

# Welcome to your CDP Water Security Questionnaire 2022

## **W0.** Introduction

## W<sub>0.1</sub>

(W0.1) Give a general description of and introduction to your organization.

Enerjisa Enerji A.Ş. ("Enerjisa Enerji", "Enerjisa" or "Company") is the leading electricity distribution, retail sales and customer solutions company in Turkey. Reaching a population of 21.9 million with more than 11 thousand employees, we serve 10.3 million customers in 14 provinces across three distribution regions. As a public service provided to millions of people, we have been a role model in Turkey's electricity market since 1996, thanks to our grid investments, sustainable products and services, efficiency, customer satisfaction and technology-focused business model. In line with its sustainability focus, Enerjisa Enerji is committed to transforming the new energy world and acting as an enabler for low-carbon transition. 20% of Enerjisa Enerji shares was offered to the public and Enerjisa was listed on Borsa İstanbul on February 8, 2018.

Distribution: Our electricity distribution operations are managed by Başkent EDAŞ, AYEDAŞ and Toroslar EDAŞ. Each of the regional distribution network operators are responsible for operating the distribution network in their own regions, performing necessary maintenance and repairs and making environment, security, renewal and expansion investments, maintaining and reading electricity meters, preparing demand projections and investment plans, monitoring electricity theft and loss rates, supplying electricity to cover technical and commercial losses, and taking the necessary technical and operational measures to reduce theft and loss rates and to ensure the lighting of public areas.

Retail: Retail sales of electricity are carried out by Başkent EPSAŞ, AYESAŞ and Enerjisa Toroslar EPSAŞ. Retail companies sell electricity exclusively to non-eligible customers within the Company's distribution regions as the incumbent retail companies and to eligible customers in their respective regions and in other parts of Türkiye without regional limitations.

Enerjisa Customer Solutions (Enerjisa Müşteri Çözümleri A.Ş.) was established in 2017 to carry out customer solutions activities. In addition to our core business areas of electricity distribution and retail sales, we lead the sector in distributed energy, energy efficiency and e-mobility



solutions. We closely follow opportunities in innovative business areas such as electric vehicle charging stations, electricity storage systems, smart home technologies and systems that help consumers produce their own electricity.

E-MOBILITY: EŞARJ: Enerjisa Müşteri Çözümleri A.Ş. acquired 80% of the shares of Eşarj Elektrikli Araçlar Şarj Sistemleri A.Ş. (Eşarj) in 2018, to become its controlling shareholder. As of 2021, Enerjisa Müşteri Çözümleri owns 94% of Eşarj shares. In addition to our leadership in distribution and sales in the electricity sector, we aim to play an innovative and pioneering role in the electric vehicle ecosystem and play an active role in the transformation of the industry. As of the end of 2021, Eşari had 494 charging plugs at 263 public locations, 170 of which are fast-charging plugs. Our goal is to accelerate the transition to ultrafast charging in the coming period.

Distributed generation and other customer solutions: We provide solar power plant installation services and energy efficiency applications including waste heat recovery, heating, ventilation and air conditioning (HVAC), pressurized systems, electric motors and lighting solutions using the energy performance contract (EPC/ESCO) model. We also provide Cogeneration (CHP) and Trigeneration (CCHP) and Green Energy solutions.

As a public service company and the market leader in our sector, we are aware of our special responsibility towards the public and we strive to be a role model. Operating in a dynamic industry that is being transformed by global megatrends (digitalization, decarbonization, deregulation, decentralization and urbanization), we prepare for future developments with a clear vision and prioritize value-adding opportunities with our employees and innovation culture. We prepare for these fundamental changes by helping to shape regulations and exploring new business opportunities. We lead the sector in the New Energy World by focusing on sustainable energy solutions. We develop our long-term strategies with a sustainable and holistic approach and integrate the Environmental, Social and Governance (ESG) factors to our strategy and put it at the heart of our equity story. In 2021, we reviewed and updated our sustainability strategy which incorporates all key areas of ESG performance and reporting including international standards, the requirements of global indices and investor expectations. In 2021, we initiated our Net Zero Project with 3rd party consultants. We started to define the scope of our emissions, benchmark ourselves against other companies, study scenarios, review current and emerging regulations and perform a technology assessment. We will be developing a decarbonization roadmap based on these assessments.

## W-EU0.1a

(W-EU0.1a) Which activities in the electric utilities sector does your organization engage in?

Distribution

## W<sub>0.2</sub>

(W0.2) State the start and end date of the year for which you are reporting data.

**End date** 

Start date



Reporting year	January 1, 2021	December 31, 2021
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## W<sub>0.3</sub>

(W0.3) Select the countries/areas in which you operate.

Turkey

## W<sub>0.4</sub>

(W0.4) Select the currency used for all financial information disclosed throughout your response.

TRY

## W<sub>0.5</sub>

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

## **W0.6**

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

## W<sub>0.7</sub>

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, a Ticker symbol	ENJSA
Yes, an ISIN code	TREENSA00014

## W1. Current state

## W1<sub>.</sub>1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

Direct use importance		Please explain
rating	rating	



Sufficient amounts of good quality freshwater available for use	Neutral	Neutral	As Enerjisa Enerji is an electricity distribution and retail company, freshwater is used for domestic purposes only. Therefore, its direct use importance is considered neutral. Water is essential for everybody, however, in case of shortages and other water related issues, we will be able to provide our employees with sufficient amounts from alternative sources with only minor financial impacts. Additionally, for some of our customers, good quality freshwater availability may be important when it comes to their operations. Lack of their access to freshwater may have impact on their ability to pay for our services. Additionally, water quality and quantity can impact generation and transmission side of the power network, which could indirectly impact our operations as a distribution company. However, the number of renewables and distributed resources would minimize these indirect impacts on our side drastically. Therefore it is not relevant to be considered as an important factor in our business' success.
Sufficient amounts of recycled, brackish and/or produced water available for use	Not important at all	Not important at all	We have no operations where recycled, brackish and/or produced water availability might impact us. Recycling percentage in power generation or transmission companies which might indirectly affect us is considered negligible.

## W1.2

## (W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	We monitor 100% of our water withdrawals from our operations and administrative buildings. We do not have water consumption in our operations and our water usage is solely in the office buildings. 96% of our water withdrawal is from the municipality 's system and are metered every month. 4% of the water withdrawals are from underground, which are recharged at the end of



		the cycle, are metered annually as well. Volumes are monitored via monthly utility bills.
Water withdrawals – volumes by source	100%	We monitor all water withdrawals from our operations. 96% of our operations withdraw water from municipality mains and are metered. We have very minor groundwater withdrawals (4%) in one region (Toroslar) that are monitored as well.
Water withdrawals quality	76-99	Mains are operated by municipality affiliated institutions in Türkiye. These institutions are responsible for periodical water quality measurements and tests, as well as reporting the results transparently. 96% of our water withdrawals are from the mains to our buildings. All our carboy purchases are regulated and tested for water quality by the regulators. We also have few office buildings with home-scale water purifying systems connected to a tap that is supplied by the mains, to provide drinking water for employees, and their quality parameters are closely monitored regularly, and filters are changed periodically. It is currently impossible to distinguish between total volume of water going into the water purifying systems as the buildings only have one intake meter and the amount is very small; therefore, we estimate somewhere around 1% among the total amount 96%.
Water discharges – total volumes	100%	We monitor 100% water withdrawals and discharges from our operations. 96% of our operations withdraw water from municipality mains and are metered. Most of these withdrawals are for routine office operations. There are no discharge meter requirements for our locations, however it is accepted that 100% of the withdrawal is discharged. We pay water treatment fees included in our withdrawal bills, based on the amount of withdrawal on the meters. We have a very minor groundwater withdrawal but the discharge is monitored as well. The withdrawn groundwater is used solely for gardening and fire hydrants. All water withdrawn from the groundwater is recharged. It is assumed that all of the water withdrawn from



		the network (mains/municipality) is discharged to municipal wastewater.
Water discharges – volumes by destination	100%	Enerjisa Enerji does not have electricity generation activities, so the only water consumption is from our office buildings. These buildings include administrative buildings, the headquarters, logistic centers, all of which only requires water for daily office needs. Washing hands, using water for sanitary, watering flowers in the office etc. As of 2021, we also have rain collector systems in 8 buildings, that we use for gardening purposes.
Water discharges – volumes by treatment method	100%	We pay water treatment fees based on the amount of water withdrawn. Municipalities in Türkiye take full responsibility on water treatment for office/household withdrawals. Municipalities have wastewater treatment plants – depending on the location. We do not have any other option than the municipality for water supply and we must rely on municipalities that they will successfully treat water as they publicly report.
Water discharge quality – by standard effluent parameters	Not relevant	All our operations take place in office buildings. Almost all of our discharge is to sewer networks which are connected to municipality water treatment facilities. Therefore, water discharge quality by standard effluent parameters is not a relevant parameter for Enerjisa Enerji.
Water discharge quality – temperature	Not relevant	All our operations take place in office buildings. Almost all of our discharge is to sewer networks which are connected to municipality water treatment facilities. Therefore, water discharge quality by temperature is not a relevant parameter for Enerjisa Enerji.
Water consumption – total volume	100%	We monitor 100% of water withdrawals from our operations. The withdrawals are for routine office operations. We consume 100% of the water withdrawals in our buildings, for routine office/employee needs.
Water recycled/reused	1-25	Water recycle/reuse is not relevant to our operations. All our operations take place in office buildings and almost all discharges are to the mains, which makes recycling a municipality



		responsibility if chosen. However, some of our buildings in our Ayedaş region (Istanbul) are equipped with rainwater harvesting equipment that collects rain water for garden irrigation, toilet flushing and cleaning activities. We plan to expand the water harvesting system to other locations.
The provision of fully- functioning, safely managed WASH services to all workers	100%	All employees are offered fully-functioning, safely managed WASH services.

## W1.2b

# (W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	95.28	Lower	Total water withdrawals amounted to 95.28 megaliters in 2021, which was 3.5% lower than 2020 (98.65). Reduction in water use is due to Enerjisa switching to flexible work-from-home style permanently. Efficiency improvements such as tap aerators have also contributed to the decrease.
Total discharges	95.28	Lower	Total water discharge amount is equal to the withdrawals which is 95.28 megaliters in 2021, 3.5% lower than 2020 levels (98.65). Reduction in water use is due to Enerjisa switching to flexible work-from-home style permanently. Efficiency improvements such as tap aerators have also contributed to the decrease.
Total consumption	0	About the same	Water is withdrawn for domestic purposes in office operations only. No discharge meters are installed in any Enerjisa Enerji locations because they are not required due to the simple mains system. Wastewater treatment fees charged to Enerjisa Enerji are based on the water withdrawal meter readings. Therefore, we assume total consumption to be zero based on the C=W-D formula.



## W1.2d

## (W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year		Please explain
Row 1	Yes	100%	About the same	WRI	Water is withdrawn for domestic purposes in office operations only. Enerjisa operates in 3 distribution regions (Ayedaş, Başkent and Toroslar) in Türkiye. These regions are Anatolian District of Istanbul, Ankara and northern surrounding cities and the Mediterranean region. According to WRI Aqueduct, most of Türkiye can be considered as water stress areas. Therefore, we consider all our locations to be areas with water stress.

## W1.2h

## (W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant			Enerjisa Enerji does not withdraw water directly from fresh surface waters.
Brackish surface water/Seawater	Not relevant			Enerjisa Enerji does not withdraw brackish surface water or seawater.
Groundwater – renewable	Relevant	3.5	Much lower	Small number of our facilities in Toroslar Region use groundwater wells for



				irrigation of office landscape areas and for fire hydrants. This is a very minor use compared to overall withdrawals (4%). The amount of groundwater withdrawal has decreased about 43% compared to the previous year because of our decision to decrease groundwater consumption by decommissioning wells.
Groundwater – non- renewable	Not relevant			Enerjisa Enerji does not withdraw water from non-renewable groundwater sources.
Produced/Entrained water	Not relevant			Enerjisa Enerji does not withdraw produced or entrained water.
Third party sources	Relevant	91.76	Lower	Most of (96%) Enerjisa Enerji's water withdrawal are from municipality mains networks (91.76). Total withdrawals in 2021 were 3.41% lower comparing to 2020. Withdrawals from the mains as a third party source decreased by 1%. The decrease in water withdrawal is due to newly installed tap aerators. The decline is relatively small because recently we decommissioned 43% of our groundwater withdrawals and switched to the mains in Toroslar region.

## W1.2i

## (W1.2i) Provide total water discharge data by destination.

Relevance	Volume	Comparison	Please explain
	(megaliters/year)	with previous	
		reporting	
		year	



Fresh surface water	Not relevant			There are no discharges to fresh surface waters.
Brackish surface water/seawater	Not relevant			There are no discharges to fresh surface waters.
Groundwater	Relevant	3.5	Much lower	Small amount of groundwater withdrawn for landscape irrigation and fire hydrant purposes are discharged back to the same groundwater sources through natural means. This is a very minor use compared to overall. Since the amount of groundwater withdrawal has decreased 43% compared to the previous year, discharge levels were also equally lower this year.
Third-party destinations	Relevant	91.76	Lower	Most of (96%) Enerjisa Enerji's water discharges are to municipality sewage networks, which are connected to municipality operated wastewater treatment plants. Discharges in 2021 were lower compared to 2020, which is equal to the withdrawals. The decrease in water discharges is due to the same reason why our withdrawals have decreased.

## W1.2j

## (W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevanc e of treatment level to discharge	(megaliters/year )	Compariso n of treated volume with previous reporting year	% of your sites/facilities/operation s this volume applies to	Please explain
Tertiary treatment	Not relevant				Enerjisa Enerji does not treat its wastewater,



Secondary treatment	Not relevant				however, it is ensured that municipality carries out the treatment activities.  Enerjisa Enerji does not treat its wastewater, however, it is ensured that municipality carries out the treatment
Primary treatment only	Not relevant				activities.  Enerjisa Enerji does not treat its wastewater, however, it is ensured that municipality carries out the treatment activities.
Discharge to the natural environmen t without treatment	Relevant	3.5	Lower	1-10	Approximately 4% of Enerjisa Enerji's water use is from groundwater sources for landscape irrigation and fire hydrant purposes. The water withdrawn is discharged to the same source through natural means without any treatment. The amount of groundwater withdrawal has



					decreased 43% compared to the previous year, because our facilities switched to rainwater for gardening purposes.
Discharge to a third party without treatment	Relevant	91.76	Lower	91-99	96% of Enerjisa Enerji's water withdrawal is from municipality mains for general office use. Water withdrawn is discharged to municipality sewage networks without treatment as it is municipality's responsibility by law, if the water was used for household/offic e purposes.
Other	Not relevant				No other discharges.

## W1.3

## (W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	30,548,000,000	95.28	320,612,930.310663	320,000,000

## W1.4

(W1.4) Do you engage with your value chain on water-related issues?



Yes, our suppliers

Yes, our customers or other value chain partners

## W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

## Row 1

## % of suppliers by number

None and we do not plan to request this from suppliers

## Rationale for this coverage

Apart from power plants, which are also considered suppliers, Enerjisa Enerji does not have critical suppliers with water-intensive operations. Therefore it is not considered to be essential information in supplier questionnaires.

#### Comment

## W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

## Type of engagement

Onboarding & compliance

## **Details of engagement**

Requirement to adhere to our code of conduct regarding water stewardship and management

## % of suppliers by number

1-25

## % of total procurement spend

26-50

## Rationale for the coverage of your engagement

Enerjisa is a signatory of UN Global Compact since 2019. We fully support these 10 principles, and we try to build our relationship with our suppliers on these principles. Our Code of Conduct and Supplier Compliance Declaration are our key binding documents that regulate our relationship with our suppliers, and they include the UN Global Compact principles. We take initiatives to help our suppliers achieve better ESG performance. We diligently select our Business Partners and monitor their compliance with the Company's Code of Conduct. At Enerjisa Enerji, we are willing to work with our



suppliers to ensure that they comply with Enerjisa Supplier Compliance Declaration, Human Rights Policy, Anti-Bribery and Anti-Corruption Policy, Occupational Health and Safety Policy, Environmental Policy and Third-Party Relations Policy. Within the framework of these policies, we expect our suppliers to respect human rights, create suitable working conditions for their employees, reduce their environmental impacts and apply ethical and moral business standards to their work. We expect our suppliers to take measures to protect the environment, to establish and maintain an appropriate environmental management system; to encourage the development and dissemination of environmentally friendly technologies to reduce environmental impacts and dangers and to protect the environment more in their daily operations. We also support our suppliers and business partners with training and supplier financing programs.

## Impact of the engagement and measures of success

Our suppliers commit to preserving the environment and providing a safe and healthy work environment for their employees. For example, our suppliers are required to have waste management plans within the scope of their operations. Within that framework, classification, recycling or disposal pursuant to legislation is coordinated. While we do not start the on-boarding process of our suppliers before they sign Enerjisa Supplier Compliance Declaration, we also reserve the right to monitor them. In this respect, we categorize the risk levels of the tasks our critical contractors perform and make regular visits to audit their adherence to health, safety and environment related requirements. We have not had any environment or water-related fines to this date, and we strive to set the bar in our sector by promoting sustainable practices in our day-to-day work. We audit around 3% of our suppliers for our distribution operations (which account for 36% of our distribution suppliers' costs) and around 8% of our suppliers for our retail operations (which account for 42% of our retail suppliers' costs). Due to regulations on electric distribution companies' procurement policies, we cannot perform a strict selection criteria based on ESG principles. Because of that, there are regulatory challenges in increasing the scope of our engagement.

## Comment

## W1.4c

## (W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Enerjisa Enerji has customers in many sectors that might depend on large amounts of water availability. In addition, as a distribution and retail company, Enerjisa Enerji is aware of the large water requirements of the electricity generation sector. Thermal power plants require large amounts of water for cooling. Water is vital for hydro-power plants, which make up 32% of Türkiye's installed capacity in 2021. Therefore, it is important for Enerjisa Enerji to create awareness towards water stewardship whenever possible.

Behavioral changes are critical in preserving the environment, and water is indispensable for the existence of life. There is a growing need for training and awareness campaigns for changing day-to-day choices about how people use water. In this year's advertising campaign, we aimed to highlight the importance of leaving a smarter, greener future. At Enerjisa, being a



leader means being a guide, designing the future. Our documentary is publicly available online and frequently featured on TV. It has received more than 2.5 million views, reaching our stakeholders, engaging our customers, suppliers and investors.

An example can be viewed from below link:

https://www.linkedin.com/posts/enerjisa\_our-thousands-of-team-members-are-always-activity-6748283192962236416-W4Od/

## W2. Business impacts

## W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?
Yes

## W<sub>2</sub>.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

## Country/Area & River basin

Turkey
Other, please specify
Middle Anatolia (Orta Anadolu) Basin

## Type of impact driver & Primary impact driver

Acute physical Heavy precipitation (rain, hail, snow/ice)

#### **Primary impact**

Closure of operations

## **Description of impact**

Climate change has been increasing the likelihood and impact of extreme weather events. Such events put pressure on our distribution grids to the point that outages are increasing. On August, in the city of Kastamonu, which is within the jurisdiction of our Baskent operations, experienced heavy precipitation (rain) that resulted in service disruptions. During this storm, some customers lost power for more than 10 consecutive hours due to grid lines breaking and poles falling.

#### **Primary response**

Improve maintenance of infrastructure

## **Total financial impact**

8,753,067.18

## **Description of response**



We have two main actions in our response to the outages that are a result of extreme weather conditions. First action is implementing short-term solutions and mitigating the immediate effects of these outages to ensure that customers are not cut off from their energy supply for too long.

Thus, in the face of such weather events, we deploy our backup generators from other districts we operate in alongside a response team for maintenance and refurbishments. If needed, we rent out additional generators as well. The cost of this response (8,753,067.18) includes new equipment and materials, logistics, backup generators, insurance, drones and hotel stays.

Our second action plan is part of a long-term investment plan that has been approved by EPDK (Energy Market Regulatory Authority). The budget allocated for these investments include a range of activities and initiatives, from R&D to mandatory investments determined by EPDK. To make existing grid more resilient against extreme weather conditions, total of 2.8 billion TRY CAPEX was allocated on reinforcing the distribution grid in 2021.

While we use TEDAS's annual ice load maps as references for our grid investments, and use different materials and equipment depending on the expected ice/snow load, it has become more challenging to predict the impact of extreme weather events due to the uncertainties brought upon by climate change. Therefore we align our investments with science backed findings of national institutions.

## **W2.2**

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, fines

## W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

## Row 1

Total number of fines

1

Total value of fines

75,440

% of total facilities/operations associated

36

Number of fines compared to previous reporting year

About the same

Comment



## W2.2b

(W2.2b) Provide details for all significant fines, enforcement orders and/or other penalties for water-related regulatory violations in the reporting year, and your plans for resolving them.

## Type of penalty

Fine

## Financial impact

75,440

## Country/Area & River basin

Turkey
Other, please specify
Akdeniz/South of Türkiye

## Type of incident

Other, please specify

Power outage that lasted more than 10 hours

## Description of penalty, incident, regulatory violation, significance, and resolution

Indirect Penalty: On 31.01.2021, extreme weather conditions (heavy snowfall) affected Enerjisa Enerji's operations in the city Gaziantep (within Toroslar) by causing grid lines to break and poles to fall. During this incident, we deployed backup generators from other regions. Our services were not restored to all our customers before 10 hours and our customers temporarily lost access to electricity for more than 10 hours. This number includes customers of Enerjia Enerji and other distribution companies. Per the quality regulations for electricity distribution and sales (Elektrik Piyasasinda Dağitim Ve Perakende Satiş Faaliyetlerine İlişkin Kalite Yönetmeliği), if customers don't receive electricity service for more than 10 consecutive hours, the distribution companies are subject to fines based on the affected customer numbers. For that, Enerjisa Enerji had to pay a 74,720 TRY indirect fine to the regulator which is considered insignificant according to our quantitative risk threshold.

## **W3. Procedures**

## **W3.3**

## (W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed



## W3.3a

## (W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

## Value chain stage

Direct operations

## Coverage

Full

## Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

## Frequency of assessment

Annually

## How far into the future are risks considered?

3 to 6 years

## Type of tools and methods used

Tools on the market

**Databases** 

## Tools and methods used

WRI Aqueduct

WWF Water Risk Filter

## Contextual issues considered

Implications of water on your key commodities/raw materials Water regulatory frameworks

## Stakeholders considered

Customers

**Employees** 

Investors

Regulators

Suppliers

## Comment

Climate-related physical impacts are observed with higher frequency in Türkiye and it is observed to be increased. Enerjisa carries out annual risk assessments and includes ESG issues, impacts of climate change on our operations and potential regulatory updates in the future. Our operations has no impact on local communities or the aquatic habitat.



## Value chain stage

Supply chain

## Coverage

Full

## Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

## Frequency of assessment

More than once a year

## How far into the future are risks considered?

1 to 3 years

## Type of tools and methods used

Enterprise risk management

#### Tools and methods used

**Enterprise Risk Management** 

## Contextual issues considered

Implications of water on your key commodities/raw materials

Access to fully-functioning, safely managed WASH services for all employees

#### Stakeholders considered

Customers

**Employees** 

Investors

Suppliers

#### Comment

Excessive heat and decreasing rain and snowfall in Türkiye might result in droughts, which in turn might impact energy supply and prices. In 2021, the hydropower generation (reservoir and run-of-river) accounted for 17% of power generation in Türkiye. The availability of hydropower (especially run-of-river type) depends on hydrological conditions and can vary significantly, depending on annual climate conditions and snowfall. Climate-related physical impacts are observed with higher frequency in Türkiye. Coastal regions are flooded more frequently, while drought seasons are getting longer in more non-coastal regions. Enerjisa carries out annual risk assessments based on the hydrology scenarios each year. The frequency of the assessments are more than once a year. The company also carries out hedging activities to mitigate the price risks in the market. Price risks are directly concerning our customers and included in our assessments. Lastly, on our employees side, access to fully-functioning, safely managed WASH services for all employees is always a priority.



## Value chain stage

Other stages of the value chain

## Coverage

Full

## Risk assessment procedure

Water risks are assessed as part of an established enterprise risk management framework

## Frequency of assessment

More than once a year

## How far into the future are risks considered?

Up to 1 year

## Type of tools and methods used

Enterprise risk management Databases

#### Tools and methods used

**Enterprise Risk Management** 

## Contextual issues considered

Implications of water on your key commodities/raw materials

### Stakeholders considered

Customers

**Employees** 

Investors

Local communities

#### Comment

The excessively increasing temperature and decreasing rainfall in Türkiye increase the likelihood and severity of droughts, especially in more inner regions, with possible negative effects, especially for corporate and small-and-medium enterprise customers that are dependent of water in their operations or productions (e.g. iron and steel manufactures, food industry, agricultural companies). Due to the financial burden placed on some of these customers, with already slim operating margins, the increased cost related to the drought (increased water prices and increased pumping costs), there is a risk that a certain portion of the customers will have difficulties in paying their electricity bills, thus causing a negative impact to Enerjisa Enerji earnings.



## W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

The Board delegates the monitoring of risks to the Early Risk Detection Committee (ERDC) which reports directly to the Board. ERDC has four members (two Independent Board members and two Board members) who are responsible for advising the Board on risk and opportunity definitions, which may threaten the Company's existence and strategies, relevant mitigation actions, early detection actions and precautions. The Company's overall risk assessment and governance is under direct board oversight, via the ERDC which meets at least 6 times a year. Following Board's review, the agreed upon actions are monitored by CFO and ERDC. Within the ERDC, there is the Risk Management Committee (RMC), which is chaired by CFO, which reviews and approves the operational level risk management outputs, systems, strategies, policies and mitigation actions. Recommendations are shared and discussed prior to the Committee.

Our Risk Management Framework aims to define all risks and opportunities, which may have impact on financial, operational and strategic plans and makes it possible to assess, classify and mitigate these risks through various methodologies. The ultimate goal of the framework is to provide transparency to management functions and support decision-making processes via regular reporting.

Risks are assessed through two different approaches: Quantitative risk and opportunity methodology. For each risk and opportunity, best, base and worst-case scenarios are collected from business units and assigned a probability of occurrence, simulated using numeric analysis methodologies and grouped based on their expected values. Correlations are considered during consolidation of risk and opportunity impacts and fluctuations which may impact our net income are reported.

Qualitative risk reporting methodology is used to calculate risks where direct financial impact cannot be calculated but the risk has a potential to adversely affect the strategic and operational activities of the company. They are prioritized based on impact and likelihood estimations and heat maps. These assessments are made at least 5 times a year and form Risks and Opportunities Report, which is presented to top management and ERDC. We map financial and non-financial risks by identifying their impact on our sector and operations. Each identified risk also has a direct owner within the organization that is responsible for managing the risk and opportunity.

In 2020, under the guidance of the Board of Directors, Enerjisa Enerjisi shifted its internal control system to Periscope, a web based program for managing operational processes, impacts, risks and controls. This program determines and evaluates risks and opportunities, and follows the progress on action plans for different business units and activities. We are currently working on improving the scope and accuracy of this application in terms of assessing climate related risks (including water risks), opportunities and business plans.

Focusing on the scores (IMPACT X POSSIBILITY), the RMC examines the risk entries in the Periscope each reporting period



Then, the risks are ranked based on the impact scale and Monte Carlo simulation is used to determine the potential deviation from the consolidated budget. All parameters: impact of risks, budget (base assumption), risk exposure, mitigation methods are evaluated and modeled in the net income unit. Simulation provides approximately 10,000 scenarios, To see the effect of the correlation on results and to measure how much risk mitigation reduces uncertainty in the consolidated net income, two more simulations are created:"uncorrelated" and "impact of risk-mitigation is not considered".

To ensure a comprehensive and comparable risk profile of each business line, each unit needs to report all risk and opportunities. Once a risk or opportunity is identified, it must be defined based on its cause, effect and financial impact.

Water-related related risks are identified, evaluated and assessed through a bottom up approach with risk coordinators and risk owners. Examples are the potential impact that can be caused by severe weather events such as floods/heavy snowfalls, (intensified by climate change) that have severe impacts on the safety of our employees and infrastructure as well as interrupted power supply for our customers. For example, heavy snowfalls in some of our distribution regions are expected to be intensified by climate change in the upcoming years. Enerjisa Enerji is responsible for running its power grid without any malfunctions and must be ready to respond to all risks including water-related risks.

## W4. Risks and opportunities

## **W4.1**

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

## W4.1a

## (W4.1a) How does your organization define substantive financial or strategic impact on your business?

Our Risk Management Framework aims to define all risks and opportunities, which may have an impact on financial, operational and strategic plans, and to assess, classify and mitigate these risks through various methodologies. The ultimate goal of the framework is to provide transparency to management functions and support decision-making processes via regular reporting. The Company's overall risk assessment and governance is under direct board oversight, via the Early Risk Detection Committee (ERDC). Each unit needs to report all risk and opportunities (no threshold exists) with its cause, its effect and its financial impact. For example, an increased inflation rate (cause) will impact the customer deposit rates (effect) which in turn will negatively affect the financial expenses (Underlying Net Income impact). Within the ERDC is the Risk Management Committee (RMC), which is chaired by the Enerjisa CFO, reviews and approves the operational level risk management outputs, systems, strategies, policies and mitigation actions. Recommendations are shared and discussed prior to the Committee.



Qualitative risk reporting methodology: The risks, of which their direct financial affect cannot be calculated but have a potential to adversely affect the strategic and operational activities of the company, are prioritized through scales defined according to impact levels and likelihoods; and reported through heat maps. These assessments form the basis of the Risks and Opportunities Report, which is presented to top management and the Early Risk Detection Committee. Assessments are carried out at least 5 times a year.

In 2020, under the guidance of the Board of Directors, Enerjisa Enerji shifted its internal control system to Periscope, a web based program for managing operational processes, impacts, risks and controls. This program determines and evaluates risks and opportunities, and follows the progress on action plans for different business units and activities. We are currently working on improving the scope and accuracy of this application in terms of assessing climate related risks, opportunities and business plans.

Focusing on the scores (IMPACT X POSSIBILITY), the Risk Management Department examines the risk entries in the Periscope each reporting period and analyzes the compliance of the records with the following criteria through the sets of questions shared with the business units:

- a. Name of the risk and the root cause is comprehensible
- b. Assessments made/changed are realistic and objective
- c. The reason for disappearance of a risk is explained in sufficient detail
- d. for risks with a score above 15 a risk-mitigation method must be chosen or if it is not possible to combat the risk, option "Acceptance" must be chosen

Then, the risks are categorized and consolidated according to the following impact scale:

- Very High: 20 25 PointsHigh: 15 16 PointsMedium: 8 12 Points
- Low: 4 6 Points
- Very Low: 1 3 Points

After, Monte Carlo simulation is used to determine the potential deviation from the consolidated budget. All parameters such as the impact of risks, the budget (base assumption), the risk exposure, mitigation methods are evaluated and modeled in the net income unit. Monte Carlo simulation results approximately in 10,000 scenarios, with all assumptions considered: such as the effect of risks on net income, their probability of occurrence, active risk management methods, and risk dynamics being directly or indirectly proportional to each other (correlation). In order to see the effect of the correlation on the results and to measure how much the risk mitigation reduces the uncertainty in the consolidated net income, two more simulations are created, 'uncorrelated' and "impact of risk-mitigation is not considered".

Quantitative risk threshold to define financial impact:

Insignificant: < 100,000 TRY in losses Small: 100,000 – 1,000,000 TRY in losses

Medium: 1,000,000 TRY - 10,000,000 TRY in losses Important: 10,000,000 TRY - 100,000,000 TRY in losses

Severe: >100,000,000 TRY in losses



## W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company- wide facilities this represents	Comment
Row 1	206	100	Enerjisa Enerji operations only consist of office activities and offices are distributed to many different locations (206 buildings in 3 different distribution regions). All offices utilize water from municipality's infrastructure and water is only used for domestic purposes. While all our facilities are located in regions with medium level water related risks (per WWF Aqueduct), we do not consider water related risks to have a direct physical impact on any of these facilities. On the other hand, since these facilities manage our distribution grid operations, which are susceptible to water-related risks, all our offices have the potential to be exposed to water-related risks that may have a substantive financial or strategic impact.

## W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

## Country/Area & River basin

Turkey

Other, please specify

South Marmara (Guney Marmara) Basin

Number of facilities exposed to water risk

37

% company-wide facilities this represents

1-25

% company's total global revenue that could be affected

31-40

Comment



A total of 37 offices are within the Guney Marmara basin as defined by the Ministry of Agriculture and Forestry.

## Country/Area & River basin

Turkey
Other, please specify
Middle Anatolia (Orta Anadolu) Basin

## Number of facilities exposed to water risk

94

## % company-wide facilities this represents

26-50

## % company's total global revenue that could be affected

31-40

#### Comment

A total of 94 offices in the Başkent distribution region are considered to be in the Orta Anadolu basin. Some of the offices fall on North West Anatolia basin, however, all are considered as part of Orta Anadolu basin for consolidation purposes.

## Country/Area & River basin

Turkey

Other, please specify

Mediterranean Coast (Kıyı Akdeniz) Basin

## Number of facilities exposed to water risk

75

## % company-wide facilities this represents

26-50

## % company's total global revenue that could be affected

31-40

#### Comment

There are 75 offices in the Mediterranean Coast Basin.

## W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.



## Country/Area & River basin

Turkey

Other, please specify

Mediterranean Coast (Kıyı Akdeniz), Middle Anatolia (Orta Anadolu) Basin, South Marmara (Guney Marmara) Basin

## Type of risk & Primary risk driver

Acute physical Heavy precipitation (rain, hail, snow/ice)

## **Primary potential impact**

Closure of operations

## Company-specific description

Our distribution grids get exposed to more risks (both in terms of magnitude of the impact and the frequency of the occurrence) as the effects of climate change grow. In some of our districts, extreme weather events impact and frequency have been increasing. Such extremities can push the limits of some parts of our grid and cause electricity lines and poles to break, which result in outages. The duration of these outages can range depending on how fast the response team can get there (given the weather conditions) and the geographic scale of the impact. If these outages caused by damage on the distribution grid last more than 10 hours in cities, 11 hours in peripheries and 12 hours in remote areas, Enerjisa Enerji faces regulatory fines (per regulations on quality standards for electricity distribution and retail operations). More importantly, customer satisfaction and livelihood get severely affected.

When building new grids and refurbishing existing ones, Enerjisa Enerji takes the ice load map developed annually by TEDAŞ (Turkish Electricity Distribution Corporation) as a reference. Based on this map, we determine the optimal materials and equipment to use. However, due to the uncertainties brought upon by climate change, it is becoming more challenging to accurately estimate annual ice loads, which is one of the reasons our grids are underprepared for extreme weather events.

We are upgrading our distribution grids to accommodate the direct and indirect impact of climate change and ensure that customers have access to energy 24/7. If such precautions are not taken based on climate change scenarios, then we risk losing the continuity of our operations and services, which could result in customers not having access to electricity for days. Grid malfunctions can pose a regulatory risk to Enerjisa Enerji; the company will then need to pay a fine based on the size and duration of the impact. More importantly, customers uninterrupted access to energy becomes more integral during extreme weather events. If mitigative actions are not taken as early as possible, electricity outages can severely affect customer satisfaction and livelihood and stakeholder relationship.

#### **Timeframe**

Current up to one year

## Magnitude of potential impact

Medium-high



#### Likelihood

Very likely

## Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

## Potential financial impact figure (currency)

31,105,826

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

## **Explanation of financial impact**

This is the estimated amount of the collective fine all 3 of our distribution regions would face if there is an outage that lasts more than 10 hours. In some cases, within 3 months of the incidence, Enerjisa Enerji can apply for a refund if the cause of the outage is considered force majeure. The 31M TRY amount enclosed in this section is an estimate of the total fines that would be paid if none of the outages are considered a force majeure.

## Primary response to risk

Increase capital expenditure

## **Description of response**

To reduce the impact of extreme weather events such as snowstorms and extreme icing, we have been upgrading our distribution grid.

Due to increasing number of extreme weather events, we decided to increase the capacity of backup generators in all districts we operate in starting in 2021.

Concomitantly, a new law was enforced in 2022 to ensure that all distribution companies have backup generators in the districts they operate in.

In addition to our response that aims to reduce the impact of future weather events, we have action plans in place for tackling large-scale outages. Our backup generators from our other districts (Baskent and Ayedas) and maintenance teams are deployed to inflicted zones immediately.

#### Cost of response

2,804,180,000

## **Explanation of cost of response**

The cost of the response is the total amount that was spent on 26 additional backup generators for all geographies Enerjisa Enerji operates in (4,180,000 TRY) and the cost of upgrading our distribution network in 2021 (2,800,000,000 TRY).



## W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

## Country/Area & River basin

Turkey
Other, please specify
Multiple (Middle Anatolia and Mediterranean Coast)

## Stage of value chain

Use phase

## Type of risk & Primary risk driver

Chronic physical Precipitation and/or hydrological variability

## **Primary potential impact**

Reduced revenues from lower sales/output

## **Company-specific description**

Reduced customer payments due to droughts increasing impacts of climate change causes an increased risk of debt moratorium or default. The excessively increasing temperature and decreasing rainfall in Türkiye increase the likelihood and severity of droughts, especially in central Anatolian regions, with possible negative effects, especially for corporate and small-and-medium enterprise customers that are dependent of water in their operations or productions (e.g. iron and steel manufactures, textiles, food industry, agricultural companies). Due to the financial burden placed on some of these customers, with already slim operating margins, the increased cost related to the drought (increased water prices and increased pumping costs), there is a risk that a certain portion of the customer's will have difficulties in paying their electricity bills., thus causing a negative impact to Enerjisa Enerji earnings.

#### **Timeframe**

Current up to one year

## Magnitude of potential impact

Medium-high

#### Likelihood

More likely than not

## Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

## Potential financial impact figure (currency)



55,600,000

## Potential financial impact figure - minimum (currency)

## Potential financial impact figure - maximum (currency)

## **Explanation of financial impact**

The financial impact is calculated for the receivable risk and potential increases in doubtful accounts. Input parameters are the collection rate impact of -0.5% for invoices of 7-18 months, of both the top 100 customers (which stands for the 70% of the risk exposure) of agricultural irrigation and related water dependent sectors and the remaining related large and medium customers (that accounts for 30% of the exposure). These operations and sectors were selected due to their high sensitivity to droughts (i.e. a drought event can significantly impact the customer's ability to pay for that period). The figure provided is the potential total amount for the next 4 years (total doubtful accounts amounting to; 11.8 million TRY for 2022, 13.1 M TRY for 2023, 14.6 M TRY for 2024 and 16.1 M TRY for 2025).

## Primary response to risk

Downstream

Other, please specify

Implement alternative payment options for customers impacted by droughts

### **Description of response**

In order to minimize the financial impact of the unpaid invoices due to the impact of droughts on customers' payment capability, we obtain receivables insurance to the cost of approximately 1 million TRY per annum. 40.000 TRY is the pro-rated figure for clients in sectors we flagged as water dependent such as agriculture.

#### **Cost of response**

40,000

## **Explanation of cost of response**

In order to minimize the financial impact of the unpaid invoices due to the impact of droughts on customers' payment capability, we obtain receivables insurance to the cost of approximately 1 million TRY per annum. 40.000 TRY is the pro-rated figure for clients in sectors we flagged as water dependent such as agriculture.

## W4.3

## (W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized



## W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

## Type of opportunity

Markets

## Primary water-related opportunity

Stronger competitive advantage

## Company-specific description & strategy to realize opportunity

Customer awareness and demand for distributed energy, energy efficiency and green products are increasing due to declining LCOE. Energisa Energi is positioning itself to lead this transformation in Türkiye with Enerjisa Müşteri Çözümleri. In this regard, endto-end solutions that reduces carbon emissions of corporate customers were restructured under "Energy of My Business" in October 2020. This portfolio includes sustainable energy solutions, ranging from solar PV services; energy efficiency, trigeneration and EV charger management and green energy certifications. During the reporting year, Enerjisa finalized its Green Finance Framework (GFF) in line with International Capital Markets Association (ICMA) Green Bond Principles (GBP) (5th of June 2021 version), ICMA Sustainability Bond Guidelines (SBG)(6th of June 2021 version) and Loan Markets Association (LMA) Green Loan Principles (GLP)(7th of February 2021 version), by identifying some potential projects, which would be eligible for green financing, mainly in the domains of Renewable Energy, Energy Efficiency and Clean Transportation. The four core Principles were use of proceeds, process for project evaluation and selection, management of proceeds and reporting. The GFF features all key categories of green projects which Enerjisa may consider financing in the future. It also outlines in high-level terms Enerjisa's green / sustainability strategy and targets. In this way, Enerjisa aims to communicate how green finance helps achieve its low-carbon ambitions. The framework is the basis for all of Enerjisa's future green financing including a potential green loan, future green bond, sustainability-linked bonds/loans, etc. Enerjisa Enerji can issue multiple green instruments under the GFF. that include debt instruments to finance Eligible Green Projects, such as green bonds and loans. You can find a copy at

https://www.enerjisainvestorrelations.com/Media/Default/pdf/Enerjisa-Green-Finance-Framework.pdf

#### Estimated timeframe for realization

4 to 6 years

#### Magnitude of potential financial impact

High

Are you able to provide a potential financial impact figure?



Yes, a single figure estimate

## Potential financial impact figure (currency)

1,000,000,000

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

## **Explanation of financial impact**

Rooftop SPP capacity potential in Türkiye is very high. At the end of 2021, the total capacity of SPPs served by Enerjisa Enerji was 22.63 MWp, which includes rooftop and onshore capacities. We aim to increase this capacity to over 238 MWp by the end of 2026. While energy efficiency solutions will demonstrate strong growth, we expect distributed generation to be the core driver of growth in our customer solutions business. Our customer solutions business Enerjisa Müşteri Çözümleri A.Ş., acquired 80% of the shares of Eşarj Elektrikli Araçlar Şarj Sistemleri A.Ş. (Eşarj) in 2018 and became its controlling shareholder. In addition to our leadership in distribution and sales in the electricity sector, we aim to play an innovative and pioneering role in the electric vehicle ecosystem and play an active role in the transformation of the industry. We believe our customer solutions business and Esarj (e-mobility) combined has the potential to reach around 3 billion TRY annual revenues by 2025.

## W5. Facility-level water accounting

## W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

## Facility reference number

Facility 1

## Facility name (optional)

Facilities in the Ayedaş Region

## Country/Area & River basin

Turkey
Other, please specify
South Marmara (Guney Marmara) Basin

#### Latitude

40.931499



## Longitude

29.147354

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

19.43

Comparison of total withdrawals with previous reporting year

Lowe

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0.032

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

19.43

Total water discharges at this facility (megaliters/year)

19.46

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

19.43

Total water consumption at this facility (megaliters/year)

0



## Comparison of total consumption with previous reporting year

About the same

## Please explain

37 Facilities in the South Marmara Basin (Ayedaş distribution zone) are consolidated. Total water withdrawals are from municipality sources and wastewater is discharged directly to the sewage network where it is treated by municipality. We initiated the rainwater collector system and we utilize this system for landscape gardening purposes. The discharge is considered equal to the withdrawal, with consumption being zero based on the W-D=C formula. Total withdrawals and discharges are slightly lower compared to 2020 due to the tap aerator installations, which reached 94.76% rate in 2021.

## Facility reference number

Facility 2

## Facility name (optional)

Facilities in the Başkent region

## Country/Area & River basin

Turkey
Other, please specify
Middle Anatolia (Orta Anadolu) Basin

#### Latitude

39.909633

## Longitude

32.813682

#### Located in area with water stress

Yes

## Total water withdrawals at this facility (megaliters/year)

29.85

## Comparison of total withdrawals with previous reporting year

Higher

## Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

## Withdrawals from brackish surface water/seawater

0

## Withdrawals from groundwater - renewable

0



## Withdrawals from groundwater - non-renewable

0

## Withdrawals from produced/entrained water

O

## Withdrawals from third party sources

29.85

## Total water discharges at this facility (megaliters/year)

29.85

## Comparison of total discharges with previous reporting year

Higher

## Discharges to fresh surface water

0

## Discharges to brackish surface water/seawater

0

## **Discharges to groundwater**

C

## Discharges to third party destinations

29.85

## Total water consumption at this facility (megaliters/year)

0

## Comparison of total consumption with previous reporting year

About the same

### Please explain

94 Facilities in the Middle Anatolia Basin (Başkent distribution zone) are consolidated. Total water withdrawals are from municipality sources and wastewater is discharged directly to the sewage network where it is treated by municipality. Therefore discharge is considered equal to withdrawals with consumption being zero based on the W-D=C formula. As more employees are now back in the office, our withdrawals- and equally discharges- increased in 2021.

## Facility reference number

Facility 3

## Facility name (optional)

Facilities in the Toroslar region

## Country/Area & River basin

Turkey



Other, please specify

Mediterranean Coast (Kıyı Akdeniz) Basin

Latitude

37.234441

Longitude

35.335752

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

39.13

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

3.49

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

35.64

Total water discharges at this facility (megaliters/year)

39.13

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

3.49



## Discharges to third party destinations

35.64

Total water consumption at this facility (megaliters/year)

0

## Comparison of total consumption with previous reporting year

About the same

## Please explain

75 Facilities in the Mediterranean Coast Basin (Toroslar distribution zone) are consolidated. 91% of the water withdrawals are from municipality sources and wastewater is discharged directly to the sewage network where it is treated by municipality. 9% of the water withdrawals are from the wells for landscape irrigation in several locations with minor use. The discharge is considered equal to withdrawals with consumption being zero based on the W-D=C formula. Total withdrawals and discharges are slightly lower in 2021 compared to 2020 due to the impact of the newly installed tap aerators in the offices, which are increasing water efficiency.

## W5.1a

## (W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

#### Water withdrawals - total volumes

% verified

76-100

Verification standard used

**ISAE 3000** 

## Water withdrawals - volume by source

% verified

76-100

Verification standard used

**ISAE 3000** 

## Water withdrawals – quality by standard water quality parameters

% verified

Not relevant

Please explain



We withdraw mostly from the mains and the water quality is municipality's responsibility. The results are always shared with public.

### Water discharges - total volumes

### % verified

76-100

### Verification standard used

**ISAE 3000** 

### Water discharges - volume by destination

#### % verified

76-100

### Verification standard used

**ISAE 3000** 

### Water discharges - volume by final treatment level

### % verified

Not relevant

### Please explain

We discharge mostly to the mains and the final treatment is municipality's decision and responsibility.

### Water discharges – quality by standard water quality parameters

### % verified

Not relevant

### Please explain

We discharge mostly to the mains and the water quality is municipality's responsibility.

### Water consumption - total volume

### % verified

76-100

### Verification standard used

**ISAE 3000** 



# **W6. Governance**

# W6.1

## (W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

# W6.1a

# (W6.1a) Select the options that best describe the scope and content of your water policy.

-	Scope	Content	Please explain
Ro w 1	Compan y-wide	Description of business dependency on water Description of business impact on water Description of water-related standards for procurement Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitment to stakeholder awareness and education Commitment to safely managed	Enerjisa is a signatory of UN Global Compact. We fully support 10 principles and we build our relationship with stakeholders (including suppliers) on these principles. Our Code of Conduct and Supplier Compliance Declaration are the key binding documents that regulate our relationship with suppliers. We take initiatives to help our suppliers achieve better ESG performance. We diligently select our Business Partners and monitor their compliance with the Code of Conduct. Our Water Policy states 'We have the goal to efficiently use water and continuously reduce the required amount of water consumed for our activities.' Therefore, while water-related issues are not considered highly impactful to our business, we make efforts towards implementing water efficiency targets where possible. We expect our suppliers to take measures to establish their environmental management system; to encourage the development of technologies to reduce environmental impacts and to protect environment in their daily operations. We also support our suppliers and business partners with training and financing programs. Our water policy can be reached at: https://www.enerjisainvestorrelations.com/Media/Default/pdf/Water_Policy.pdf We aim to create an impact for the planet by reducing our environmental footprint in line with our sustainability vision. In our fields of activity, water is used for cleaning and sanitary purposes. In accordance with the principles of the United Nations Global Compact and the Enerjisa Human Rights Policy, by considering the right of all living things on the planet to access clean water and sanitary conditions, we;  • continue our work in a way that will comply with the national/international water legislation that we are subject to.  • define and report our water-related risks and opportunities within the scope of ISO 14001-integrated with our corporate risk



100	
Water,	management processes.
Sanitation and	• monitor, report and work to reduce our water consumption in all of
Hygiene	our fields of activity.
(WASH) in the	carry out projects to increase water performance and resource
workplace	efficiency -focusing on the recovery and reuse of water and
Acknowledgem	improved water monitoring systems,
ent of the	encourage all our stakeholders, our employees, suppliers and
human right to	business partners, to continue their activities in an environmentally
water and	responsible manner.
sanitation	
Recognition of	These are ensured by the coordination of all business units,
environmental	reviewed by the sustainability unit and approved by the
linkages, for	Sustainability Executive Committee.
example, due to	
climate change	
9.1	

# W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?  $_{\mbox{\scriptsize Yes}}$ 

# W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Director on board	Enerjisa Enerji has a one-tier board structure. Accordingly, CEO and CFO are not members of the Board of Directors ("Board" or "BoD"). The Board, as a whole body, defines the sustainability strategy and has ultimate responsibility for monitoring and ensuring sustainability performance including water-related issues. From the perspective of Enerjisa Enerji's business model, many strategic issues discussed at Board meetings are linked to water-related issues as Enerjisa Enerji focuses on distribution grids, retail electricity sales and customer solutions in an increasingly electrified and decentralized energy world. The board reviews the strategy of the company and provides guidance. In this context, environmental regulatory developments and water-related issues, such as risks related with droughts and changing precipitation patterns, are discussed as well. The Board has decided to establish a separate entity called Enerjisa Müşteri Çözümleri A.Ş. to carry out customer solution activities. Enerjisa Müşteri Çözümleri A.Ş. offers a portfolio of environmentally friendly and sustainable energy solutions, ranging from solar power plant (SPP) installation services, energy efficiency applications, cogeneration/trigeneration applications and electric vehicle charging station management to green energy certification. Water-related issues are reported to the Board by CEO, CFO and Corporate Governance Committee.



Board-level committee	Corporate Governance Committee: Corporate Governance Committee consists of four members. The chairperson of the Committee is chosen among Independent Board members. Other members of the Corporate Governance Committee are two Board members and Head of Investor Relations, M&A and Tax. The purpose of the Corporate Governance Committee is to monitor the Company's performance regarding compliance and to make recommendations to the Board on compliance and corporate governance best practices and their implementation. The Corporate Governance Committee is also responsible for monitoring the preparation of Sustainability Principles Compliance Report, which is prepared in accordance with the Capital Markets Board ("CMB") communique. The Sustainability Principles Compliance Report, mandated by the CMB includes voluntary disclosures on water-related issues or explanations on the reasons for non-disclosure. The Corporate Governance Committee's responsibilities towards water-related disclosures are expected to increase in the future with increasing regulatory requirements. In 2021, out of four meetings of Corporate Governance Committee, two of them had ESG and water-related agendas.
Board-level committee	Early Risk Detection Committee (ERDC): ERDC consists of four members (two Independent Board members and two Board members). The Board delegates the monitoring of risks to ERDC. The Committee reports directly to Enerjisa Enerji's Board. ERDC is responsible for advising the Board regarding risk and opportunity definitions which may threaten Company's existence and strategies, providing relevant mitigation actions, early detections and precautions. Following Board review, agreed actions are monitored by Enerjisa Enerji's CFO and ERDC. Climate, Water, ESG and OHS related risks and opportunities are among the items discussed and monitored by the ERDC. Evaluating risks related with droughts and changing precipitation patterns alongside developing strategies to mitigate such risks is among the duties of this committee.
Board-level committee	SEC (Sustainability Executive Committee): (Co-chaired by CEO & CFO, chaired by Head of Corporate Capabilities and Sustainability) decisions and proposals are reported to Board frequently by CEO & CFO.

# W6.2b

# (W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water- related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance	Board members are experienced in multifarious topics which range from risk management and engineering to finance and corporate law, and some of them are experienced with ESG related topics. The members are selected based on their professional and



Overseeing acquisitions and divestiture

Overseeing major capital expenditures Reviewing and

guiding annual budgets

Reviewing and guiding business plans

Reviewing and guiding major plans of action

Reviewing and guiding risk management policies

Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy academic backgrounds and some of these members manage the oversight of ESG and water related strategies.

We develop our long-term strategies with a sustainable and holistic approach and integrate the ESG KPI's to our strategy. The Board reviews the strategy, provides guidance to the Company and approve major action plans and investments with a special focus on distribution grids, retail electricity sales and green customer solutions. In this context, water-related risks, opportunities that can potentially have a substantive strategic or financial impact, budget and regulatory developments are discussed as well. Performance objectives and incentives for the management are reviewed and approved by the Board. The Board also determines objectives for Distribution and Sales operations separately, including water related goals, and progress against these goals are reviewed annually.

Additionally, Enerjisa Enerji provides sustainable energy solutions, ranging from solar power plant installation services, energy efficiency applications, cogeneration and trigeneration applications to electric vehicle charging station management and green energy certifications. By supporting the decentralization and efficiency of the grid, Enerjisa Enerji ensures that customers get less affected by risks attributed to droughts and heavy precipiation. The Board reviews the necessary business plans and actions for growing these services. These services, alongside with the non-financial reporting obligations are evaluated by Corporate Governance Committee. Meanwhile, water-related risks and opportunities are compiled by the risk management unit and reported to the Early Risk Detection Committee.

In 2020, Enerjisa Enerji made the decision to increase the transparency of its environment impact reporting by receiving limited assurance services for the first time. The assurance coverage include GHG emissions of Enerjisa as well as Enerjisa's water withdrawals/discharges.

In 2021. during the reporting period, the board reviewed the sustainability framework, the annual roadmap, ESG targets and green bond and finance related topics. These were officially approved in 2022 and the CEO and CFO were assigned to overseeing



	related agenda items. The Board is also overseeing Enerjisa Enerji's Net-Zero Project, which was initiated in 2021 and is expected to finalize in 2022.
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## W6.2d

# (W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	Competence of board members are decided upon their background in terms of education and experience. This includes a Bachelor's or Master's degree on climate, sustainability or any of the ESG pillars (such as environmental, finance or social sciences), or prior professional experience in sustainability topics-including water management and water-related issues. Our current Board has chairs and members that are experts on risk management, energy sector, energy & technology management, finance, anti-trust and corporate law and industrial engineering. Some of our board members have memberships in global sustainability committees of our shareholder companies. The Board is represented by individuals with diverse backgrounds to ensure that the governance mechanisms have an all-encompassing approach.

# W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

### Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

### Responsibility

Assessing water-related risks and opportunities Managing water-related risks and opportunities

### Frequency of reporting to the board on water-related issues

More frequently than quarterly

### Please explain



Enerjisa Sustainability Executive Committee (SEC), which is co-chaired by the CEO, oversees ESG practices across the Company and reports about critical initiatives, developments and performance related to key performance indicators including water-related issues and commitments to the Board. This leadership and commitment of the SEC cover the identification of environmental impacts, risks and opportunities, development of strategies and policies, identification, allocation and application of necessary resources, supervision of practices applied, measurement of performance, and the review and revision of the system.

### Name of the position(s) and/or committee(s)

Sustainability committee

### Responsibility

Assessing water-related risks and opportunities Managing water-related risks and opportunities

### Frequency of reporting to the board on water-related issues

More frequently than quarterly

### Please explain

Enerjisa Sustainability Executive Committee (SEC), which is co-chaired by the CEO, oversees ESG practices across the Company and reports about critical initiatives, developments and performance related to key performance indicators including climate-related issues and commitments to the Board. This leadership and commitment of the SEC cover the identification of environmental impacts, risks and opportunities, development of strategies and policies, identification, allocation and application of necessary resources, supervision of practices applied, measurement of performance, and the review and revision of the system.

### Name of the position(s) and/or committee(s)

Other, please specify
Distribution Business General Manager

### Responsibility

Assessing water-related risks and opportunities Managing water-related risks and opportunities

### Frequency of reporting to the board on water-related issues

Not reported to board

### Please explain

Responsible for managing HSE processes, carrying out grid investments, and increasing efficiency (losses in the grid, etc) in the distribution companies.



### Name of the position(s) and/or committee(s)

Other, please specify
Retail Business General Manager

### Responsibility

Assessing water-related risks and opportunities Managing water-related risks and opportunities

### Frequency of reporting to the board on water-related issues

Not reported to board

### Please explain

Responsible for managing HSE processes and renewable electricity procurement (including PPAs) in retail companies. Retail business General Manager is also responsible of overseeing customer solutions business, which is core to the Enerjisa Enerji's sustainable energy strategy for transition to low-carbon economy.

### Name of the position(s) and/or committee(s)

Risk committee

### Responsibility

Assessing water-related risks and opportunities

### Frequency of reporting to the board on water-related issues

As important matters arise

#### Please explain

Early Risk Detection Committee: Early Risk Detection Committee consists of four members (two Independent Board members and two Board members). The Board delegates the monitoring of risks to the Early Risk Detection Committee. The Early Risk Detection Committee reports directly to Enerjisa Enerji's Board. Early Risk Detection Committee is responsible for advising the Board regarding risk and opportunity definitions which may threaten Company's existence and strategies, providing relevant mitigation actions, early detections and precautions. Following Board review, agreed actions are monitored by Enerjisa Enerji's CFO and Early Risk Detection Committee. Climate, ESG and OHS related risks and opportunities are among the items discussed and monitored by the Early Risk Detection Committee. Evaluating risks related with droughts and changing precipitation patterns alongside developing strategies to mitigate such risks is among the duties of this committee.

### Name of the position(s) and/or committee(s)

Corporate responsibility committee

#### Responsibility

Assessing water-related risks and opportunities



Managing water-related risks and opportunities

### Frequency of reporting to the board on water-related issues

As important matters arise

### Please explain

Consists of four members. The chairperson is chosen among Independent Board members. Other members are two Board members, and Head of Investor Relations, M&A and Tax. The purpose of the Committee is to monitor Company's performance regarding compliance and to make recommendations to the Board on compliance and corporate governance best practices and their implementation. It is also responsible for monitoring the preparation of Sustainability Principles Compliance Report, which is prepared in accordance with the Capital Markets Board ("CMB") communique. This report, mandated by the CMB, includes voluntary disclosures on water-related issues or explanations on the reasons for non-disclosure. The Corporate Governance Committee's responsibilities towards water-related disclosures are expected to increase in the future with increasing regulatory requirements. In 2021, out of four meetings of Corporate Governance Committee, two of them had ESG and climate-related agendas.

### Name of the position(s) and/or committee(s)

Environmental health and safety manager

### Responsibility

Assessing water-related risks and opportunities Managing water-related risks and opportunities

### Frequency of reporting to the board on water-related issues

Not reported to board

### Please explain

Both distribution and retail business lines have separate Occupational Health, Safety and Environment Units. Distribution HSE Manager reports to the Head of Distribution Business Unit, who reports directly to the CEO. Retail HSE Manager reports directly to the CEO. The process to identify potential climate/ water targets was initiated in 2021 with the objective to publish a climate strategy. Accordingly, Enerjisa Enerji engaged with 3rd party consultants to define the scope, benchmark against other companies, and to review the current and emerging regulations. The target setting process is expected to be completed in 2022

### W6.4

# (W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues			
Row 1	No, not currently but we plan to introduce them in the next two years			



## W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

### W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Environment-related issues, including water, are managed at the highest possible level in Enerjisa Enerji. Our operations are affected by water-related risks such as droughts, heavy precipitation and supply of hydropower which can cause a range of operational, strategic and financial problems for Enerjisa Enerji (e.g. physical damage to infrastructure, defaults, fines due to long-lasting outages, fluctuations in supply of energy) Therefore, all activities that influence policy and strategy are reported to the Board of Directors through SEC. Enerjisa Enerji develops long-term strategies with a sustainable and holistic approach while integrating ESG factors into its strategy, with environment-related topics being among the most crucial ones. Enerjisa Enerji is Türkiye's only listed electricity distribution and retail company, therefore its ESG performance, and especially its ecological resilience is considered essential to its long-term performance. In addition to high-level representation through its Chairman and CEO in trade associations, all views and activities to influence policy is reviewed by the Compliance and Legal Director, who is also a member of the Sustainability Committee. Enerjisa Enerji's presence in high-level position of major trade associations allows it to monitor and guide the changes in the market and regulations.

### **W6.6**

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

Enerjisa\_Annual\_Report\_2021.pdf

Starting from Page 150, we explain our approach to environmental sustainability. We include water-related specific information on pages 158 and 159.

# W7. Business strategy

### W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?



	Are water- related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	21-30	Enerjisa Enerji, as a distribution and retail company, is addressing future water-related issues by connecting more renewables to its grid which are less water intensive comparing to the fossil fuel alternatives. Water-related issues are integrated in 2021-2025 CAPEX Plan for mid-term horizon, and they are included in Enerjisa's long-term ESG risk assessments. Enerjisa Enerji, currently planning its Net-Zero Strategy for the long-term horizon, will be integrating water related issues in this strategy as well. Our water consumption, which is only from our office buildings, is reported through our Sustainability Report each year, with our efforts to further decrease consumption.
Strategy for achieving long-term objectives	Yes, water- related issues are integrated	21-30	Our efforts to reduce water consumption, especially from underground sources have been our priority. Total water consumption in 2021 decreased by 10% comparing to 2020 levels, and further reduction objectives will be achieved in the long-term horizon as well. Implementing rainwater collecting system, groundwater withdrawals decreased by 43% in 2021. Long term ESG risk assessments help determine the strategy around water related issues, such as drought risk and drought related other risks (e.g., energy supply and demand, energy prices, customer payments, uninterrupted energy supply).
Financial planning	Yes, water- related issues are integrated	21-30	Excessive heat and decreasing rain and snowfall in Türkiye might result in droughts, which in turn might impact energy supply and prices. 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. We carry out risk assessments based on the hydrology expectations in a given year and incorporate these to our financial planning. We also utilize insurance activities to protect our investments from natural disasters.



### W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

#### Row 1

Water-related CAPEX (+/- % change)

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

19

Anticipated forward trend for OPEX (+/- % change)

19

### Please explain

Enerjisa Enerji's only water related OPEX are related to water prices. Expected annual water price increases were taken into consideration which was 19% in 2021 comparing to 2020 prices. Water related CAPEX in 2021 was 584,585 TRY, including installation of water-efficient fixtures and rainwater collectors. Water related CAPEX in 2020 was very minor and negligible, we therefore, we cannot provide the change in CAPEX from the last year. Data for change in CAPEX will be made available in 2022. Forward trend for CAPEX is forecasted to be about the same.

### W7.3

### (W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	

## W7.3a

# (W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row	Climate-			We define our
1	related	Enerjisa Enerji conducts	Customers, especially ones	business plans,



qualitative climate-related impact assessments, including comprehensive identification of risks and opportunities, and scenario analyses based on Türkiye's NDCs and several scenarios from BNEF NEO, IRENA and IEA. The analysis and assessments also include extreme weather scenarios to measure the impact on both distribution grids from an operational perspective and customer payment behaviour from a financial perspective. As a result, the outcomes feed into the company's sustainability strategy & roadmap. Scenario analyses are mostly conducted at a 5year timeline, in line with Enerjisa Enerji's investment and financial plans. Excessive heat and decreasing rain and snowfall in Türkiye might result in droughts, which in turn might impact energy supply and prices. Droughts can have negative financial impacts on sectors with water input (agricultural irrigation etc.) in their activities.

that require large amounts of water (e.g. agriculture, some manufacturing, etc.), that are impacted from extreme weather events may experience difficulties in their payments. We carry out risk assessments based on the hydrology expectations in a given year and incorporate these to our financial planning.

KPI's and ESG strategy in the short, mid and long-term according to the outputs of our risk and opportunity assessments which includes scenario analysis.

## W7.4

### (W7.4) Does your company use an internal price on water?

### Row 1

### Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

### Please explain

As Enerjisa Enerji is an electricity distribution and retail company, water is used for domestic purposes only. While we do acknowledge water scarcity risks may indirectly impact our business, our business lines are not impacted directly and at a critical level.



Therefore, currently we do not have an internal price on water and we do not anticipate doing so within the next two years.

# W7.5

# (W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
Row 1	Yes	Water use intensity by activity is high for some sectors such as power generation. However, in Enerjisa Enerji's case, water is solely used for daily office needs as our distribution and retail operations do not require water as a source and they have no impact on water. In 2021, our total withdrawals, which are equal to the discharges, per employee is 7.82 m3 which supports us with our decision to classify our distribution and retail services as low water impact. Also, our retail line offers low water impact solutions to our customers such as solar PV installations.	

# **W8. Targets**

# W8.1

# (W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitorin g at corporate level	Approach to setting and monitoring targets and/or goals
Ro w 1	Compan y-wide targets and goals Business level specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Enerjisa is a signatory of UN Global Compact since 2019. We fully support these 10 principles, and we try to build our relationship with our stakeholders (including our suppliers) on these principles. Our Code of Conduct and Supplier Compliance Declaration are our key binding documents that regulate our relationship with our suppliers. We take initiatives to help our suppliers achieve better ESG performance. We diligently select our Business Partners and monitor their compliance with the Company's Code of Conduct. At Enerjisa Enerji, we are willing to work with our suppliers to ensure that they comply with Enerjisa Supplier Compliance Declaration, Human Rights Policy, Anti-Bribery and Anti-Corruption Policy, Occupational Health and Safety Policy, Environmental Policy and Third-Party Relations Policy. Within the



framework of these policies, we expect our suppliers to respect human rights, create suitable working conditions for their employees, reduce their environmental impacts and apply ethical and moral business standards to their work. Our Environmental Policy specifically states 'We have the goal to efficiently use water, one of our significant natural resources, and continuously reduce the required amount of water consumed for our activities.' Therefore, while water-related issues are not considered highly impactful to our business, we make efforts towards implementing water efficiency targets where possible. We expect our suppliers to take measures to protect the environment, to establish and maintain an appropriate environmental management system; to encourage the development and dissemination of environmentally friendly technologies to reduce environmental impacts and to protect the environment more in their daily operations. We also support our suppliers and business partners with training and supplier financing programs. Our water policy can be reached at: https://www.enerjisainvestorrelations.com/Media/Default/pdf/Water\_Poli cy.pdf

## W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

### Target reference number

Target 1

### Category of target

Water use efficiency

#### Level

**Business** 

### **Primary motivation**

Water stewardship

### **Description of target**

In order to use water effectively and reduce our water consumption, we decided to install faucet aerators in our distribution offices. We set the target to reach 50% coverage in our distribution offices where the infrastructure permits by 2021 year end for faucet aerator implementation.

### **Quantitative metric**

Other, please specify

% of distribution buildings where water faucet aerators are installed



### Baseline year

2020

### Start year

2021

### **Target year**

2021

### % of target achieved

91.32

### Please explain

We set this target in 2020 to be completed by 2021 year-end. We have initiated the faucet aerator installations and reached 91.32% of the target which was to install the aerators in 100% of distribution locations (1601 taps) by the end of 2021.

## W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

#### Goal

Promotion of water data transparency

### Level

Company-wide

### **Motivation**

Water stewardship

### **Description of goal**

In order to increase the transparency of our water reporting along with our GHG emissions reporting, we aimed to receive limited assurance for the first time in 2020. We aim to assure our water accounting figures each year as a rolling target.

## Baseline year

2019

### Start year

2020

### **End year**

2021

### **Progress**



We received limited assurance services to cover our water withdrawal/discharge along with our GHG emissions for 2020. Going forward, we are planning to verify our water withdrawals and discharges each year for transparency and awareness.

## W9. Verification

## **W9.1**

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

## W9.1a

# (W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Total water withdrawn, consumed and discharged from the following sources: Groundwater, Water from 3rd parties, fresh surface water (rainwater)	ISAE 3000	All our water consumption figures were assured against the ISAE 3000 Standard for FY2021.

# W10. Sign off

### W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

### W10.1

# (W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category	
Row 1	CFO	Chief Financial Officer (CFO)	



## W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

# Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

### Please confirm below

I have read and accept the applicable Terms