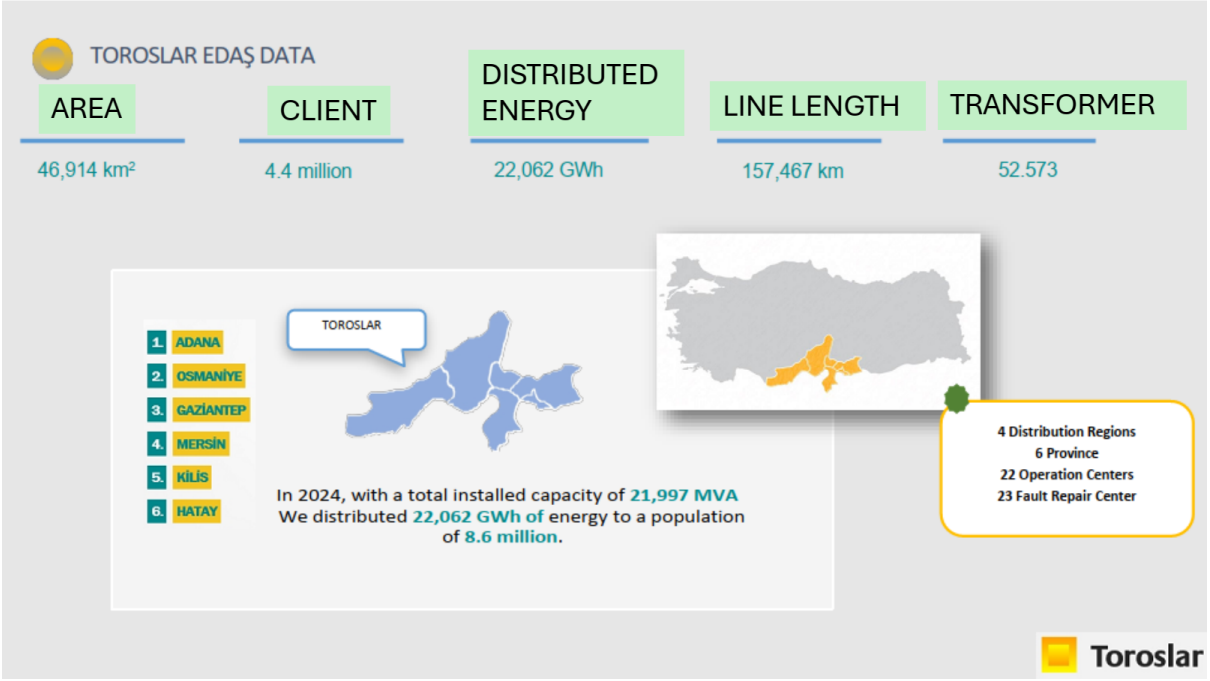
Enerjisa Enerji
Toroslar Elektrik Dağıtım A.Ş.
New Investments and Existing Operations

Non-Technical Summary

July 2025

1 Who is Enerjisa Toroslar Elektrik Dağıtım A.Ş.?

Enerjisa is a prominent company in Türkiye's electricity industry, specializing in electricity distribution, retail sales, and customer solutions. The network consists of 10,419 employees serving a population of 22.1 million and 10.6 million customers across fourteen provinces in three distribution regions. Enerjisa is the largest electricity distribution and retail sales company in a regulated sector in Türkiye; 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 Toroslar 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).



Electricity Distribution Information for Toroslar EDAS Region

Toroslar EDAS, distributes and gives access to electricity with a 157,476 km distribution line, covering a population of 8.6 million corresponding to more than ten percent of the total population in Türkiye (10.6% market share of total consumed electricity in Türkiye as of YE2024).

2 What are the planned investments?

Within the investment program for electricity distribution services, the area of activity of Enerjisa includes the construction of new distribution facilities, conducting capacity increases, construction of additional facilities for the existing network, conducting maintenance and repair services, evaluation of connection applications, providing service through executing network connection agreements with the consumers, reading the indexes from the consumer meters, conducting lighting works, conducting replacement and calibration works for the meters, tackling with the technical and non-technical losses, conducting services for minimizing the electrical failures, the duration and number of power cuts and ensuring the continuity of electricity supply.

The proposed project will support the Company in:

1. the reconstruction and modernisation of assets damaged by the earthquake (USD 125m equivalent Turkish Lira) to be incorporated into the year 2025 and 2026 and the subsequent capex implementation period (2026–2030), thereby further contributing to the overall reconstruction needs of the Toroslar Region; and

2. the expansion of Enerji's Enerji's Distributed Energy Investments (USD 25m equivalent Turkish Lira) through the installation of solar power plants (SPPs) with a total installed capacity of up to 35MW to supply renewable electricity to Enerjisa Enerji's retail customers (the "Corporate Clients" or the "Offtakers").

3 Project Financing

The European Bank for Reconstruction and Development (the "EBRD" or the "Bank") has a well-established relationship with Enerjisa through previous projects approved, including:

- Enerjisa Enerji Bond - 100 million Turkish Lira (OpID 49201)
- Project Agera - 225 million USD equivalent Turkish Lira (OpID: 50776)
- Enerjisa Green Loan - 110 million USD equivalent Turkish Lira (OpID: 52972)
- Project Nera - 110 million USD equivalent Turkish Lira (OpID: 53827)

To support the country's reconstruction efforts following the 6th February 2023 earthquakes, the Bank provided a USD 100 million equivalent senior unsecured loan (in TRY) with a 5-year tenor in January 2024. The loan was fully disbursed (USD 61.7 million outstanding) to finance modernization and reconstruction investments in the region as part of the 2021-2025 capital expenditure investment period.

The proposed project finance will include in :

1. the reconstruction and modernisation of assets damaged by the earthquake (USD 125m equivalent Turkish Lira) and
2. the expansion of Enerjisa Enerji's Distributed Energy Investments (USD 25m equivalent Turkish Lira) through the installation of solar power plants (SPPs) with a total installed capacity of up to 35MW.

4 What environmental and social studies have been undertaken?

The Company has an existing corporate Environmental and Social Action Plan (ESAP) and is implementing it in line with EBRD and best practices. In 2022 and 2023, additional actions were included in the updated ESAP focusing on the distribution companies, along with measures to strengthen their contractor management practices by integrating social requirements into (sub)contractor management on labor and working conditions, Gender Based Violence and Harassment (GBVH) and worker and community safety risks in line with the 2019 Environmental Social Policies/Performance Requirements (ESP/PRs).

ACE Consulting and Engineering Inc. ("ACE") was engaged to carry out a specific environmental and social assessment with a specific focus on labor and health and safety risks of the electricity distribution operations as part of the new Project in line with the Bank Environmental and Social Requirements (ESRs) and monitoring of implementation of existing ESAP and loan commitments at the corporate and its subsidiary (Toroslar EDAS) level

The Project has been designated as a category "B" project in accordance with the EBRD Environmental and Social Policy (ESP) (2024) as the potential E&S impacts associated with the project and existing operations are assessed to be limited and can be readily addressed and managed through the implementation of the Environmental and Social Action Plan (ESAP).

5 What is the purpose of this document?

This Non-Technical Summary (NTS) document provides an overview of the proposed Project and presents a summary of relevant potential environmental and social issues and impacts related to the

Project. Appropriate measures to mitigate key adverse environmental and social impacts that may arise in relation to the Project are also provided.

6 Scope of ESA work

The scope of work for the ESDD Assessment comprised of identification of existing and Project-related environmental and social impacts and risks and undertaking of a review regarding E&S management and practices within the Company. The following tasks were conducted :

- Review the status of existing site activities and controls implemented by the site contractors and the Client to address environmental, social, and health and safety issues for the current project. Asses the client's supply chain screening and risk assessment conducted for the project.
- Review of Client's performance against the existing ESAP commitments.
- Review the potential for the presence of any historical environmental and social issues on the project sites.
- Obtain an understanding of the site setting for the proposed new project, in terms of environmental and social issues, to complement available background data.
- Conduct discussions with site personnel regarding on-site control and management of environmental and social issues, including contractor management and project implementation arrangements, Environmental and Social Management Plans, etc.

The E&S assessment was conducted by a team of experts specializing in environmental, health and safety, social and labor. The E&S Assessment included site visits to selected existing facilities, interviews with Toroslar staff, review of available environmental and social documents and an environmental and social management review and analysis for the Project and existing operations in relation to national regulatory requirements and relevant international standards.

7 What are the key environmental and social impacts of the Project and what are the proposed mitigation measures?

The main improvement that will be provided by the Project will be the mitigation of issues related to electricity distribution in the Toroslar region, such as technical and non technical energy losses, etc. The investments will help cover the demands of new customers who will join the distribution system. In addition, the expansion of Enerjisa Enerji's Distributed Energy Investments will occur through the installation of solar power plants (SPPs)

On the other hand, in addition to its benefits, the Project could potentially result in some negative impacts on the environment and people, if not managed carefully. In addition, the ESDD determined areas for improvement related to the existing operations. Therefore, Enerjisa Enerji will be implementing certain actions (called "mitigation measures") to prevent, reduce, or mitigate any potential negative impacts of the Project, including the existing electricity distribution operations.

Improvement measures determined to meet the potential impact/source identified based on Enerjisa Enerji's areas of activity and EBRD requirements. are presented in Table 1 and Table 2 below.

Table 1. Potential EHS and Labor Impacts of The Project During the Construction and Operation Phase and Proposed Mitigation Measures

Impact Topic	Potential Impact / Source		
	Source	**Significance**	**Proposed Remedial Measures**

Management Systems	• Enerjisa Enerji and Toroslar and contractor operational E&S potential adverse impacts require the following
	  • continued implementation of an Environmental and Social (E&S) Aspect and Impact Analysis Procedure, ensure all projects are screened/categorised and E&S impacts are assessed on a site-by-site basis
	  • identification of mitigation measures to be implemented during the construction and operational activities including establishment of EV charge stations and roof top PV solars.
	• Need a robust Solar Supply Chain Management System to identify, manage and remediate solar supply chain risks associated with labour exploitation, as well as any other significant environmental and human rights risks and impacts.
		High	• Maintain Environmental Management System (ISO 14001) and Occupational Health and Safety Management System (ISO 45001)) and Energy Management System (ISO 50001) certifications to cover all operational sites including Electricy Distribution Companies (EDCs), EMC and Esarj.
			• Ensure that the Environmental Management System (ISO 14001) and Occupational Health and Safety Management System (ISO 45001) and Energy Management System (ISO 50001) certifications cover Customer Solution BU including solar related processes.
			• Implement social management system and integrate "social KPIs" into the management and monitoring of all contractors in line with the ESRs.
			• Allocate and maintain Corporate resources responsible for standardization of HSES Management System responsible for standardisation at all operations, coordination of ESAP actions between the teams and reporting to the Bank.
			• Develop and implement a robust Solar Supply Chain Management System to identify, manage and remediate solar supply chain risks associated with labour exploitation, as well as any other significant environmental and human rights risks and impacts.

Natural Hazards	• Earthquake, Fire and Climate Change risks potential impacts on operations	High	• Improve Building Safety at all Enerjisa Enerji Buildings including EMC • Develop a standalone document considering all of the necessary impacts, mitigation measures that were developed following the earthquake and be used as a guideline for present and future risks that may occur • Develop a procedure to identify social risks and impacts of all activities, goods, and services including the methodologies for assessing social risks and impacts. • Revise the Environmental and Health and Safety Impact & Risk assessment procedure to include:

Impact Topic	Potential Impact / Source		
	Source	**Significance**	**Proposed Remedial Measures**
			• Climate change OHS risks • Biodiversity risk • Potential risks to third parties • Conduct a detailed climate change environmental and OHS (Occupational Health and Safety) risk assessment study for all operations of Enerjisa Enerji • Develop an Incident Command System (ICS) as to be a good practice to be standardized approach to managing all kind of emergency incidents • Develop Incident Management Team (IMT) under Incident Command System (ICS)
Permit requirements	• Construction and operational permits to be in compliance with regulatory requirements (i.e., workplace opening permits, temporary waste Storage permits, etc.)	Low	• Develop permit register • Ensure all permits are in place and monitored for the renewal process
Air quality	• Fluorinated Greenhouse Gases present in circuit breakers need to be managed in line with regulations • Boiler's operations for heating purposes	Medium	• Implement leak check monitoring program for SF6 circuit breakers. • Annual loss/procurement quantity • Periodic air emissions monitoring
Noise and Vibration	• No issue identified		
Geology, Soils, and Groundwater	• Potential adverse impact to soil and ground water quality from the management of hazardous chemicals during operations	Low	• Implement the waste management plan • Ensure that hazardous material handling procedures are handled per necessary regulatory requirements
Biodiversity	• Potential biodiversity impacts from existing and future	High	• Company to assign a corporate biodiversity lead to develop corporate biodiversity policy and ensure its effective and consistent implementation for all ongoing and new projects financed by the Bank. • Develop and implement a Corporate biodiversity policy in alignment with ESR6 and publish it on the website. • Assign policy implementation responsibility to a Enerjisa executive and board. • Avoid protected areas to the extent possible.If such locations are not avoidable, develop Biodiversity Action Plans (BAPs) ensuring impact mitigation for the protected habitats and

Impact Topic	Potential Impact / Source		
	Source	**Significance**	**Proposed Remedial Measures**
			species, and offset when necessary. • Site based biodiversity screening study will be conducted prior to construction and appropriate mitigations will be agreed with contractor in line with ESR6 reqirements. • In cases where significant biodiversity impacts are identified prior to construction, Enerjisa will prepare and implement Biodiversity Management Plans (BMP) to mitigate biodiversity risks and impacts in line with ESR6. • Communicate with authorities and other relevant stakeholders regarding ETL route implementation. • Cause Contractors to apply and adapt BMP actions for their activities. • Ensure mitigation measures on investments are implemented during construction phase. • Cascade corporate BAP into Biodiversity Management Plans for operations (o-BMPs) inclusive of adaptative monitoring based on carcass search for the linear assets. If needed, develop BAPs in line with ESR6.
Surface and Wastewater	• Domestic wastewater generation • Surface water runoff from areas where hazardous materials are stored	Low	• Ensure wastewater discharge connection permits are obtained • Ensure that hazardous materials are managed properly
Waste	• Hazardous and nonhazardous waste material generated during construction and operations in all provinces.	Medium	• Implement the waste management plan • Ensure proper temporary waste storage conditions • Engage with licensed waste transport and disposal facilities • Implement regulatory requirements for reporting and planning
Hazardous Material	• Hazardous materials are used in the operations including transformer oil, diesel oil, engine oil, paints, lubricants, and cleaning agents • PCB presence in older transformers • Asbestos containing roofing material presence	Medium	• Asbestos survey conducted and removal activity undertaken • Develop an inventory of transformers with PCB content and develop a relevant phaseout plan for transformers, if necessary. • Develop an inventory of materials and chemicals used in all operations. • Ensure that hazardous material handling procedures are handled per necessary regulatory requirements

Impact Topic	Potential Impact / Source		
	Source	**Significance**	**Proposed Remedial Measures**
Traffic	• Traffic risks present due to construction activities near community presence as well as • use of vehicles by Enerjisa and contractors	High	• Develop and implement road safety policy, practices, and procedures to include a defensive, off road and antiskid driving training program for the drivers of Enerjisa Energy including those who will be hired for the new project implementation.
Cultural Heritage	• The potential presence of cultural heritage • artifacts identified during the new investment	Low	• Implement a chance find procedure to be implemented by • Enerjisa and the construction contractors.
Employment	• Creation of employment opportunities during the construction process • Labor and working conditions	Medium	• Prepare and implement a labor-management plan and workers' engagement program in line with EBRD ESR 2 requirements
Neighbouring facilities-community health and safety	Presence of operational facilities, including transformers, in areas close to residential/commercial areas and construction activities undertaken in these areas	High	• Conduct electromagnetic field measurements at all operation sites and locations with the risk of public exposure. • Include public safety issues in the risk assessment process. • Undertaken necessary safety precautions during construction activities to ensure public safety (including community safety awareness training)
Workers Health and Safety Risk Assessment	• Enerjisa Enerji operations are categorized as 'very dangerous. Nature of contractor activities represent a high risk to worker health • and safety	High	• Implement occupational health and safety (OHS) practices to guide all Project-related activities during construction and operation. Actions to include development of risk assessments • Conduct a systematic internal expert review of all of the incidents that have occurred to assess the root cause and identify if the existing OHS system has fundamental weaknesses. Share the third party review report and corrective actions with the Bank during next third party audit to be conducted in 3rd Q2025. Develop and implement an action plan, mitigation measures based on the third party review. Conduct safety risk assessment including risks to third parties for the proposed projects prior to construction and share it with EBRD.

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	Source	**Significance**	**Proposed Remedial Measures**
Construction Equipment Usage	• Ladders, lifting vehicles, telescopic platforms and frequently used by employees, sub-contractors during network maintenance • operations.	High	• Regulatory periodic test records are retained by the owners.
Working conditions	• Potential Risks due to noise, vibration, illumination, thermal comfort, and air quality measurements in the work environment	High	• Conduct noise, vibration, illumination, thermal comfort measurements for the construction process. • Developing a work permit system for non-routine tasks.
Human Resource Policies and Working Relationships	• Risks due to inadequate implementation of HR procedure and policy information dissemination •	Medium	• Enerjisa to ensure its corporate HR policy and procedures are updated as per this ESAP and based on the findings of ESDD and implemented by all its subsidiaries including EMC and Esarj. • Design and implement a training plan to all direct employees in the company and in its effectiveness. Ensure similar trainings about workers' rights are provided to indirect employees by the contractors. • Include non-discrimination, forced labour and grievance mechanisms into contracts with contractors and suppliers of all subsidiaries (including EMC and Eşarj). • Ensure workers' consent is seeked for overtime works both in the company and its contractors. Ensure workers' right to reject overtime work is also included in the trainings in the company and its subsidiaries including EMC and Esarj. • EMÇ and Eşarj to update the existing Indefinite Worker's Contract relevant article and include workers' consent for change of workplace at the time of request in line with Management of Change procedure.
Wages, benefits, and conditions of work and accommodations	• Noncompliance of workers work schedule with • the Turkish Labor Laws and ILO Conventions	Medium	• Keep track of employees 'start and finish times daily and concurrent. Ensure that subcontractors also adopt the same system and should monitor the implementation of their system on a regular basis. • Develop and implement a comprehensive social/labour monitoring and audit program for current and future contractors/subcontractors with competent labour and OHS experts at all subsidiaries including EMC and Esarj.

Impact Topic	Potential Impact / Source		
	Source	**Significance**	**Proposed Remedial Measures**
			• Maintain labour audit reports for new contractors to ensure continued compliance and oversight. • Conduct regular security and human rights risk assessments for all operations (including risks to third parties) and revise the Security Management Plan in line with the Voluntary Principles on Security and Human Rights.
Grievance Mechanism	• Grievance mechanism and its lack of awareness for its use by direct and contracted workers	High	• Update the existing grievance procedure and include an additional wish box channel to preserve anonymity of employees by placing complaints/wishboxes at all worksites out of camera sight to ensure employee privacy is preserved at all worksites/ subsidiaries. • Continue to implement employee satisfaction surveys and undertake necessary actions to improve the employee relations. • Regularly monitor/inspect, the effectiveness of the (sub)contactors' grievance mechanism at all sites (including Esarj and EMC) • Enerjisa continue to encourage female personnel to participate representative selections in all locations (including Esarj and EMC)
Contractor Management	• Potential risks due to inadequate contractor management • / Insufficient control mechanisms	High	• Strengthen the existing Contractor Management Procedure and its implementation to ensure that the performance of the contractors is managed and monitored according to the requirements of ESR 2. • Complete the third-party audit of construction contractors to review labor and health and safety and environment practices according to ESRs and provide the audit report to the Bank.

Land acquisition and economic displacement	• Landowners and users: Potential impacts from lack of access to information, loss of land and crops, loss of income	Medium	• Revise the existing LAP as per ESR5, get management approval, and disclose the LAP to ensure:
			  • Social risks and impacts related to land acquisition are integrated and addressed through the entitlement matrix and compensated accordingly.
			  • Vulnerable groups that are identified and informed as part of the E&S risk and impact assessment, and their needs are addressed to the best extent.

Impact Topic	Potential Impact / Source		
	Source	**Significance**	**Proposed Remedial Measures**
			• Continuous engagement with affected people and timely information disclosure mechanisms are identified. • Proper grievance channels are established and integrated into the corporate grievance mechanism. • The land acquisition process is monitored, and necessary corrective actions are taken promptly. • Ensure that landowners/users are consulted prior to land entry by the contractor and information brochures are distributed, Contractor will maintain a harvest tracking sheet to monitor land use and agricultural activities and allow users to harvest their products where feasible. Contractor agreements will include specific clauses assigning responsibility to contractors for any damage occurring during field exit.
Stakeholder and Information Disclosure	External stakeholders such as affected communities, NGOs, local authorities, and regulatory bodies, as well as internal stakeholders and employees: lack of access to information and complaint mechanisms	High	• Update , disclose and implement the Corporate SEP annually including new project activities. As part of the SEP, maintain implementation of corporate grievance mechanism to allow external stakeholders to raise grievances and other issues with the Company. • Site specific SEPs for each subsidiary company shall be prepared and updated annually in line with the corporate SEP. Updated SEPs shall be disclosed to stakeholders. • Monitor effectiveness of stakeholder engagement practices by the authorised personnel. • Maintain a stakeholder engagement tracker for all activities conducted under the SEP. • Maintain a grievance tracker to record all complaints and status of them. Ensure anonymity of the complainants.
Gender-Based Violence	Potential cases of mistreatment, harassment, etc. that may be related to internal and external stakeholders	Medium	• Strengthen and implement the dedicated GBVH policy framework in line with the Bank requirements and cascade down to all subsidiaries including EMC and Esarj. • Conduct GBVH based risk assessment and determine company capacity and resources to address such risks in all current and future sites. • Introduce GBVH Code of Conduct for all employees and

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			contracted workers. • Appoint and train the GBVH focal points to address GBVH issues at all sites, including receiving and coordinating the response to GBVH complaints, and providing support to complainants in line with a survivor centred approach. • Strengthen and implement GBVH grievance handling mechanism in line with survivor centered approach. • Provide training to all Enerjisa (including its subsidiaries) current and news staff and managers on the upgraded GBVH policy, GBVH Code of Conduct and GBVH grievance mechanism, including confidentiality and non-retaliation requirements. • Provide targeted GBVH training for all staff who play a role in GBVH grievance handling (including HR, Internal Audit, managers, customer care) • Appoint external expert advisor to provide support on policy roll-out, training, and investigations to GBVH focal points, HR and Internal Audit. • Strengthen internal record-keeping and monitoring procedures for GBVH and bullying complaints, underpinned by enhanced confidentiality protocols • Ensure that there is gender diversity in Internal Audit team (or GBVH grievance committee) and expertise to lead or participate in GBVH investigations including (e.g., legal, HR, operations, HSE)

Table 2. Potential Social Impacts of The Project During Construction and Operation Phase and Proposed Mitigation Measures

Location	Purpose of Activity / Construction	Current Status	Potential Social Impacts	Mitigation Measures for the Construction Phase	Operation Phase
Investment areas-rural or land-based areas	Land acquisition	On-going	• Lack of information disclosure and engagement • Missing out vulnerable groups and informal users	• Implementation of revised Land Acquisition Procedure • Carrying out information disclosure activities • Provision of information disclosure documents especially for reach out to vulnerable groups	• Grievance Mechanism • Prioritization of mukhtars for call center contact
Investment areas-rural or land-based areas	Land acquisition	On-going	• Loss of land and income	• Implementation of revised Land Acquisition Procedure • Provision of compensation for losses • Grievance Mechanism	• Grievance Mechanism
Investment areas-rural or land-based areas	Construction activities	Planned to start	• Damages to crops, agricultural products	• Training of contractors • Mitigation measures such as skipping harvesting season • Compensation of damages • Grievance Mechanism	N/A
Investment areas-rural or land-based areas	Construction activities	Planned to start	• Damages to irrigation channels, utilities.	• Liaison with authorities to prevent damages • Grievance Mechanism	N/A
Clients, users	Distribution services (Maintenance and repair, engagement, and grievance management activities)	Will be on-going during operations	• Complaints on cuts, maintenance, and services • Lack of access to information	• Grievance management • Stakeholder Engagement Program	• Grievance management • Stakeholder Engagement Program
Stakeholders	Stakeholder Engagement Plan Implementation	Will be on-going during construction and operations	• Lack of access to information	• Stakeholder engagement activities • Website and social media posts	• Stakeholder engagement activities • Website and social media posts

8 What is Enerjisa Enerji approach to stakeholder engagement?

The Company considers stakeholder engagement (including dialogue, consultation and the disclosure of information) to be a key element of project planning, development and implementation and committed to a transparent and respectful dialogue with stakeholders. Enerjisa Enerji and Toroslar EDAS have developed a Corporate and Regional Stakeholder Engagement Plan which provides details of the approach to stakeholder engagement and their planned meetings and commitments.

9 How will Enerjisa Enerji and Toroslar communicate and engage with stakeholder?

The Stakeholder Engagement Plans are in place to ensure that there is regular ongoing engagement with the community, local government and organizations and to inform stakeholders about the plans and developments on an ongoing basis and to gather any complaints or feedback. The Stakeholder Engagement Register records all Company interactions with stakeholders.

10 How can stakeholders make a complaint or make an inquiry?

The Company established a Grievance Mechanism which provides a process for all people to raise any complaints and grievances, and allows the project to respond to and resolve the issues in an appropriate manner.

Requests, questions, feedback and complaints can be raised through the contact details provided below.

The contact details for submitting grievances and contacting its units are provided below:

Corporate Address:

Enerjisa Enerji A.Ş. Barbaros Mah. Begonya Sok. Nida Kule Ataşehir,
Batı Sitesi No:1/1 Ataşehir 34746 Istanbul. Phone: 444 4 372
Website: www.enerjisa.com.tr

Enerjisa Müşteri Çözümleri A.Ş.
Email: emctalep@enerjisa.com

Toroslar EDAS Address:

Toroslar EDAŞ Genel Müdürlük Cemalpaşa,
Cevat Yurdakul Cad. 4 A, 01120 Seyhan/Adana
Phone: 0322 455 60 00
Website: www.toroslaredas.com.tr
Email: musteriiliskileri@toroslaredas.com