the amount of paper used in the annual leave and training evaluation processes by utilizing İKON, enabling our employees to request annual leave and track the approval processes without any problems.

We have given our employees the flexibility to obtain answers to their inquiries whenever and wherever they are thanks to our People and Culture Digital Assistant (chatbot). We determined the need for a digital solution to streamline processes and reduce errors because Administrative Affairs

functions cover a wide range of duties across numerous locations. As a result, in 2022, we created the AA+ (Administrative Affairs Plus) application.

We have concentrated on providing accessible People and Culture insights to our senior management through a dashboard as part of our commitment to data excellence and reporting, allowing them to make informed decisions. Through the 'HR Connect' project in 2021, we thoroughly evaluated our current business requirements and discovered possible digital needs within our People and Culture processes. We are committed to undertaking studies and putting up solutions in 2022 that satisfy these identified needs.

We support transparent and inclusive management of our digital transformation. To encourage collaboration and make sure everyone is participating in our journey towards digital excellence, we have created digital platforms and dashboards. We are dedicated to utilizing technology to improve our company's operations and give our employees a smooth experience.

Digital Transformation Model - E-TERNAL

We are aware of how technology may benefit not just our customers but also the entire human race and our business operations. We unveiled our E-TERNAL digital transformation model in 2020, which symbolizes our commitment to sustainability through holistic digitalization.

With E-TERNAL, we want to make the world a better place, lift up people, and grow our business. The "E" stands for electron, energy, and Enerjisa.

We carried out a detailed benchmarking analysis and participated in many activities with both internal and external stakeholders to ensure the success of our digital initiatives. Our digital transformation journey has been successfully managed via collaboration and transparency, and we have created digital platforms and dashboards that encourage participatory decision-making across the company.

We have developed a portfolio of past and ongoing projects and selected over 500 new digital projects that we intend to work on over the next five years. These projects are in line with our value creation objective, which we have divided into 14 digital programs. Each program is named after a well-known scientist from history who has made a significant contribution to their respective field in order to encourage and direct us. We are determined to influence the future of energy by utilizing technology to bring about positive change.



Digital Transformation

We integrated our sustainability framework into our digital transformation model, enabling us to track and assess the effects of our projects on society, the environment, and business.

Developments in 2022

We adopted an extensive approach for putting our governance plan into action in 2022, ensuring that all business units took part in our journey towards digital transformation. Throughout this process, we integrated our sustainability framework into our digital transformation model, enabling us to track and assess the effects of our projects on society, the environment, and business.

Additionally, we successfully introduced several new digital initiatives with a focus on increasing the customer experience, streamlining our operations, using technology improvements, and maintaining our market position. These projects have been crucial in advancing our digital transformation and have produced noteworthy outcomes. The following significant projects deserve to be mentioned:

Employee Focus: Through our “HR Connect” project in 2021, we determined the current business requirements and anticipated digital demands of our HR processes. We have been actively conducting studies and developing solutions that are in line with these objectives into 2022. By approaches and digital technologies, we hope to improve and optimize our HR operations. To continue to better serve our employees and maintain the effective functioning of our company, we are committed to continuously enhancing our HR practices.



We refactored “İKON,” our employee mobile application, to ensure the dissemination of Company information and to allow employees to complete basic transactions like leave and payroll.

Standing by the Customer: As part of this program, we improved our digital infrastructure in accordance with laws and regulations in areas including ID authentication, digital signature methods, and PDPL compliance. We enhanced our digital channels by adding a WhatsApp channel, transforming our online service center, developing chatbot applications, and streamlining call center employees’ workflows to better interact with customers. Additionally, as a way to give our customers the ability to manage their own transactions, we have integrated self-service solutions like Jet Kiosk. To boost the effectiveness of high-volume customer

processes and decrease errors, we deployed automation and RPA (Robotic Process Automation) projects. The new electricity connection application processes were made digital as part of our New Connection Digital Transformation project, allowing possible for customers to submit and follow up on their applications online.

Enriched Sales: We provided our customers the most appropriate electrical energy sales offers through a digital contract across all sales channels as part of the Increased Efficiency Sales Management project, and we have made sure that their purchase process is completed with just one SMS confirmation.

Digital Transformation

To provide the most effective management of field assets, we developed a variety of advancements with a GIS (Geographical Information System) focus.

With the help of our “Digital E.A.S.Y.” project, we were able to archive corporate sales agreements digitally and only provide sales agreements to our sales teams by taking photos of the relevant documents. We have developed the Voice Transmission of Invoice project, in which we automatically call our visually impaired customers to notify them of the content and details of their invoices. To track our sales processes and enhance data-based decision making, we developed and put out segment- and process-based dashboards. We transferred contracts to digital platforms to improve our commercialization and the customer delivery processes.

Supply Continuity: To assure supply continuity in the field and minimize power outages, we made improvements to the Outage Management System. To better serve the public lighting processes and swiftly address notification-related concerns, we built a digital infrastructure. In order to show that the legislations and requirements of the 4th regulatory period are being met, we continued the EDVARS project and routinely reported the data required by sector regulators. We also successfully completed the regulators’ audits.

Maintenance: To ensure correct planning and implementation of maintenance processes, we started the 4th Regulatory Period Maintenance Project. Additionally, we started the Maintenance Reporting Project to keep an eye on our energy assets, such field transformers.

Asset Management: To provide the most effective management of field assets, we developed a variety of advancements with a GIS (Geographical Information System) focus. We upgraded the METWEB Project Management Plan to make it easier to manage investment requests and construction work, and we incorporated analytical solutions to increase data accuracy and integrity.

Safety First: One of our main priorities is OHS. With the support of field operations monitoring and the identification of OHS training needs, we started our video confirmation reporting project to ensure that occupational accidents are decreased. In order to build security in the field and to monitor and lower the associated risks, we continued to enhance our Mobile OHS application by placing a high priority on the user experience.

Data-Oriented Operations: We started a number of analytical projects to improve our capacity for data-driven operations. To improve data quality, we conducted several infrastructural and data optimization studies. When we were transforming our technological infrastructure, we concentrated on e-signature solutions and developed dashboards for data visualization and decision support. To enhance the quality and quantity of the field data we gather, we have launched a few projects.

Energy Market: With the help of our energy management forecasting projects, we kept streamlining our energy market operations. These projects aim to enhance our performance in the energy market by estimating market hourly consumption using analytical models. We have developed the Green Certificate - Blockchain project, which certifies our customers’ clean energy consumption in line with their sustainability objectives. We use blockchain-based smart contracts to transfer renewable energy certificates in a secure and transparent manner.

Digital Finance: To make the costs of office and field activities transparent and to investigate them with a specific focus on digital finance, we launched the Helios and ABC projects. To boost our operational effectiveness and process transparency in the field of finance, we also established a number of initiatives, including e-Archive, e-Invoice Systems Transformation, Electronic Letter of Guarantee, Income Assurance Analytics, and Report Automations.

M2C Journey: In order to improve our operations, we implemented projects to strengthen the management of receivables through digital systems and to monitor the payments of collection proceedings and litigation files of receivables. We started working on projects to make it possible to automate invoicing and manage security deposits digitally.

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Annex I: Limited Assurance Report

Limited Assurance Report

to the Board of Directors of Enerjisa Enerji A.Ş.

We have been engaged by the Board of Directors of Enerjisa Enerji A.Ş. (the “Company” or “Enerjisa Enerji”) to perform a limited assurance engagement in respect of the Selected Sustainability Information (the “Selected Information”) stated in the Enerjisa Enerji Sustainability Report 2022 (the “Sustainability Report 2022”) for the year ended 31 December 2022 and listed below.

Selected Information

The scope of the Selected Information for the year ended 31 December 2022, which is subject to our limited assurance work, set out in the pages 167,168,169,170,171 and 172 of the Sustainability Report 2022 with the sign  is summarised below:

Environmental Indicators

- Renewable Energy Purchased (MWh)
- Electricity Consumption (MWh)
- Natural Gas Consumption (MWh)
- Diesel Consumption (MWh)
- Vehicle Fleet (MWh)
- Total Net Energy Consumption (MWh)
- Total Water Consumption (m³)
- Total Water Discharge (m³)
- Total Hazardous and Non-Hazardous Waste by Type and Management Method (tonne)
- Plastic and Paper Consumption (ton)
- Scope 1 Greenhouse Gas Emissions (tCO₂e)
- Scope 2 Greenhouse Gas Emissions (tCO₂e)
- Scope 3 Greenhouse Gas Emissions (tCO₂e)


Social Indicators

- The Number of Critical Accidents (#)
- Total Recordable Incident Frequency (excluding slip, trip and fall (STF) incidents) (TRIF w/o STF) (%)
- Total Recordable Incident Frequency (TRIF) (%)
- Lost Work Day Accident Severity Rate (LTISR) (%)
- The Number of Fatal Accidents
- Occupational Diseases
- Total Working Hours (million)
- Total Number of Employees (#)
- Total Number of Employees in Management Positions (#)
- Senior, Mid, Entry Level and Total Number of Male Managers (#)
- Senior, Mid, Entry Level and Total Number of Female Managers (#)
- Number of Managers in Revenue Generating Function by Gender (#)
- Ratio of Female Managers in Revenue Generating Function (%)
- Employees in STEM Roles (#)
- Ratio of Female Employees in STEM Roles (%)
- New Employees Hired by Gender and Age (#)
- Employees Who Left Work by Gender and Age (#)
- Number of Employees on Maternity Leave (#)
- Employees on Paternity Leave (#)
- Number of Employees Returning to Work After the End of Maternity and Paternity Leaves (#)
- Employee Satisfaction (%)
- Employee Engagement Score (%)
- Total Training Hours (hours)
- Total Education Expenditure (million TL)
- Training Hours by Employee Type and Gender (hours)
- Total Training Per Person (hours)
- Total Training Cost (million TL)
- Training Hours in Selected Areas by Gender (Hours)
- Vulnerable Groups Reached Through Inclusion Programs (#)

Annex I: Limited Assurance Report

Economic Indicators

- Environmental Investments (Million TL)
- Environmental Expenditures (Million TL)
- Number of Sustainable Products and Services (#)
- Amount of Income from Sustainable Products and Services (Million TL)
- Sustainability Focused R&D and Innovation Investments (Million TL)
- Total Budget of R&D and Innovation Investment (Million TL)

Our assurance was with respect to the year ended 31 December 2022 information only and we have not performed any procedures with respect to earlier periods or any information other than Selected Information marked with  in the Sustainability Report 2022 and, any other elements included in the Sustainability Report 2022 and, therefore, do not express any conclusion thereon.

Criteria

The criteria used by the Company to prepare the Selected Information is set out in section “Enerjisa Enerji Sustainability Report 2022–Reporting Principles” (the “Reporting Principles”) on pages 157,158,159,160,161,162,163 and 164 of the Sustainability Report 2022.

The Company’s Responsibility

The Company is responsible for the content of the Sustainability Report 2022 and the preparation of the Selected Information in accordance with the Reporting Principles. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Selected Information that is free from material misstatement, whether due to fraud or error.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

The absence of a significant body of established practice on which to draw to evaluate and measure non- financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. The precision of different measurement techniques may also vary. Furthermore, the nature and methods used to determine such information, as well as the measurement criteria and the precision thereof, may change over time. It is important to read the Selected Information in the context of the Reporting Principles.

In particular, the conversion of different energy measures to MWh and energy used to carbon emissions is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Principles. Our assurance work has not included examination of the derivation of those factors and other third-party information.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Annex I: Limited Assurance Report

Our Responsibility

Our responsibility is to form a conclusion, based on limited assurance procedures, on whether anything has come to our attention that causes us to believe that the Selected Information has not been properly prepared in all material respects in accordance with the Reporting Principles. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information', and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 and ISAE 3410. Consequently, the nature, timing and extent of procedures for gathering sufficient appropriate evidence are deliberately limited relative to a reasonable assurance engagement.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records

Given the circumstances of the engagement, in performing the procedures listed above we:

- made inquiries of the persons responsible for the Selected Information;
- understood the process for collecting and reporting the Selected Information. This included analysing the key processes and controls for managing and reporting the Selected Information;
- evaluated the source data used to prepare the Selected Information and re-performed selected examples of calculation;
- performed limited substantive testing on a selective basis of the preparation and collation of the Selected Information prepared by the Company and
- undertook analytical procedures over the reported data.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Company's Selected Information for the year ended 31 December 2022, is not properly prepared, in all material respects, in accordance with the Reporting Principles.

Restriction of use

This report, including the conclusion, has been prepared for the Board of Directors of the Company as a body, to assist the Board of Directors in reporting Enerjisa Enerji A.Ş.'s performance and activities related to the Selected Information. We permit the disclosure of this report within the Sustainability Report 2022 for the year ended 31 December 2022, to enable the Board of Directors to demonstrate they have discharged their governance responsibilities by commissioning a limited assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors of Enerjisa Enerji A.Ş. as a body and Enerjisa Enerji A.Ş. for our work or this report save where terms are expressly agreed and with our prior consent in writing.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.



Mehmet Cenk Ulu, SMMM
Partner

Istanbul, 25 July 2023

Annex II: Reporting Principles

This reporting principles ("Principles") provides information on the data preparation and reporting methodologies of indicators within the scope of the independent audit process of Enerjisa Enerji A.Ş. ("Enerjisa" or "Company") for the Enerjisa Sustainability Report 2022.

The indicators include;

- **Environmental indicators** (energy consumption, water consumption, waste management, Scope 1, 2 and 3 emissions),
- **Social indicators** (occupational health and safety, employee demographics, trainings, vulnerable groups reached through inclusion programs),
- **Economic indicators** (environmental investments and expenditures, sustainable business model).

The Company Management is responsible for ensuring that appropriate procedures are in place to prepare the indicators mentioned above in line with, in all material respects, the Principles.

The data included in this principles is for the FY 22 (01 January - 31 December 2022), fiscal year ended December 31, 2022, and as detailed in the "Key Definitions and Reporting Scope" section, it covers the relevant operations and all its subsidiaries (Başkent Elektrik Dağıtım A.Ş., Enerjisa Başkent Elektrik Perakende Satış A.Ş., İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş., Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş., Toroslar Elektrik Dağıtım A.Ş., Enerjisa Toroslar Elektrik Perakende Satış A.Ş., Enerjisa Customer Solutions Inc., Eşarj Electric Vehicles Charging Systems Inc.) and excludes information about subcontractors unless otherwise stated.

General Reporting Principles

General Reporting Principles

In preparing this principles document, consideration has been given to the following principles:

- Preparation of Information - to highlight to users of the information the primary principles of relevance and reliability of information; and
- Preparation of the Report - to highlight the primary principles of comparability / consistency with other data including prior year and understandability / transparency providing clarity to users.

Key Definitions and Reporting Scope

For the purpose of this report, the Company defines:

Type	Indicator	Scope
Environmental Indicators	Energy Consumption	
	Renewable Energy Consumption (MWh)	This indicator reflects the Company's renewable energy consumption, purchased during the reporting period. It is reported in MWh on a consolidated basis.
	Electricity Consumption (MWh)	This indicator reflects the total purchased electricity consumption used for air conditioning, lighting, electrical equipment use and other business operations that require electricity, at the relevant locations of the Company during the reporting period. It is reported in MWh on a consolidated basis.
	Natural Gas Consumption (MWh)	This indicator reflects the total purchased natural gas (volume - m3) consumption used for heating, cooking and other business operations that require natural gas, at the relevant locations of the Company during the period. It is reported in MWh on a consolidated basis.
	Diesel Consumption (MWh)	This indicator reflects the total purchased diesel (volume - l) consumption used for generators and Company owned cars at the relevant locations of the Company during the reporting period. It is reported in MWh on a consolidated basis.
	Vehicle Fleet (MWh)	This indicator reflects the total purchased liquid fuel (volume - l) consumption used for Company owned cars at the relevant locations of the Company during the reporting period. It is reported in MWh on a consolidated basis.
	Total Net Energy Consumption (MWh)	It is the expression of the total of Electricity Consumption and Energy Consumption (excluding Electricity) realized by the Company in the reporting period, in MWh.

Annex II: Reporting Principles

Type	Indicator	Scope
Environmental Indicators	Water Consumption	
	Total Water Consumption (m ³)	It represents the total water withdrawals in the breakdown of mains water, underground water, surface water and rain water resources used in the locations where the Company operates during the reporting period.
	Total Discharged Water (m ³)	It represents the total amount of discharged water with the breakdown of mains water, irrigation and rain water used for cleaning the buildings during the reporting period at the locations where the Company operates.
	Waste Management	
	Total Hazardous and Non-Hazardous Waste by Type and Management Method (tonne)	<p>This indicator refers to the total amount of waste (by weight - tons) based on the type and disposal method in the places where the Company's operations take place during the reporting period.</p> <ul style="list-style-type: none"> • Hazardous waste means the waste that contain substances that are dangerous for human health and the environment and that have the potential to be harmful, • Non-hazardous waste means the waste that do not cause any harm to human health and the environment.
	Plastic and Paper Consumption	
	Plastic and Paper Consumption	It means the Company's total plastic and paper consumption during the reporting period. Plastic consumption represents consumption of plastic cutlery, knives, water bottles, etc., paper consumption includes paper used in offices and paper invoices issued to customers, paper straws, cardboard plates, cardboard cups, etc.
	Scope 1, 2 and 3 Emissions	
	Scope 1 Greenhouse Gas Emissions (tCO ₂ e)	This indicator reflects the emissions of greenhouse gases due to the use of natural gas, diesel, gasoline consumption, SF6 and refrigerant gases and fire extinguishing devices at the relevant locations of the Company during the reporting period
	Scope 2 Greenhouse Gas Emissions (tCO ₂ e)	This indicator reflects the emissions of greenhouse gases due to the use of purchased electricity at the relevant locations of the Company and distribution losses of energy during the reporting period.
	Scope 3 Greenhouse Gas Emissions (tCO ₂ e)	Energy-related activities not considered under Scope 1 and Scope 2 during the reporting period; waste transportation and, business travel, personnel services, well-to-tank emissions of electricity used in operations and electricity distributed to customers, upstream transport and distribution of purchased electricity and distribution losses, well-to-tank electricity sold to customers, extraction and wastewater treatment, and purchased It expresses the greenhouse gas emissions that occur indirectly due to sources that are not directly controlled in the categories of goods and services purchased (paper and plastic).

Type	Indicator	Scope
Social Indicators	Occupational Health and Safety	
	The Number of Critical Accidents (#)	<p>This indicator includes the accidents resulting from;</p> <ul style="list-style-type: none"> • falling from a height of more than 1.8 meters with loss of working days, • electric shock accidents with loss of working days, • electric arc accidents with loss of working days, • traffic accidents with the loss of more than 10 working days, • lifting and conveying accidents with the loss of working days, • accidents requiring treatment in the intensive care unit and injuries resulting from accidents resulting in limb loss occurred during the reporting period. <p>This indicator includes the Company, its affiliates and subcontractors.</p>
	Total Recordable Incident Frequency (excluding slip, trip and fall (STF) incidents) (TRIF w/o STF) (%)	This indicator reflects total recordable incident frequency (TRIF) excluding slip, trip and fall (STF) accidents, occurred during the reporting period. This indicator includes the Company, its subsidiaries and subcontractors.
	Total Recordable Incident Frequency (TRIF) (%)	This indicator reflects total recordable incident frequency (TRIF). This is the ratio of injuries of a certain severity (termed recordable injuries) to hours worked. This indicator includes the Company, its subsidiaries and subcontractors.
	Lost Work Day Accident Severity Rate (LTISR) (%)	It means the frequency rate of accidents that occurred during the reporting period, resulting in loss of working days or permanent incapacity (accidents resulting in medical intervention). This indicator includes the Company, its subsidiaries and subcontractors.
	Number of Fatal Accidents	This indicator reflects the number of fatal accidents resulted in one or more deaths, occurred during the reporting period. This indicator includes the Company, its subsidiaries and subcontractors.
	Occupational Diseases	In the reporting period, it means the temporary or permanent illness, disability, which the employee suffers due to a recurring reason due to the nature of the work he works or does, or due to the operating conditions of the work. This indicator includes the Company, its subsidiaries and subcontractors.
	Total Working Hours (million)	It means the total working hours during the reporting period. Separate formulas are calculated for Distribution, Retail companies and contractor companies. This indicator includes the Company, its subsidiaries and subcontractors.

Annex II: Reporting Principles

Type	Indicator	Scope
Social Indicators	People and Culture	
	Total Number of Employees (#)	This indicator reflects the total number of employees working in the Company and its subsidiaries during the reporting period.
	Total Number of Employees in Management Positions (#)	This indicator reflects the total number of managers working in the Company and its subsidiaries during the reporting period.
	Senior, Mid, Entry Level and Total Number of Male Managers (#)	This indicator reflects the number of male employees on management category of the Company and its subsidiaries (entry, mid and senior-level managers) during the reporting period. Management categories are categorized as senior management, director and manager in the Company.
	Senior, Mid, Entry Level and Total Number of Female Managers (#)	This indicator reflects the number of female employees on management category of the Company and its subsidiaries (entry, mid and senior-level managers) during the reporting period. Management categories are categorized as senior management, director and manager in the Company.
	Number of Managers in Revenue Generating Function by Gender (#)	This indicator reflects the number of male and female employees working in the revenue generating managerial roles of the Company and its subsidiaries during the reporting period. Income generating roles; <ul style="list-style-type: none"> • R&D and Innovation Group Directorate, • Distribution Directorates (Ayedaş, Başkent, Toroslar), • Free Markets Group Directorate, • Regulated Markets Group Directorate, • Energy Management Directorate, • Roles in Investment Planning Directorate units categorized as. Managerial roles are categorized as senior manager, middle manager and entry level manager in the Company.
	Ratio of Female Managers in Revenue Generating Function (%)	This indicator reflects the ratio of female employees working in income generating managerial roles of the Company and its subsidiaries to the total number of managers working in income generating roles during the reporting period. Income generating roles; <ul style="list-style-type: none"> • R&D and Innovation Group Directorate, • Distribution Directorates (Ayedaş, Başkent, Toroslar), • Free Markets Group Directorate, • Regulated Markets Group Directorate, • Energy Management Directorate, • Roles in Investment Planning Directorate units categorized as. Managerial roles are categorized as senior manager, middle manager and entry level manager in the Company.

Type	Indicator	Scope
Social Indicators	Employees in STEM Roles (#)	This indicator reflects the number of male and female employees working in the STEM roles of the Company and its subsidiaries during the reporting period. STEM roles; <ul style="list-style-type: none"> • Distribution Directorate, • Information technologies, • Sales Director (Enterprise Solutions and Large-Scale Customers), • Grid/Network and System Operations Directorate, • Construction Works Directorate categorized as related roles.
	Ratio of Female Employees in STEM Roles (%)	It means the ratio of the number of female employees working in STEM roles of the Company and its subsidiaries to the total number of employees in STEM roles during the reporting period. STEM roles; <ul style="list-style-type: none"> • Distribution Directorate • Information technologies, • Sales Director (Enterprise Solutions and Large-Scale Customers), • Network and System Operations Directorate, • Construction Works Directorate categorized as related roles.
	New Employees Hired by Gender and Age (#)	It represents the number of newly recruited employees in the Company and its subsidiaries in the reporting period, in terms of female/male and under 30 years old, between 30-50 years old and over 50 years old.
	Employees Who Left Work by Gender and Age (#)	It represents the number of female/male employees aged under 30, between the ages of 30-50, and over the age of 50 who left their jobs in the Company and its subsidiaries during the reporting period.
	Number of Employees on Maternity Leave (#)	It means the number of female employees of the Company and its subsidiaries who took maternity leave during the reporting period.
	Employees on Paternity Leave (#)	It means the number of male employees on paternity leave in the Company and its subsidiaries during the reporting period.
	Number of Employees Returning to Work After the End of Maternity and Paternity Leaves (#)	It means the number of employees in the company and its subsidiaries who took paternity and maternity leave during the reporting period and returned to work after the end of the leave within the same period.
	Employee Satisfaction (%)	This indicator reflects the results of the employee satisfaction survey conducted in the reporting year at the Company and its subsidiaries.
	Employee Engagement Score (%)	This indicator reflects the results of the employee engagement assessment result conducted in the reporting year at the Company and its subsidiaries.

Annex II: Reporting Principles

Type	Indicator	Scope
Social Indicators	Trainings	
	Total Training Hours (hours)	It means the total training hours of the training given in the Company and its subsidiaries during the reporting period, based on gender, managerial level and training type.
	Total Education Expenditure (million TL)	It means the total costs of the trainings given in the reporting period in the company and its subsidiaries.
	Training Hours by Employee Type and Gender (hours)	It represents the total training hours of the training given in the reporting period in the Company and its subsidiaries, in terms of entry, mid and senior-level manager, other white collar and blue collar employees and gender.
	Total Training Per Person (hours)	It means the total training hours per person on the basis of gender and managerial level of the trainings given in the reporting year at the company and its subsidiaries.
	Total Training Cost (million TL)	It means the total costs of the trainings given in the reporting period in the company and its subsidiaries.
	Training Hours in Selected Areas by Gender (Hours)	Given to male and female employees in the Company and its subsidiaries in the reporting year, <ul style="list-style-type: none"> • Ethic, • Fight against bribery and corruption, • Equality, equal opportunity, inclusiveness and • Sustainability and the environment represents the total hours of training on the subject.
	Sensitive Masses	
	Vulnerable Groups Reached Through Inclusion Programs (#)	This indicator reflects the number of people within the vulnerable groups (youth, women and disabled people, etc.) reached by the Company through inclusion programs during the reporting period. This indicator covers the following customer groups: <ul style="list-style-type: none"> • Families of Martyrs and Combatants / Disabled Veterans • Customers over the age of 65 • Customer group with a health report • Device dependent Customer group in the "Hasta Var" Program.

Type	Indicator	Scope
Economic Indicators	Environmental Investments and Expenditures	
	Environmental Investments (Million TL)	This indicator reflects the investments made by the Company as a mitigating, transition and enabler investments during the reporting period.
	Environmental Expenditures (Million TL)	This indicator reflects the legally mandatory and non-legally mandatory expenditures of the Company during the reporting period.
	Sustainable Business Model	
	Number of Sustainable Products and Services (#)	It means the number of products and services offered by the Company during the reporting period, providing environmental and social benefits.
	Amount of Income from Sustainable Products and Services (Million TL)	It means the income obtained from the products and services offered by the Company during the reporting period, providing environmental and social benefits.
	Sustainability Focused R&D and Innovation Investments (Million TL)	This indicator reflects the amount of Company's sustainability-focused R&D and innovation investments during the reporting period.
	Total Budget of R&D and Innovation Investment (Million TL)	This indicator reflects the amount of Company's all R&D and innovation investments during the reporting period.
	Environmental Savings Through Sustainable Investments/ Operations	This indicator reflects environmental savings realized through sustainable investments and/or activities during the reporting period.

Data Preparation

Environmental Indicators

Energy Consumption

Energy consumption data are reported for electricity and primary fuel sources, which comprise natural gas, diesel and gasoline.

Electricity and natural gas consumption data are obtained from supplier meters and service provider invoices. Diesel consumption for the use of generators and company owned vehicles are obtained from service provider invoices. Gasoline consumption for the use of company owned cars data are obtained from service provider invoices.

Annex II: Reporting Principles

The company uses the following conversion factors in its energy consumption calculations:

- Since the electricity supply unit is billed in kWh, a conversion factor of 1 kWh=0.0036 GJ is used for conversion to GJ;
- Since the natural gas supply unit is billed in m³, a conversion factor [1m³ * (34.52) MJ/ m³]/ 1000 is used;
- Since the diesel supply unit is billed in liters, the conversion factor [1l / (1204.82) l/ton * (42.68) GJ/ton] is used for conversion to GJ;
- Since the gasoline supply unit is billed in liters, the conversion factor [1l / (1360.54) l/tons * (43.51) GJ/tons] is used for conversion to GJ;
- Since the unit of all fuel consumption is reported as MWh, a conversion factor of 1GJ=0.277777 MWh is used for conversion to GJ.

Other Environmental Performance Data

Water withdrawal and discharge by source within the scope of other environmental performance data includes mains water. It is assumed that all of the water withdrawn from the network is discharged to municipal wastewater.

Scope 1, 2 and 3 Emissions

Scope 1, Scope 2 and Scope 3 emissions have been calculated in accordance with ISO 14064-1, with the principle of operational control within the framework of the “Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard”.

In the calculations, CO₂ equivalent factors consisting of CO₂, CH₄, N₂O, HFCs (SF6 and refrigerant gas) were used. The emission factors used are detailed in the table below. Global Warming Potential (GWP) coefficients are from 5th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC) and Greenhouse Gas Protocol (<https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2021>) and the resultant ton CO₂-e value is calculated by multiplying with the appropriate coefficients.

Purchased products and services, well-to-tank energy emissions and waste management factors used in Scope 3 calculations are taken from the UK DEFRA 2021 Emission Factors list. ICAO Carbon Emission Calculator and DEFRA 2021 Emission Factors were used to calculate emissions from flights.

Emission Factors – Scope 1	Total Carbon Factor (kg CO ₂ -e)
Natural gas (kg/m ³)	2.1563328
Diesel – fixed (kg/l)	2.6533016
Diesel – mobile (kg/l) (on road – off road) (kg/l)	2.68541196 - 2.9192716
Gasoline – mobile (kg/l)	2.31929387
SF6 (kg)	22,800
Refrigerant – R410A (kg)	1923.50
Refrigerant – R600A (kg)	3.00
Emission Factors – Scope 2	kg CO ₂ -e/kWh
Electrical energy (renewable energy source)	0.0000
Türkiye Electricity (Grid Source)	0.440

Emission Factors – Scope 3	Total Carbon Factor (kg CO ₂ -e)
Purchased products and services – Plastic (kg/ton)	4032.392497561
Products and services purchased – Paper (kg/ton)	919,3963
Purchased products and services – Paper and Cardboard (kg/ton)	881.1894
Well to tank - Natural Gas (kg/m ³)	0.3459
Well to tank - Diesel (kg/l)	0.6099
Well to tank - Gasoline (kg/l)	0.6133
Waste – Recycling – Metal (kg/ton)	21,2936
Waste – Recycling – Plastic, paper, glass, other (kg/ton)	21,2936
Wastewater treatment, m ³	0.272
Distribution, tonne*km	0.2078

Annex II: Reporting Principles

Social Indicators

Occupational Health and Safety (OHS) Data

The following definitions and formulas are used in the calculation of OHS data.

Formulas:

Definition	Formula
Recordable Accident Frequency Rate (excluding flat slip, trip and fall accidents) (TRIF w/o STF)	Accidents resulting in fatality, lost workdays, medical treatment; excluding flat slip, trip and fall accidents) x 1,000,000 / Total working hours
Total Recordable Incident Frequency Rate (TRIF)	(Total number of fatal, lost workday, medical intervention work accidents) x 1,000,000 / Total working hours
Lost Work Day Accident Severity Rate (LTISR)	(Total number of lost workdays due to work accidents) x 1,000,000 / Total working hours

People and Culture

Distribution of Female Employees Data

The following definitions and formulas are used in the calculation of female employee distribution indicators. Data required for the calculation of the total number of employees, the total number of female employees, the ratio of senior, mid-level and entry-level female managers, the ratio of female employees in STEM (IT, engineering, etc.) roles and the ratio of female managers in income-generating roles in this indicator group, 31 December as of 2022, it was created from the "Employee List Report" to include the following gender, position, STEM and income-generating role information. Calculations have been made based on the total number of employees, the information included in the annual reports published as of 31 December 2022 or in the human resources systems that the companies have as of the end of the reporting year.

Formulas:

Ratio of Female Employees = Number of Female Employees / Total Number of Employees

Ratio of Female Managers = Total Number of Female Managers / Total Number of Managers

Ratio of Senior, Intermediate and Entry Level Female Managers = Number of Senior, Middle, Entry Level Female Managers / Total Number of Senior, Middle and Entry Level Managers

Ratio of Female Employees Working in STEM Roles = Number of Female Employees in STEM Roles / Total Employees in STEM Roles

Ratio of Female Managers in Income Generating Roles = Number of Female Managers in Income Generating Roles / Total Number of Managers in Income Generating Roles

Parental Leaves

Parental leaves refer to the number of employees who took parental leaves (maternity, paternity leaves) during the reporting period and returned to work within the same reporting period.

Formula:

Return to Work Rate from Maternity and Paternity Leaves (%) = (Number of employees who took parental leave during the reporting period and returned to work after the end of the leave x 100) / (Number of employees who took parental leave during the reporting period)

Trainings

Total training hours based on gender (female, male), manager level (entry, mid-level and senior manager levels) and type of training (mandatory) of the trainings given in the reporting year. OHS means total hours on the basis of non-compulsory OHS, personal development, professional development, sustainability and environment, equality of opportunity and inclusion trainings. Total training cost means the total training cost in the reporting year. Average training hours and costs per person are calculated according to the following formulas on the basis of each breakdown.

Formulas

Average training hours per person = (Total Training Hours of the Related Group x Number of Persons in the Related Group who received the Training) / Total Number of Employees

Average training cost per person = (Total Training Cost for Related Group * Number of Related Group Persons Receiving Training) / Total Number of Employees

Annex II: Reporting Principles

Employment and Dismissal

While the employment data expresses the number of employees hired during the reporting period, the employee turnover rate expresses the percentage ratio of the number of employees who left the job during the reporting period to the average number of employees in the same period.

Formulas

Employee turnover rate (%) = (Number of employees leaving the job / Average number of employees during the reporting period)

Ratio of Female Employees in Appointments

It represents the rate of women in appointments made on the basis of rotation and promotion changes within the Company during the reporting period.

Formula:

Ratio of Female Employees in Appointments (%) = Number of female employees appointed / Total number of employees appointed

Employee Engagement and Satisfaction

The employee satisfaction survey conducted in the reporting year is given on a consolidated basis, while employee engagement is given by gender breakdown. In the survey calculated by the independent consultant firm, employees with a score of 4.5 and above (1 – “I totally disagree”, 6 – “I totally agree”) are calculated as affiliated employees.

Sensitive Masses

Vulnerable Groups Reached Through Inclusion Programs

Vulnerable Groups Reached through Inclusion Programs indicator represents the number of people the Company reaches through supportive activities aimed at disadvantaged groups (youth, children, women, etc.).

Sensitive masses in 2022; It includes the customers who are relatives of veterans and martyrs, the customer group over 65 years of age, the customers in the “Patient Is Available” Program, and the customer group with a health report. As of 31 December 2022, the total numbers of the following groups were extracted from the database and reported:

- Martyr families and Combatant / Invalid Veterans.
- Number of customers over the age of 65: Represents the number of customers whose birth date is 1958 and above.
- Number of customers in the “Patient Available” Program that are dependent on the device.
- The number of customers with a health report.

Economic Indicators

The following definitions and formulas are used in the calculation of economic indicators.

Environmental Investments and Expenditures

It covers the environmental investments and expenditures of the Company during the reporting period.

Environmental investments are reported as mitigation investments, facilitating investments and transition investments. The total amounts reported in these indicators are formed from the expenditures made within the approved budget of the Company.

- Reduction investments include investments in consultancy projects, Renewable Energy Certificates, LED conversion investments, GES and Solar Rooftop investments, investments in the connection of renewable energy sources to the network, network connection investments for charging stations.
- Facilitating investments include E-Charge, SCADA, OSOS, voltage conversion, compensation and low loss transformer projects and investments related to voltage conversion.

Environmental expenditures, on the other hand, are legally obligatory (expenses related to waste disposal, generator maintenance costs, etc.) and not legally obligatory (LED conversion for company operations, solar lighting, electric vehicle charging stations, electric and hybrid vehicle purchase/rental costs; treated water Dispenser rental costs, investments for aerators, drinking water supplied with glass bottles, rainwater harvesting storage and system installations, compost storage purchase costs, line insulations, reactive power penalties prevention, landscaping etc.) expenditures.

Annex II: Reporting Principles

Sustainable Business Model

Sustainable Products and Services

Sustainable products methodology based on the European Union Sustainable Finance Taxonomy study has been taken into account. In this context, the environmental impacts of the Company's financial activities were evaluated under mitigation (impact mitigation) and enabler (facilitator) categories. Category definitions are given below.

Mitigation: It covers products and services that provide benefits related to the direct reduction of environmental resource use and carbon emissions.

Enabler: Includes products and services that create a positive environmental impact on customer operations or are provided as inputs to sustainable industries.

Sustainable products and services and the amount of their income;

- Mitigation projects revenues includes; Green Energy Certificates (Renewable Energy Certificate) Cogeneration, energy efficiency products (process efficiency and lighting), Solar Power Plant projects, Regulated Green Energy Tariff Sales, Solar PV Rooftop, Green Energy Sales (green energy certificate and electricity bundle sales), Low Loss Transformer, LED (Street Lighting) and Network Connection.
- Enabler projects revenues includes; Eşarj AC, Eşarj DC, Eşarj Network and Maintenance Revenues, OSOS, SCADA, Compensation and Voltage Conversion revenues were determined through the sales lists followed and reported on this basis.

R&D Innovation Investments

R&D investments basically include R&D investment expenditures within the income requirement limits determined for distribution companies.

Sustainability Focused R&D and Innovation Investments

This indicator reflects the sustainability-focused investments within the total R&D and innovation investments. Total R&D innovation investment represents the total R&D expenditures made by the Company during the reporting period and specified in the Enerjisa Annual Report which covers the dates 01.01.2022-31.12.2022.

Environmental Savings Through Sustainable Investments/Operations

It represents the environmental benefit obtained by reducing CO₂ emissions thanks to the Solar projects, E-şarj projects, hybrid vehicles, LED conversion and Low Loss Transformer Projects realized during the reporting period.

Reconsideration Statement

Measuring and reporting verified data inevitably involves some degree of guesswork. Where there is more than a 5% change in data at the company level, a reconsideration may be considered.

Annex III: Communication with Stakeholders

Stakeholder Group	Stakeholder Category	Stakeholder Communication Platform and Methods	Communication Frequency	Objectives and Success Self-Evaluation Criteria
Analysts	External	Meetings, conferences, telephone calls, quarterly investor teleconferences, activities to inform analysts, podcasts, webcasts, Investor Relations website	Continuous	<ul style="list-style-type: none"> Increasing transparency
				<ul style="list-style-type: none"> Informing the market about the Company
				<ul style="list-style-type: none"> Company valuation reports
				<ul style="list-style-type: none"> Improving the Company's reputation
				<ul style="list-style-type: none"> Financial sustainability
The Press	External	E-mail campaigns, sponsorships and sectoral events, regular and irregular press releases, press conferences, interviews	Year-round	<ul style="list-style-type: none"> Accurately informing the public
				<ul style="list-style-type: none"> Improving the Company's reputation and brand value
Credit Rating Agencies	External	Meetings, teleconferences and telephone calls, e-mail	Annually	<ul style="list-style-type: none"> Building strong relations with members of the press
				<ul style="list-style-type: none"> Increasing transparency
				<ul style="list-style-type: none"> Ensuring a fair value for the Company's equity
Financial Institutions	External	Meetings, teleconferences and phone calls	Continuous	<ul style="list-style-type: none"> Improving the Company's reputation
				<ul style="list-style-type: none"> Financial sustainability
				<ul style="list-style-type: none"> Increasing transparency
Shareholders	External	Board of Directors meetings, committee meetings, quarterly investor teleconferences, General Assembly Meetings, Investor Relations website	Continuous	<ul style="list-style-type: none"> Managing sustainability risks
				<ul style="list-style-type: none"> Adopting a target-based management approach
				<ul style="list-style-type: none"> Transparently sharing the environmental performance
				<ul style="list-style-type: none"> Compliance with Corporate Governance Principles
				<ul style="list-style-type: none"> Financial sustainability
Public Institutions and Regulatory Bodies	External	Meetings, teleconferences and telephone calls	Continuous	<ul style="list-style-type: none"> Improving stakeholder engagement
				<ul style="list-style-type: none"> Increasing transparency in customer communication
				<ul style="list-style-type: none"> Financial sustainability
People Affected by the Project (land owners/ users/ local communities)	External	Face to face meetings, e-mail, telephone calls, SMS, Mobile App, communication through the website	Continuous	<ul style="list-style-type: none"> Managing social risks of the projects and mitigating adverse impacts
				<ul style="list-style-type: none"> Accurately informing those affected by the projects
				<ul style="list-style-type: none"> Enhancing stakeholder engagement
Directly affected relevant specialists (electrical technicians/ electrical engineers)	External	Face to face meetings, telephone calls, SMS, Mobile App, e-mail, communication through the website and other Enerjisa channels, authorization training for electricians	Continuous	<ul style="list-style-type: none"> Enhancing stakeholder engagement
				<ul style="list-style-type: none"> Supporting capacity building and improvement of knowledge (project design, changing legislation, etc.)
				<ul style="list-style-type: none"> Engagement of and cooperation with authorized electrical technicians and electrical engineers

Stakeholder Group	Stakeholder Category	Stakeholder Communication Platform and Methods	Communication Frequency	Objectives and Success Self-Evaluation Criteria
Customers	External	Customer Service Centers, Enerjisa Operation Centers, alternative sales channels, call centers, digital channels (mobile application, website), customer representatives, social media channels, SMS and customer satisfaction surveys	Continuous	<ul style="list-style-type: none"> Developing customer oriented solutions
				<ul style="list-style-type: none"> Increasing customer satisfaction
				<ul style="list-style-type: none"> Providing a continuous electricity from renewable energy resources
				<ul style="list-style-type: none"> Providing data security
				<ul style="list-style-type: none"> Expanding smart technologies
Labor Unions	External	Face-to-face interviews	Annually	<ul style="list-style-type: none"> Providing an uninterrupted and accessible energy supply
NGOs	External	Conferences, management meetings, focus group activities	Continuous	<ul style="list-style-type: none"> Leadership and increasing awareness on energy efficiency
				<ul style="list-style-type: none"> Leadership and increasing awareness on energy efficiency
				<ul style="list-style-type: none"> Establishing alternative supply infrastructures for uninterrupted energy in distribution regions
Suppliers and Business Partners	External	Joint projects	Continuous	<ul style="list-style-type: none"> Providing customer satisfaction and uninterrupted energy supply
International Organizations and Initiatives	External	Joint projects	Continuous	<ul style="list-style-type: none"> Leadership and increasing awareness on energy efficiency
Universities	External	Joint projects	Min four times a year	<ul style="list-style-type: none"> Collaboration with stakeholders
				<ul style="list-style-type: none"> Attracting qualified talent
				<ul style="list-style-type: none"> Investment in R&D
Investors	External	Informative meetings, meetings, teleconferences, quarterly investor teleconferences, podcasts, webcasts, General Assembly Meetings, Investor Relations website, online surveys	Continuous	<ul style="list-style-type: none"> Managing sustainability risks
				<ul style="list-style-type: none"> Adopting a target-based management approach
				<ul style="list-style-type: none"> Transparently ESG performance
				<ul style="list-style-type: none"> Compliance with Corporate Governance Principles
Local administrations/ Mukhtars	External	WhatsApp Mukhtar Support Line, regular meetings with mukhtars	Continuous	<ul style="list-style-type: none"> Financial sustainability
				<ul style="list-style-type: none"> Building stakeholder dialogue
				<ul style="list-style-type: none"> Transparency in customer communication
Employees	Internal	IKON, mobile applications, intranet, employee engagement focus groups, team leaders' information meetings, CEO briefing meetings, management meetings, human resources meetings (happy hour), Trend Talks	Continuous	<ul style="list-style-type: none"> Attracting qualified talent
				<ul style="list-style-type: none"> Broadening the knowledge and skills of employees, primarily blue-collar employees
				<ul style="list-style-type: none"> Increasing employee loyalty
				<ul style="list-style-type: none"> Investing in smart technologies
Subsidiaries	Internal	Meetings, Board meetings	Continuous	<ul style="list-style-type: none"> Increasing OHS investments
				<ul style="list-style-type: none"> Promoting leadership in the use of new technologies
				<ul style="list-style-type: none"> Managing sustainability risks
				<ul style="list-style-type: none"> Financial sustainability

Annex IV: Member Organizations

United Nations Women's Empowerment Principles (WEPs)		The Institute of Internal Auditing-Turkey (TİDE)	
UN Global Compact		Turkish Cogeneration and Clean Energy Technologies Association	
Learning and Development Platform Association (TEGEP)		Corporate Governance Association of Turkey (TKYD)	
Association of Electricity Distribution System Operators (ELDER)		Turkish Industry and Business Association (TÜSİAD)	
Energy Regulators Regional Association (ERRA)		Transparency International (TI-Turkey)	
Ethics and Reputation Society (TEİD)		International Investors Association (YASED)	
EUROGIA 2020		Artificial Intelligence and Technology Association (YZTD)	
Energy Investors Association (GÜYAD)		Turkish Investor Relations Society (TÜYİD)	
Human Resources Professional Association (İKMD)		Corporate Communication Professionals Association (KİD)	
Istanbul Exporters' Association (İİB)		Energy Efficiency and Management Association (EYODER)	
Business Plastic Initiative (İPG)		World Energy Council Turkish National Committee (DEK - TMK)	
Business Council for Sustainable Development Turkey (BCSD Turkey)		World Economic Forum (WEF)	
İstanbul Chamber of Commerce (İTO)		Turkish Quality Association (KALDER)	
Corporate Volunteers Association (ÖSGD)		Yenibirlider Development Program - The Yenibirlider Association	
Woman in Technology Association (WTECH)		Energy Traders Association (ETD)	
Turkish Education Foundation (TEV)		Innovative Human Resources Association (YİNKADER)	

Annex V-Environmental Performance Indicators

Assured data

Energy Consumption (MWh)	2020	2020 Restated	2021	2022
Non-electricity Energy Consumption	110,561	110,561	119,492	132,127
Natural gas	6,728	6,728	7,022	7,828
Diesel*	913	913	1,833	118,596
Vehicle fleet	102,920	102,920	110,637	5,702
Electricity Consumption	14,744	16,935	17,409	18,050
Non-renewable electricity purchased	0	0	610	502
Renewable electricity purchased	14,744	16,935	16,799	17,548
Total Net Energy Consumption	125,305	127,496	136,902	150,177
Energy Intensity (MWh/million TL)	5.76	5.86	4.48	1.78

*The data name, which was given as "Emergency power units" in previous years, was updated as "Diesel" in 2022 to include the fuel used in generators and company vehicles in a way that covers the full scope.

Greenhouse Gas Emissions (ton CO ₂ e)	2020	2020 Restated	2021	2021 Restated	2022
Scope 1	44,482	44,482	59,952	59,952	45,280
Vehicles	27,867	27,867	29,932	29,932	32,447
F-gases & SF6	14,949	14,949	28,044	28,044	10,923
Fuels used inside the buildings	1,422	1,422	1,484	1,484	1,590
Generators (Diesel)	245	245	492	492	320
Scope 2	1,837,853	1,758,535	1,941,560	1,933,604	1,590,692
Electricity consumption - location based	7,252	8,020	8,245	8,245	7,721
Electricity consumption - market based	0	0	279	289	221
Transmission & Distribution Losses	1,830,600	1,750,515	1,933,315	1,933,315	1,590,471
Scope 3	21,561,367	17,120,256	16,970,518	19,072,386	19,877,523
Purchased goods and svcs.	0	0	1,502	1,502	175
Fuel and energy related activities	21,560,658	17,119,547	16,968,550	19,070,418	19,874,956
Emissions from electricity sold to customers	21,553,880	17,112,769	16,961,099	18,847,082	19,649,576
Well-to-tank emissions of consumed fuels	6,778	6,778	7,450	7,450	7,745
Upstream emissions of purchased electricity	–	–	–	32	30
Upstream emissions of T&L losses	–	–	–	215,854	217,605
Employee commuting	250	250	154	154	224
Business travel	196	196	175	175	1,096
Waste	263	263	137	137	1,072
Total	23,443,702	18,923,273	18,972,029	21,065,942	21,513,496
Emission Intensity (kg CO₂/TL)	1.08	0.87	0.62	0.69	0.25

Water Consumption (m ³)	2020	2021	2022
Total Water Consumption (m³)	98,654	95,285	102,589
Municipal water	92,504	91,760	102,504
Ground water	6,150	3,493	0
Surface water	0	0	0
Rainwater	0	32	85
Total Water Discharge (m³)	98,654	95,253	102,589
Discharged to municipal wastewater system	92,504	91,760	102,504
Ground water used for gardening	6,150	3,493	0
Rainwater used for gardening	0	32	85

Total Waste Amount (ton)	2020	2021	2022
Hazardous Waste	3,922	3,804	5,122
Recycled hazardous waste	3,880	3,804	5,122
Non-hazardous Waste	8,727	7,563	6,279
Recycled non-hazardous waste	8,727	7,563	6,279
Total Waste	12,649	11,367	11,401

Paper and Plastic Consumption (ton)	2020	2021	2022
Plastic	–	25	1.93
Paper	–	1,557	39.66

Annex VI: Social Performance Indicators

Assured data

Occupational Health and Safety Indicators

OHS	2020			2021			2022		
	Enerjisa	Contractors	Consolidated	Enerjisa	Contractors	Consolidated	Enerjisa	Contractors	Consolidated
Number of critical accidents	23	11	34	25	13	38	19	7	26
TRIF (w/o STF)	4.5	4.5	4.5	5.2	5.6	5.4	4.6	4.2	4.5
TRIF	9.0	5.6	7.9	10.1	6.6	8.9	9.1	6	8.1
LTISR	81.3	146.6	103	113.7	150	126.4	83.2	33.5	65.6
The number of fatal accidents	1	1	2	2	0	2	1	0	1
Occupational diseases	0	0	0	0	0	0	0	0	0
Total working hours (million)	24.9	12.3	37.3	26.2	14.2	40.4	27.9	15.4	43.2

	2020	2021	2022
OHS Investments (TL million)	54.6	80.9	115.46
OHS Trainings (hour per employee)	5.3	13.3	14.1

People and Culture

Employees Per Category	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Total number of employees	1,133	9,282	1,129	10,171	1,253	10,420
White-collar employees	1,078	2,225	1,080	2,423	1,202	2,661
Blue-collar employees	55	7,057	49	7,748	51	7,759
Employees covered by collective bargaining agreements	55	7,057	49	7,748	51	7,759
Total	10,415		11,300		11,673 	

Employees by Employment Types	2020		2021		2022	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
White-collar employees	3,303	0	3,503	0	3,863	0
Blue-collar employees	7,112	0	7,797	0	7,810	0
Employees with disabilities		306		325		337
Total	10,415		11,300		11,673 	

Employees by Age	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
<30 years old	385	2,280	260	2,656	304	2,601
31–49 years old	737	6,729	855	7,266	930	7,517
>50 years old	11	273	14	249	19	302
Total	10,415		11,300		11,673 	

Employees in Management Positions	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Total number of employees in entry-level management	124	306	111	292	127	313
Total number of employees in mid management	53	142	51	155	53	162
Total number of employees in senior management	3	24	3	28	5	28
Total number of employees in management positions	180	472	165	475	185 	503

Employees in All Management Positions by Gender and Age	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
<30 years old	7	7	5	5	5	7
31–49 years old	170	432	156	430	176	455
>50 years old	3	33	4	40	4	41
Board members	2	6	2	6	2	6

Annex VI: Social Performance Indicators

Assured data

	2020		2021		2022	
Revenue Generating Roles	Female	Male	Female	Male	Female	Male
Managers in revenue generating functions	24	87	19	59	20	63
The ratio of all female managers in revenue generating functions	21.60%		24.40%		24.10%	
Employees in STEM (IT, engineering, etc.) roles	105	354	104	375	152	461
The ratio of female employees in STEM roles	22.9%		21.7%		24.8%	

	2020		2021		2022	
Appointments	Female	Male	Female	Male	Female	Male
Number of positions filled with internal candidates	73	431	97	1,072	79	786
Number of all open positions	1,211		2,123		2,129	
The ratio of mid, senior-level and executive management positions filled with internal candidates	—		93%		71%	
The ratio of women in mid, senior level and executive managerial appointments	25%		24%		37%	

	2020		2021		2022	
New Employee Hires by Gender and Age	Female	Male	Female	Male	Female	Male
<30 years old	52	342	69	1,143	141	522
31–49 years old	34	133	43	277	87	267
>50 years old	0	1	0	0	0	4
Total	86	476	112	1,420	228	793








	2020		2021		2022	
Employees Who Left Work by Gender and Age	Female	Male	Female	Male	Female	Male
<30 years old	21	95	32	121	25	164
31–49 years old	39	180	78	346	80	326
>50 years old	0	37	4	55	2	37
Total	61	312	114	522	107	527
Employee turnover	2.4%		3.3%		2.9%	
Voluntary employee turnover	3.6%		5.9%		5.5%	

	2020		2021		2022	
Parental Leave	Female	Male	Female	Male	Female	Male
Employees entitled to parental leave	133	766	68	665	92	713
Employees who returned to work following parental leave	133	766	66	664	90	713




Annex VI: Social Performance Indicators






 Assured data

Performance Evaluation	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Total number of employees subject to regular performance evaluation	1,076	2,225	1,080	2,423	1,202	2,661


Employee Satisfaction	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
All Employees						
Employee satisfaction score	80%		76%		82% 	
Employee engagement score	70%		66%		65% 	67% 
White Collar						
Employee satisfaction score	82%		75%		82% 	
Employee engagement score	67%	68%	59%	65%	65% 	67% 
Employee engagement score	—		63%		66% 	



Employee Engagement Score by Age (White Collar)	2020	2021	2022
20-24 years old	72%	71%	70%
25-34 years old	65%	60%	63%
35-44 years old	69%	64%	68%
45-54 years old	77%	74%	76%
>55 years old	88%	91%	86%

TRAININGS	2020	2021	2022
Total number of employees who received training	8,013	11,270	11,497 
Total training hours	139,993	415,772	483,375 
Total education expenditure (million TL)	11.2	24.9	45.3 



Training hour (according to employee type)	2020	2021	2022
Employees in senior management and above	526	552	743 
Employees in middle management	5,366	9,452	9,080 
Employees in junior management	13,098	25,598	23,237 
Employees in specialist and below	52,376	107,935	116,353 
Blue collar	68,627	272,236	333,961 









Annex VI: Social Performance Indicators

 Assured data

Training hour (by gender)	2020	2021	2022
Female	32,196	52,618	42,716 
Male	107,797	363,154	440,659 

Training hour (according to training type)	2020	2021	2022
Professional development	27,543	45,673	68,143
Technical Development	9,214	155,437	211,186
Individual Development	24,978	53,341	25,052
Leadership Development	10,736	11,216	13,058
Occupational Health and Safety	67,522	150,105	164,730




Summary Training Indicators	2020	2021	2022
Total training per person (hour)	13.4	36.8	41.3 
Total training cost (million TL)	11.2	24.9	45.3 
Total training cost per person (TL)	1,075	2,204	3,881

Training Hours in Selected Areas	2020		2021		2022	
	Female	Male	Female	Male	Female	Male
Ethics	788	1,472	2,908	3,446	1,131 	3,174 
Anti-Bribery & Anti-Corruption	788	1,472	—	—	324 	815 
Equality, equal opportunity, inclusiveness	—	—	201	216	395 	669 
Sustainability and the environment	292	1,215	499	3,370	1,566 	7,307 

Contractors

Contactors by Service Type	2020	2021	2022
Number of contractors	5,119	6,558	9,079
<i>Administrative affairs</i>	1,010	1,052	1,007
<i>Construction works</i>	2,742	3,407	4,324
<i>Fault repair and maintenance</i>	522	1,199	2,848
<i>Call Center</i>	845	900	900

Vulnerable Groups Reached Through Inclusion Programs

	2020	2021	2022
Vulnerable Groups Reached Through Inclusion Programs			
Over the age of 65	1,056,441	1,145,541	1,315,088 
Families of martyrs, veterans and disabled veterans	20,306	20,449	21,516 
Device Dependent Patients (Hasta Var)	1,706	2,051	2,281 
Subscribers who submitted a health committee report	114	193	

Annex VII-Economic Indicators

✓ Assured data

Environmental Investments and Expenditures (TL million)

Environmental Investments and Expenditures	2020	2020 (Restated)	2021	2022
Total environmental investments	115.9	150.8	330.4	1,694.6 ✓
Mitigation investments	2.2	2.2	58.4	450.3 ✓
Enabler investments	113.7	132.1	244	1,244.2 ✓
Transition investments	0	16.5	28	—
Total environmental expenditures	2	2	4.6	17.8 ✓

Sustainable Business Model	2020	2020 (Restated)	2021	2022
The number of sustainable products and services (number)	7	7	12	19 ✓
Amount of income from sustainable products and services (TL million)	23.5	45.1	326	1,595 ✓
Mitigation Revenues	17.0	38.7	309.5	1,197 ✓
Enabler Revenues	6.5	6.5	16.5	398.1 ✓

R&D Innovation Investments		2020	2021	2022
Metrics				
Innovation management	Number of R&D positions	13	11	10
	Number of Innovation positions	4	4	4
	Number of ideas collected with NAR	160	130	191
	Sustainability focused R&D, innovation investment budget (TL million)	6.7	9.2	4.75 ✓
	Total budget of R&D and innovation investment (TL million)	9	11.8	13.3 ✓

Annex VIII- Corporate Governance Indicators

	2020	2021	2022
Political contributions (TL million)	0	0	0
Confirmed incidents of anti-bribery and corruption	19	14	—
The number of definitive convictions the company was subject to in relation to breach of employee rights	47	36	19
The number of definitive convictions the company is subject to in relation to health and safety measures	5	4	7

Annex IX-Operational Indicators

Quality Metrics

		2020	2021	2022
Enabling highquality electricity supply through guaranteeing voltage qualify and continuity of supply	System Average Interruption Duration Index (SAIDI) (hours)			
	AYEDAŞ	8.8	11.9	11.5
	Başkent	30.3	40.3	34.6
	Toroslar	64.2	64.5	74.3
	System Average Interruption Frequency Index (SAIFI) (number)			
	AYEDAŞ	7.4	8.6	7.9
	Başkent	19	20.2	18.9
	Toroslar	33.5	28.5	30
	Investing in technologies balancing generation and consumption	Installed capacity of licensed and non-licensed renewables directly connected to grid (MW)	1,848	2,093

Digitalization

		2020	2020 (Restated)	2021	2022
Digitalization of the grid	Number of meters covered by AMRS	79,658	80,261	87,730	92,947
	Number of sensors on SCADA system	716,608	808,702	926,021	1,165,762

Customer Satisfaction

Customer Satisfaction (consolidated)	2020	2021	2022
CSAT (over 5)	4.08	4.17	4.18
NPS (-100 to +100)	+5	+12	+10

Annex X-Management System Standards

MANAGEMENT SYSTEMS STANDARDS	Coverage Rate	Calculation Methodology
ISO 9001 Quality Management System	99%	Employee
ISO 45001 Occupational Health and Safety Management System	100%	Location
ISO 14001 Environmental Management System	100%	Location
ISO 10002 Customer Satisfaction Management System	100%	Location
ISO 20000 IT Service Management System	100%	Location
ISO22301 Business Continuity Management Systems	11%	Employee
ISO 27001 Information Security Management System	100%	IT infrastructure
ISO 50001 Energy Management System		Location

Annex XI: TCFD Disclosure

TCFD Recommended Disclosures		Reference	
Governance Disclose the organization's governance around climate related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities.	Sustainability Management	38-39
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability Management	38-39
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	Climate Approach Climate Strategy Risk Management	42, 84, 134-138
	b) Describe the impact of climate related risks and opportunities on the organization's businesses, strategy, and financial planning.	Climate Approach	44-46
	c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Climate Approach	43
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	Risk Management	133-138
	b) Describe the organization's processes for managing climate-related risks.	Risk Management	133-138
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	Risk Management	133-138
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	Climate Ambition of Enerjisa	27
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Emissions	87
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	Climate Ambition of Enerjisa	27

Annex XII: UNGC & UN WEPS Disclosures

UN WEPS PRINCIPLES INDEX		UNGC INDEX		
Principle	Relevant Report Section	Area	Principles	Relevant Report Section - Subsection
Principle 1: Establish high-level corporate leadership for gender equality.	Impact for Society	Human Rights	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.	Business for Impact - Responsible Supply Chain
Principle 2: Treat all women and men fairly at work - respect and support human rights and nondiscrimination.			Principle 2: Businesses should make sure that they are not complicit in human rights abuses.	Impact for Society - Talent Management Impact for Society - Diversity, Equity and Inclusion
Principle 3: Ensure the health, safety and well-being of all women and men workers.		Labor	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	Business for Impact - Responsible Supply Chain
Principle 4: Promote education, training and professional development for women			Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor.	
Principle 5: Implement enterprise development, supply chain and marketing practices that empower women			Principle 5: Businesses should uphold the effective abolition of child labor.	Impact for Society - Talent Management
Principle 6: Promote equality through community initiatives and advocacy			Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Impact for Planet
Principle 7: Measure and publicly report on progress to achieve gender equality			Principle 7: Businesses should support a precautionary approach to environmental challenges.	
		Environment	Principle 8: Business should undertake initiatives to promote greater environmental responsibility. Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies.	
		Anti-Corruption	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	Business for Impact - Responsible Supply Chain Foundations - Business Ethics

Annex XIII: GRI Content Index

GRI Certification

Statement of use

As part of the Content Index - Essentials Service, GRI Services examined whether the GRI content index was clearly presented and complied with the Standards. It has been verified whether the references of information 2-1 to 2-5, 3-1 and 3-2 are compatible with the relevant sections of the report. Enerjisa Enerji reported its fifth sustainability report for the period 1 January 2022 - 31 December 2022 in accordance with GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	TOPIC TITLE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report	7
	2-2 Entities included in the organization's sustainability reporting	About the Report	7
	2-3 Reporting period, frequency and contact point	About the Report	7
	2-4 Restatements of information	About the Report	7
	2-5 External assurance	Annex I: Limited Assurance Report	154-156
	2-6 Activities, value chain and other business relationships	Enerjisa at a Glance, Our Business Model	16-19
	2-7 Employees	Annex VI: Social Performance Indicators	168-169
	2-8 Workers who are not employees	Annex VI: Social Performance Indicators	171
	2-9 Governance structure and composition	Sustainability Management	37-39
	2-10 Nomination and selection of the highest governance body	Diversity, Equity and Inclusion	112
	2-11 Chair of the highest governance body	Corporate Governance	127
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Management	37-39
	2-13 Delegation of responsibility for managing impacts	Sustainability Management	37-39
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management	37-39
	2-15 Conflicts of interest	Business Ethics	130
	2-16 Communication of critical concerns	Business Ethics	130-132
	2-17 Collective knowledge of the highest governance body	Sustainability Management	37-39
	2-18 Evaluation of the performance of the highest governance body	Sustainability Management	39
	2-19 Remuneration policies	Sustainability Management	39
	2-20 Process to determine remuneration	Not disclosed for confidentiality reasons.	
	2-21 Annual total compensation ratio	Not disclosed for confidentiality reasons.	
	2-22 Statement on sustainable development strategy	Statements from Management	9-14
	2-23 Policy commitments	Sustainability Management	37-39
	2-24 Embedding policy commitments	Sustainability Management	37-39
	2-25 Processes to remediate negative impacts	Business Ethics	130-132
	2-26 Mechanisms for seeking advice and raising concerns	Business Ethics	130-131
	2-27 Compliance with laws and regulations	Annex VIII- Corporate Governance Indicators	172
	2-28 Membership associations	Annex IV: Member Organizations	166
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	142-145
	2-30 Collective bargaining agreements	Annex VI: Social Performance Indicators	168

Annex XIII: GRI Content Index

GRI STANDARD	DISCLOSURE	TOPIC TITLE	LOCATION
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Management	39-41
	3-2 List of material topics	Sustainability Management	40
Economic performance [Sustainable Products and Services, Risk Management]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Products and Service, Risk Management	64, 133
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Annex VII-Economic Indicators	172
	201-2 Financial implications and other risks and opportunities due to climate change	Risk Management	133-138
Indirect economic impacts			
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovation	74
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Innovation	74-78
	203-2 Significant indirect economic impacts	Innovation	78
Anti-corruption [Ethics and Anti-Corruption]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics	130-132
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics, Annex VI: Social Performance Indicators	130, 171
	205-3 Confirmed incidents of corruption and actions taken	Business Ethics	131-132
Anti-competitive behavior			
GRI 3: Material Topics 2021	3-3 Management of material topics	Business Ethics	130-132
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics	130
Energy [Energy Efficiency]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Efficiency	89
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Annex V-Environmental Performance Indicators	167
	302-2 Energy consumption outside of the organization	Annex V-Environmental Performance Indicators	167
	302-3 Energy intensity	Annex V-Environmental Performance Indicators	167
	302-4 Reduction of energy consumption	Energy Efficiency	89
	302-5 Reductions in energy requirements of products and services	Climate Approach, Energy Efficiency Applications	44, 66

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GRI STANDARD	DISCLOSURE	TOPIC TITLE	LOCATION
Water and effluents [Water Management]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Water Management	93
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management	93
	303-2 Management of water discharge-related impacts	Water Management	93
	303-3 Water withdrawal	Annex V-Environmental Performance Indicators	167
	303-4 Water discharge	Annex V-Environmental Performance Indicators	167
	303-5 Water consumption	Annex V-Environmental Performance Indicators	167
Biodiversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Biodiversity	90-91
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity	90-91
	304-3 Habitats protected or restored	Biodiversity	90-91
Emissions [Climate Change and Carbon Management]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Emissions	87-88
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions	87
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions	87
	305-3 Other indirect (Scope 3) GHG emissions	Emissions	87
	305-4 GHG emissions intensity	Emissions	87
	305-5 Reduction of GHG emissions	Emissions	88
Waste [Waste Management]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Management	92
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	92
	306-2 Management of significant waste-related impacts	Waste Management	92
	306-3 Waste generated	Annex V-Environmental Performance Indicators	167
	306-4 Waste diverted from disposal	Annex V-Environmental Performance Indicators	167
	306-5 Waste directed to disposal	Annex V-Environmental Performance Indicators	167
Employment [Talent Management, Employee and Human Rights]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Talent Management	96-100
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Talent Management, Annex VI: Social Performance Indicators	99, 169
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Management	98, 102
	401-3 Parental leave	Annex VI: Social Performance Indicators	169

Annex XIII: GRI Content Index

GRI STANDARD	DISCLOSURE	TOPIC TITLE	LOCATION
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Health, Safety and Well-Being	117-118
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health, Safety and Well-Being	117-118
	403-2 Hazard identification, risk assessment, and incident investigation	Health, Safety and Well-Being	117-118
	403-3 Occupational health services	Health, Safety and Well-Being	117-121
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Well-Being	117-118
	403-5 Worker training on occupational health and safety	Health, Safety and Well-Being	119
	403-6 Promotion of worker health	Health, Safety and Well-Being	117
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, Safety and Well-Being	117-121
	403-8 Workers covered by an occupational health and safety management system	Health, Safety and Well-Being, Annex X-Management System Standards	117-118, 173
	403-9 Work-related injuries	Annex VI: Social Performance Indicators	168
	403-10 Work-related ill health	Annex VI: Social Performance Indicators	168
Training and education [Talent Management]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Talent Management	100-101
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Talent Management, Annex VI: Social Performance Indicators	101, 171
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Management	103-111
Diversity and equal opportunity [Diversity and Inclusion, Employee and Human Rights]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equity and Inclusion	112-114
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, Equity and Inclusion, Annex VI: Social Performance Indicators	114, 168
Non-discrimination [Diversity and Inclusion]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equity and Inclusion	112-113
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Business Ethics	131
Freedom of association and collective bargaining			
GRI 3: Material Topics 2021	3-3 Management of material topics	Talent Management	98
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Talent Management	98

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GRI STANDARD	DISCLOSURE	TOPIC TITLE	LOCATION
Child labor			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Supply Chain, Business Ethics	63, 132
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Responsible Supply Chain, Business Ethics	63, 132
Forced or compulsory labor			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Supply Chain, Business Ethics	63, 132
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Responsible Supply Chain, Business Ethics	63, 132
Rights of indigenous peoples			
GRI 3: Material Topics 2021	3-3 Management of material topics	Management of Vulnerable Customers	122
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	During the reporting period, there were no identified cases of violations involving the rights of indigenous peoples.	
Local communities [Corporate Responsibility]			
GRI 3: Material Topics 2021	3-3 Management of material topics	CSR and Community Investments	123
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	CSR and Community Investments	123-125
Customer privacy [Data Security]			
GRI 3: Material Topics 2021	3-3 Management of material topics	Data Security	79-82
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	No verified complaints received regarding breach of customer privacy.	
Customer Satisfaction and Orientation			
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Satisfaction Measurement	60
Stakeholder Engagement			
GRI 3: Material Topics 2021	3-3 Management of material topics	Stakeholder Engagement	142-145
Supply Chain			
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Supply Chain	61-63
Innovation and Digitalization			
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovation	71, 74

