

**ENERJİSA ENERJİ A.Ş.**

**CORPORATE  
STAKEHOLDER  
ENGAGEMENT PLAN**

**June 2020**



Genele Açık

Open to Public

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## **Abbreviations**

AYEDAŞ: İstanbul AnatolianSide Electricity Distribution Company

Başkent EDAŞ: Başkent Electricity Distribution Company

BIST: İstanbul Stock Exchange

CSC: Customer Service Centers

CSR: Corporate Social Responsibility

EBRD: European Bank for Reconstruction and Development

EIA: Environmental Impact Assessment

ELDER: Association of Distribution System Operators

EMRA: Energy Market Regulatory Authority

EOC: Enerjisa Operation Centers

ESMS: Environmental and Social Management System

ETL: Energy Transmission Line

GIS: Geographic Information System

GRI: Global Reporting Initiative

HR: Human Resources

ISO: International Organization for Standardization

NGO: Non-Governmental Organizations

PAP: Project Affected People

PR: Performance Requirement

R&D: Research and Development

OHS-E: Occupational Health, Safety and Environment

SASB: Sustainability Accounting Standards Board

SCADA: Supervisory Control and Data Acquisition

SDGs: Sustainable Development Goals

SEP: Stakeholder Engagement Plan

SMS: Short Message Service

TEDAŞ: Turkish Electricity Distribution Corporation

TEİAŞ: Turkish Electricity Transmission Corporation

Toroslar EDAŞ: Toroslar Region Electricity Distribution Company

UN: United Nations

WEPS: Women Empowerment Principles

# 1 INTRODUCTION

## 1.1 Overview

This Corporate Stakeholder Engagement Plan (SEP) provides a framework outlining the requirements and applied processes for stakeholder engagement and public consultation, stakeholder identification and grievance mechanism planned by Enerjisa Enerji A.Ş. (“Enerjisa” or the “Company”) at a corporate level. This SEP conforms to the European Bank for Reconstruction and Development (EBRD) Performance Requirements (PRs) which recognize the importance of an open and transparent engagement between the Company, its employees, local communities directly affected by the Company operations and, where appropriate, other stakeholders as an essential element of good international practice (GIP) and corporate citizenship<sup>1</sup>.

Each of our distribution companies will develop a standalone SEP in line with the principles defined in this corporate SEP which includes grievance mechanisms.

This document is intended for public disclosure and will be made available in the Turkish and English languages by Enerjisa.

Please do not hesitate to contact us in case of any queries, comments or suggestions that you may have in relation to this SEP or to our operations using below contact details.

### **CONTACT DETAILS:**

Address: ENERJİSA ENERJİ A.Ş. Barbaros Mah. Begonya Sok. Nida Kule Ataşehir, Batı Sitesi No:1/1 Ataşehir 34746 İstanbul.

Phone: 444 4 372

Website: [www.enerjisa.com.tr](http://www.enerjisa.com.tr)

## 1.2 Objectives of Stakeholder Engagement Plan (SEP)

This Stakeholder Engagement Plan provides a framework for stakeholder engagement; it has been designed so that Enerjisa can demonstrate engagement that is effective, meaningful, consistent, comprehensive, coordinated and culturally appropriate, in line with all the relevant legal and regulatory commitments and good international industry practice.

Stakeholder engagement is an ongoing process and as such, this SEP is a ‘living document’ that will be updated and adjusted as we continue to grow.

The primary objectives of stakeholder engagement are as follows and are illustrated in **Figure 1** below:

- To ensure that adequate and timely information is provided to stakeholders;
- To provide sufficient opportunity to stakeholders to voice their opinions and concerns such that if relevant these might be taken into account in our Company decisions;
- To establish a relationship and form of communication between our Company, government regulators, affected communities and other parties interested in our operations and impacts; and
- To focus on issues that are required to bring our operations into compliance with our investors’ requirements including those of the EBRD.

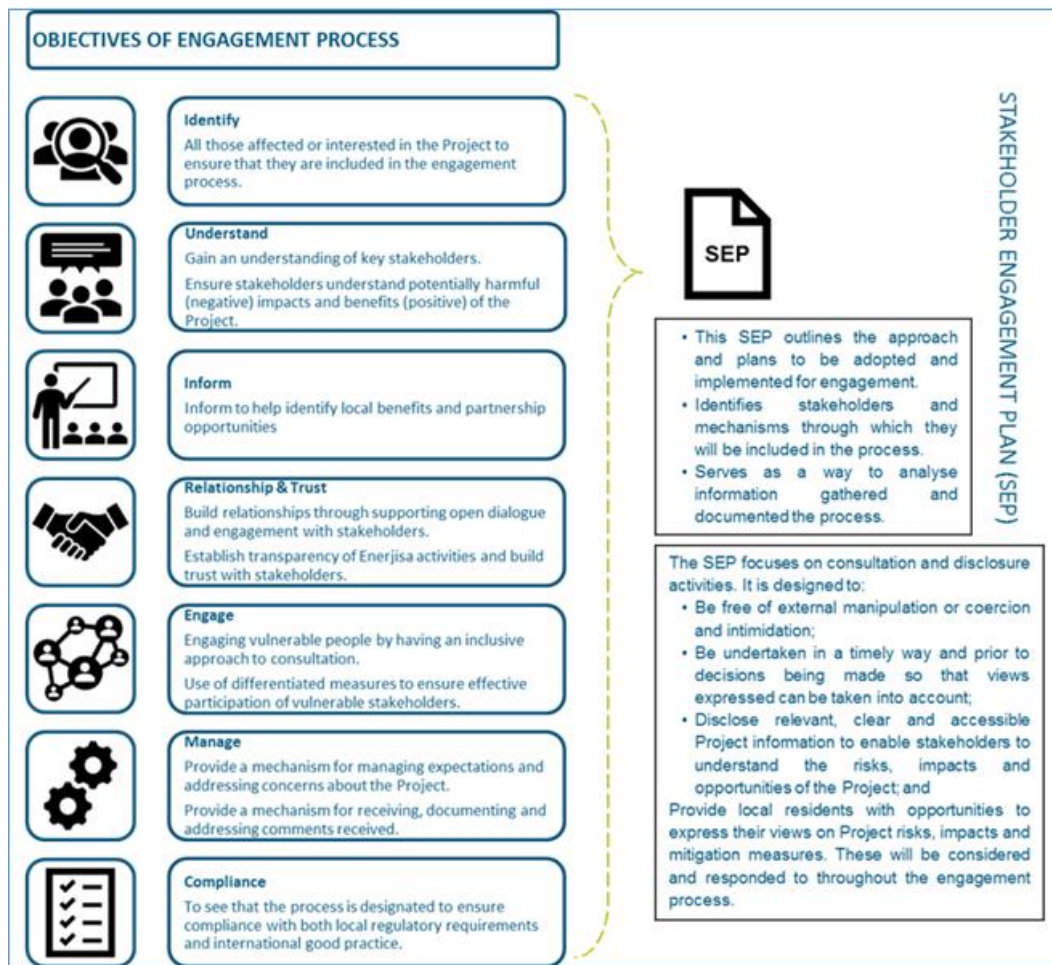


Figure 1. Objectives of Engagement Process

### 1.3 Enerjisa Enerji At a Glance

We are Turkey's largest electricity distribution and retail company in a regulated sector. As of December 31, 2019, we had 11.2 million distribution network connections accounting for approximately 26% of all distribution network connections in Turkey and 9.9 million customers representing approximately 22% of the retail electricity market.

Electricity distribution is carried out by Başkent Elektrik Dağıtım A.Ş. (Başkent EDAŞ), İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. (AYEDAŞ) and Toroslar Elektrik Dağıtım A.Ş. (Toroslar EDAŞ). The operations of electricity distribution companies are limited to the regions defined in their licenses.

### 1.4 Impact Area

We are the leading company in Turkey's electricity sector. As Enerjisa Enerji A.Ş., we are engaged in electricity distribution operations through Başkent Elektrik Dağıtım A.Ş. ("Başkent EDAŞ") in the Başkent region which covers the provinces of Ankara, Zonguldak, Kastamonu, Kırıkkale, Karabük, Bartın and Çankırı; through İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. ("AYEDAŞ") in the AYEDAŞ Region, which covers districts on the Asian side of İstanbul; and through Toroslar Elektrik Dağıtım A.Ş. ("Toroslar EDAŞ") which covers the provinces of Adana, Gaziantep, Mersin, Hatay, Osmaniye and Kilis (Figure 2).

We distribute electricity in 14 provinces spanning across approximately 110,000 square kilometres.

#### DISTRIBUTION OPERATIONS

Regulated asset base

**TL 8.4 billion**

Network connections

**11.2 million**

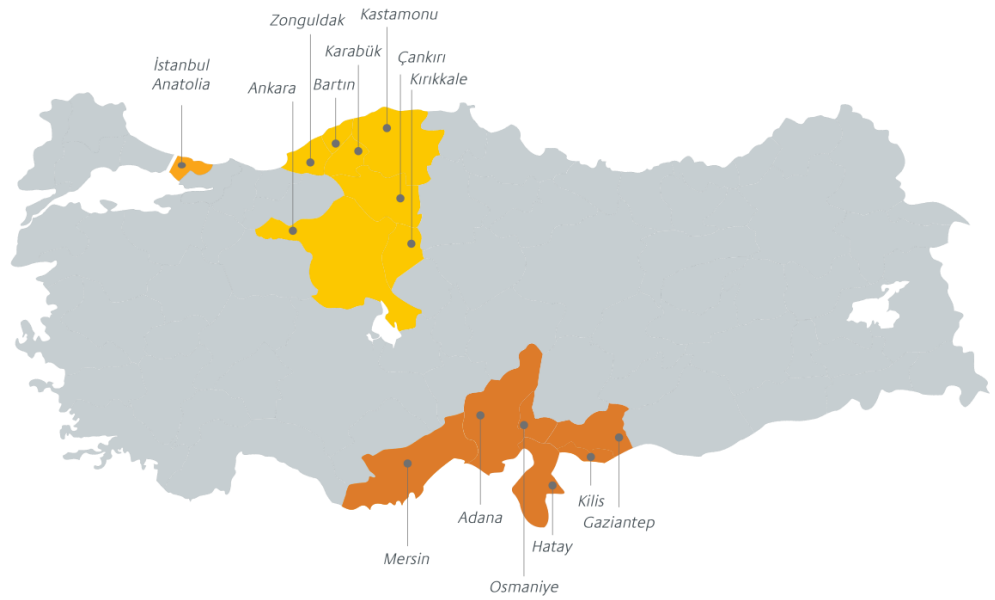
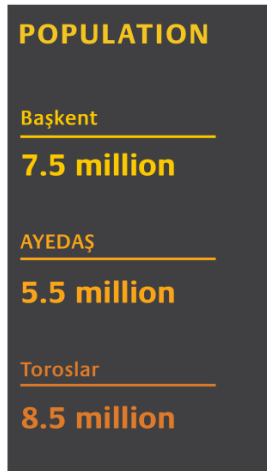


Figure 2. Impact Area of Enerjisa Enerji

Key indicators regarding our distribution companies and regional stakeholders are summarized in the following table.

Table 1. Key Indicators of Distribution Company Profile

	AYEDAŞ	Başkent	Toroslar	TOTAL
<b>Number of Provinces</b>	1	7	6	14
<b>Number of Customers</b>	2,5 Million	3,8 Million	3,6 Million	9,9 Million
<b>Number of Transformer</b>	7,767	33,530	47,267	88,564
<b>Total Line Length</b>	24,715	113,814	93,053	231,582
<b>Number of Mukhtars</b>	364	4,606	3,517	8,487
<b>Number of Municipalities</b>	14	83	67	164
<b>Number of District Governorate</b>	14	79	61	154
<b>Number of Parliament Members</b>	35	53	59	147
<b>Number of Universities</b>	47	21	9	77
<b>National Press</b>	420	83	48	551



<b>Local Press</b>	147	123	246	516
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Source: Enerjisa, 2020

## 2 LEGAL BACKGROUND

### 2.1 National Legislation

Turkish Environmental Impact Assessment (EIA) Regulation includes provisions for environmental impact assessment, public consultation and disclosure of project information for projects listed in annexes of the Regulation. Electricity distribution lines and relevant facilities are not covered under the annexes of the Turkish EIA Regulation; hence, Enerjisa operations are not subject to national EIA requirements. Accordingly, no stakeholder engagement has been required according to Turkish legislations. Notwithstanding, due to international financing and as best industry practice, Enerjisa is committed to make sure that the Project will comply with the requirements of the EBRD Environmental and Social Policy.

Enerjisa strives to fulfil its responsibilities towards the environment, the public and customers in their distribution region. The primary goal is to ensure efficient, high quality, sustainable, low-cost and environment- friendly electricity supply, with due respect to the environment and by protection of the health and safety of workers.

Besides the main legal obligations including but not limited to Turkish Constitution etc. as an electricity distribution company Enerjisa EDAŞ operates also in accordance with the Energy Market Regulatory Authority (EMRA)'s regulations; Electricity Market Law no. 6446 and Expropriation Law no. 2942, Construction Law, Connection and System Use Regulation, Balancing and Settlement Regulation, License Regulation and Electricity Tariffs Regulation.

#### 2.1.1. EMRA

Electricity distribution is the transmission of electricity to end users via low voltage (under 36 kV) power lines. According to EMRA regulations, Turkey's distribution network is divided into 21 distribution regions. These regions have been operated by private distribution companies since the privatizations held between 2009 and 2013.

Distribution companies are responsible for preparing and implementing investment plans by taking into consideration energy demand, network requirements and all investment needs within the Company. They are also responsible for managing their investment budgets in addition to preparing a 5-year investment budget, budget justification report and investment reports that are presented to EMRA.

Regional distribution network operators are responsible for undertaking mandatory investments related to environment, safety, renovation and expansion; reading and maintaining electricity meters; demand forecasting and preparing investment plans; monitoring theft/loss rates; supplying electricity in the event of technical and commercial losses; taking all necessary technical and operational measures to reduce power theft/loss and providing lighting in public areas in their respective regions.

Enerjisa centrally manages and monitors all its network operations in its 3 distribution regions. As part of grid management processes, Enerjisa undertakes efforts to expand and renovate its network and boost the network's operational efficiency; as well as carrying out research and development efforts. These various activities enable Enerjisa to standardize network management processes in its 3 regions; create centralized procedures; determine key performance indicators such as complying with EMRA's technical, commercial and supply security standards; meet outage and theft and loss targets, connection requests; plan system improvements; control and monitor local networks and perform customer service operations.

### 2.2 International Standards We Seek to Meet

Enerjisa is committed to implementing a Stakeholder Engagement Plan in line with the EBRD Performance Requirements (2019). In particular reference is made to PR 1, 2, 5 and 10:

PR 1: Assessment and Management of Environmental and Social Risks and Impacts - this PR recognises the

importance of an integrated assessment to identify the environmental and social risks and impacts associated with projects and the client's management of environmental and social performance throughout the life of the project.

- A successful and efficient Environmental and Social Management System (ESMS) which allows for meaningful engagement between our Company, our workers and the affected and interested stakeholders *“requires a methodical systems approach comprising planning, implementing, reviewing and reacting to outcomes in a structured way with the aim of achieving a continuous improvement in performance management.”*
- The identification of and planning to engage with stakeholders in a meaningful manner to take their views and concerns into consideration in planning, implementing and operating the operation in accordance with PR 10.

PR 2: Labour and Working Conditions - this PR recognises that for clients and their business activities, the workforce is a valuable asset, and that good human resources management and a sound worker-management relationship based on respect for workers' rights, including freedom of association and right to collective bargaining, are key ingredients to the sustainability of business activities.

PR5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement: This PR addresses impacts of project-related land acquisition, including restrictions on land use and access to assets and natural resources, which may cause physical displacement (relocation, loss of land or shelter), and/or economic displacement (loss of land, assets or restrictions on land use, assets and natural resources leading to loss of income sources or other means of livelihood).

PR10: Information Disclosure and Stakeholder Engagement – This PR recognises the importance of an open and transparent engagement between the client, its workers, worker representatives, local communities and persons affected by the project and, where appropriate, other project stakeholders as an essential element of good international practice and corporate citizenship.

Stakeholder engagement will involve the following elements: stakeholder identification and analysis, stakeholder engagement planning, disclosure of information, meaningful consultation, implementation of a grievance mechanism, and ongoing reporting to relevant stakeholders.

### 3 RELATED INTERNAL POLICIES, PLANS AND PROCEDURES

As Enerjisa we have policies, procedures and processes in terms of information disclosure and stakeholder engagement as presented below:

- **Sustainability Strategy:** Setting sustainability strategy is key for our future. We started our 'Sustainability Strategy' at the beginning of 2020. As the first step of the strategy development, a benchmark analysis with a peer group of world's foremost sector leaders that embrace the idea of sustainability. Stakeholder Engagement has been considered as one of the main sections to compare the Company's sustainability maturity with the peer group. 'Community Investments' has also been included in the Business Alignment section. At the core of the sustainability strategy, we have placed the equity story of the Company and we have grouped our strategic priorities in three main areas; A role model within the sector, A responsible public service, Preparing for the New Energy World.
- **Enerjisa Corporate Communication Procedure:** Enerjisa Corporate Communication Procedure entered into force on 28.02.2009 and was reviewed on 27.01.2017. The procedure defines communication strategy including press relations, corporate social responsibility and communications through digital and social media;
- **SEPs of Distribution Companies:** Reports/documents prepared for monitoring of our distribution companies' SEPs are also inputs for this Corporate SEP.

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- Başkent EDAŞ, AYEDAŞ, Toroslar EDAŞ Application Management Procedure from Digital Channels entered into force on 22.11.2018;
- Başkent EDAŞ, AYEDAŞ, Toroslar EDAŞ Application Management Procedure from Written Channels entered into force on 06.11.2018;
- Enerjisa distribution companies are certified for ISO 10002 Customer Complaint Management Process;
- Corporate Social Responsibility (CSR) management is carried out in accordance with the Corporate Communication Procedure. The Procedure defines Enerjisa's corporate social responsibility areas as education, environment-society and energy,
- **Disclosure Policy:** The management of the Company share its results fully, fairly, correctly, timely and transparently with the public, as well as capital markets participants equally as a principle pursuant to financial reporting standards and provisions of Capital Markets legislation.
- **Donation and Grants Policy:** Subject to the restrictions set forth in this Donation and Grants Policy, Enerjisa Enerji A.Ş. (the "Company") can donate to and grant to the persons, non-governmental organizations, associations or foundations, universities, public institutions and organizations, all of which are active in the fields of education, culture, arts, environment and sport, within the principles stipulated in the Capital Markets Law numbered 6362, Dividends Communiqué (II-19.1) of the Capital Markets Board of Turkey and other Capital Markets Legislation, with a corporate sense of social responsibility, without limited to those listed. Donations and grants can be carried out in two manners; cash and in kind. The Company, in line with the principles mentioned in the Donation and Grants Policy and the principles stipulated by the regulations applicable to the Company, submits all donations and grants made in each fiscal year to the attention of the shareholders at the General Assembly Meeting of the relevant year with a separate agenda item.
- **Environmental Policy:** As Enerjisa Enerji, we fulfill all our statutory and other compliance obligations related with the environment. We set measurable targets for the field of environment and we continuously improve our environmental management system by periodically assessing our performance. While determining the methodologies and goals for our environmental management system, we benefit from the contributions of our employees, customers, business partners, investors and other stakeholders as well as our senior management. We regularly share with stakeholders the environmental performance that we continuously monitor in accordance with the Environmental Policy, through Sustainability Reports. We identify the issues of top priority in the field of environment in line with the stakeholder analyses and according to the local and global trends that are of interest for the sector.

In line with our corporate processes, we have also developed this SEP which is an action plan drawing the framework of the factors that are important for our interaction with stakeholders and sets out paths for engagement and an umbrella document for the SEPs of Ayedaş, Başkent and Toroslar distribution companies. The SEP aims to present a transparent, inclusive and responsive implementation in a cooperative manner in line with the existing procedures in place. The SEP also provides a framework to be rolled-out to our distribution companies to ensure the effectiveness of stakeholder engagement and grievance resolution practices.

This SEP has been developed in accordance with the Performance Requirement 10 of the European Bank for Reconstruction and Development (EBRD PR10) on Information Disclosure and Stakeholder Engagement. SEP is a living document and will be monitored, reviewed and updated by on a regular basis.

## 4 STAKEHOLDER IDENTIFICATION AND ANALYSIS

Enerjisa has identified priority areas that will guide its sustainability investments through a participatory stakeholder analysis and in accordance with the AA1000 AccountAbility Stakeholder Engagement Standard. As part of the analysis, the expectations of Enerjisa employees and the insights of our external stakeholders, including international organisations, financial institutions, affiliates, business partners and public institutions, were collected. In addition, Enerjisa obtained employee opinions through a focus group workshop. An online questionnaire was used to get external stakeholders' opinions. Following the collection of data, the responses received from 51% of stakeholders were assessed based on the external trends that lead to the energy and distribution/retail sector.

Among the external trends Enerjisa considered the global risks outlined by the World Economic Forum, insights that will define the future of the electricity industry, industry-specific material issues defined by Sustainability Accounting Standards Board (SASB) and Sustainable Development Goals. While evaluating the priority of each area for Enerjisa, the strategy and targets of Enerjisa together with the strategies of its main shareholders, Sabancı Holding and E. ON were addressed and opinions of the senior management, consisting of Enerjisa Enerji A.Ş. Leadership Team members were taken. In addition, Enerjisa draw upon impact analysis methodology, which is recommended by SASB in determining priority issues, allowing to address each issue in terms of various impacts and opportunities. Enerjisa then evaluated significant risks and opportunities concerning finance, law, innovation and competition using this method, which is important for an integrated approach. As a result of the study, Enerjisa put forward priority issues matrix, comprising high priority and very high priority issues.

The methodology employed during the stakeholder identification and analysis process is outlined in Figure 4.

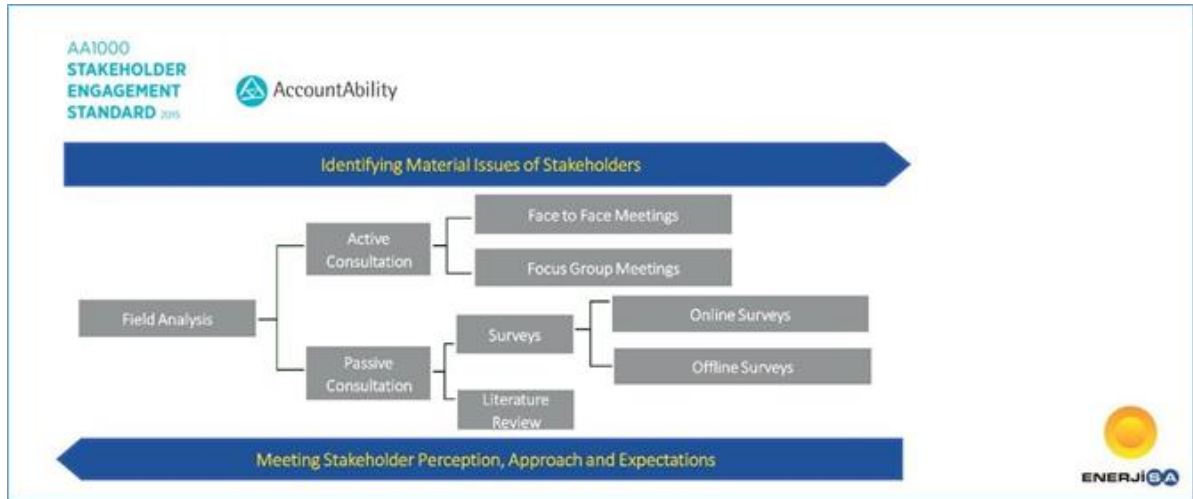


Figure 2. AA1000 Stakeholder Engagement Process

The scope of stakeholder analysis is presented in Table 2 below.

Table 2. Scope of Stakeholder Analysis

Stakeholder Group	Stakeholders	Tools	Methodology
External stakeholders	<ul style="list-style-type: none"> <li>Analysts</li> <li>Press</li> <li>Credit Rating Agencies</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder Analysis</li> <li>External Trend Analysis</li> </ul>	<ul style="list-style-type: none"> <li>Active Consultation (online surveys, research, meetings etc.)</li> <li>Literature Review</li> </ul>

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	<ul style="list-style-type: none"> <li>• Think Tanks</li> <li>• Financial Institutions</li> <li>• Shareholders</li> <li>• Public Institutions and Regulatory Authorities</li> <li>• Project Affected Persons (PAPs) who are directly impacted from land acquisition related activities</li> <li>• Electricians/electrical engineers</li> <li>• Customers</li> <li>• Competitors</li> <li>• Unions</li> <li>• Non-Governmental Organisations (NGOs)</li> <li>• Suppliers and Business Partners</li> <li>• International Organisations</li> <li>• Universities</li> <li>• Investors</li> <li>• Local Governments</li> </ul>		
Internal stakeholders	<ul style="list-style-type: none"> <li>• Employees</li> <li>• Subsidiaries</li> <li>• Senior Management</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis of Enerjisa Enerji</li> <li>• Strategy and Targets</li> <li>• Analysis of Sabancı Holding Strategy</li> <li>• Analysis of E.ON Strategy</li> <li>• SASB Four Factor Impact Analysis</li> </ul>	<ul style="list-style-type: none"> <li>• One-on-one Meetings</li> <li>• Focus Groups</li> <li>• Online Surveys</li> </ul>

Following the analysis of its stakeholders, Enerjisa has identified the communication platforms and methods, communication frequency as well as target and evaluation criteria to measure the success of stakeholder engagement as part of the topics highlighted during the stakeholder analysis (Table 3):

Table 3. Enerjisa Stakeholders List, Communication Methods, Targets and Successful Evaluation Criteria

Stakeholder Group	Stakeholder Type	Stakeholder Communication Platforms and Methods	Communication Frequency	Targets and Successful Self-Evaluation Criteria
Analysts	External	Meetings (preferably online meetings), conferences, phone calls, quarterly investor teleconferences, analyst informing activities, podcasts, webcasts, Investor Relations website	Continuously	<ul style="list-style-type: none"> <li>Increasing transparency</li> <li>Informing market about the Company</li> <li>Company valuation reports reflecting the fair value</li> <li>Increasing Company credibility</li> <li>Financial sustainability</li> </ul>
Press	External	Email campaigns Sponsorships and sectoral events (excluding the pandemic period) Regular/irregular press releases, press conferences, interviews	Year-round	<ul style="list-style-type: none"> <li>Informing public accurately</li> <li>Increasing Company reputation and brand value</li> <li>Building strong relations with press members</li> </ul>
Credit Rating Agencies	External	Meetings (preferably online meetings), teleconferences and phone calls Email	Once a year	<ul style="list-style-type: none"> <li>Increasing transparency</li> <li>Generating a fair value for Company's equity</li> <li>Increasing Company credibility</li> <li>Financial sustainability</li> </ul>
Financial Institutions	External	Meetings (preferably online meetings), teleconferences and phone calls	Continuously	<ul style="list-style-type: none"> <li>Increasing transparency</li> <li>Increasing Company credibility</li> <li>Financial sustainability</li> </ul>
Shareholders	External	Board of Directors meeting (preferably online meeting), committee meeting, quarterly investor teleconferences, General Assembly, Investor Relations	Continuously	<ul style="list-style-type: none"> <li>Managing sustainability risks</li> <li>Adopting a target-oriented management approach</li> <li>Sharing environmental performance transparently</li> <li>Compliance with Corporate Governance Principals</li> <li>Financial sustainability</li> </ul>
Government Agencies and Regulatory Bodies	External	Meetings (preferably online meetings), teleconferences and phone calls	Continuously	<ul style="list-style-type: none"> <li>Improving stakeholder engagement</li> <li>Increasing transparency in customer communication</li> <li>Financial sustainability</li> </ul>

Stakeholder Group	Stakeholder Type	Stakeholder Communication Platforms and Methods	Communication Frequency	Targets and Successful Self-Evaluation Criteria
PAPs (landowners/users, local community)	External	Face to face meetings (online meetings if it is possible), email, phone calls, communication through SMS, Mobile App, e-mail, website	Continuously	<ul style="list-style-type: none"> <li>Managing social risks of the projects and mitigate the adverse impacts</li> <li>Informing PAPs accurately</li> </ul> Improving stakeholder engagement
Related directly impacted experts (electricians/electrical engineers)	External	Face to face meetings (online meetings if it is possible), phone calls, communication through SMS, Mobile App, e-mail, website and other channels of Enerjisa, authorization trainings for electricians	Continuously	<ul style="list-style-type: none"> <li>Improving stakeholder engagement</li> <li>To support capacity building and improvement of knowledge (project design, changed legislations, etc)</li> <li>Engagement and cooperation with authorized electricians and electrical engineers</li> </ul>
Customers	External	Customer Service Centers (CSC), Enerjisa Operation Centers (EOC), alternative sales channels, call centers, digital channels (Mobile application, website), customer representatives social media channels, short message service (SMS) and customer satisfaction surveys	Continuously	<ul style="list-style-type: none"> <li>Developing customer- oriented solutions</li> <li>Increasing customer satisfaction</li> <li>Enabling a continuous supply of energy from renewable energy sources</li> <li>Ensuring data security</li> <li>Increasing smart technologies</li> </ul>
Unions	External	Face to face interview (online interview during the pandemic)	Once a year	<ul style="list-style-type: none"> <li>Providing uninterrupted and accessible energy</li> <li>Ensuring leadership on energy efficiency and increasing awareness</li> </ul>
Non-Governmental Organisations	External	Conferences (after the pandemic period), management meetings (preferably online meetings), focus group activities (online activities if it is possible)	Continuously	<ul style="list-style-type: none"> <li>Ensuring leadership on and energy efficiency increasing awareness</li> </ul>
Suppliers and Business Partners	External	Joint projects	Continuously	<ul style="list-style-type: none"> <li>Establishing alternative supply infrastructures for uninterrupted energy in distribution regions</li> <li>Ensuring customer satisfaction and continuous energy supply</li> </ul>
International Organisations and	External	Joint projects	Continuously	<ul style="list-style-type: none"> <li>Ensuring leadership on energy efficiency and increasing awareness</li> </ul>



Stakeholder Group	Stakeholder Type	Stakeholder Communication Platforms and Methods	Communication Frequency	Targets and Successful Self-Evaluation Criteria
Initiatives				
Universities	External	Joint projects	At least four times a year	<ul style="list-style-type: none"> <li>Stakeholder collaboration</li> <li>Attracting qualified talents</li> <li>Investment on R&amp;D</li> </ul>
Investors	External	Roadshows, meetings (preferably online meetings), teleconferences, quarterly investor teleconferences, podcasts, webcasts, General Assembly, Investor Relations website, online surveys	Continuously	<ul style="list-style-type: none"> <li>Managing sustainability risks</li> <li>Adopting a target-oriented management approach</li> <li>Sharing environmental performance transparently</li> <li>Compliance with Corporate Governance Principals</li> <li>Financial sustainability</li> </ul>
Local governments/ Mukhtars	External	Whatsapp Mukhtar Support Line, regular meetings with the mukhtars (preferably telephone engagement during the pandemic)	Continuously	<ul style="list-style-type: none"> <li>Building stakeholder dialogue</li> <li>Transparency in customer communication</li> </ul>
Employees	Internal	IKON, mobile applications, Intranet, employee engagement focus groups, team leaders information meetings, CEO briefing meetings, management meetings, human resources meetings (happy hour), trend talks	Continuously	<ul style="list-style-type: none"> <li>Attracting qualified talent</li> <li>Broadening the knowledge and skills of employees, primarily blue-collar employees</li> <li>Increasing employee loyalty</li> <li>Investing in smart technologies</li> <li>Increasing OHS investments</li> </ul>
Subsidiaries	Internal	Meetings, Board meetings (online)	Continuously	<ul style="list-style-type: none"> <li>Promoting leadership in the use of new technologies</li> <li>Managing sustainability risks</li> <li>Financial sustainability</li> </ul>

For more information on stakeholder relations, please refer to Enerjisa's Sustainability Report (2019) available at: [https://www.enerjisainvestorrelations.com/Media/Default/pdf/FR/ENERJISA\\_SURD\\_EN\\_2019\(1\).pdf](https://www.enerjisainvestorrelations.com/Media/Default/pdf/FR/ENERJISA_SURD_EN_2019(1).pdf)

It should also be noted that Enerjisa Distribution Companies have been certified by ISO 14001:2015 Environmental Management System standard. In accordance with Clause 4.2 of ISO 14001:2015, Başkent EDAŞ, AYEDAŞ and Toroslar EDAŞ have identified their external and internal stakeholders and listed their needs and expectations within the context of Environmental Management System. Responses and actions to satisfy the needs and expectations of the stakeholders are managed within Environmental Management System.



## 5 STAKEHOLDER ENGAGEMENT APPROACH AND ACTIVITIES

### 5.1 Approach

Enerjisa believes in the importance of open, transparent and honest communication with stakeholders and care about their opinions and expectations. To this end, we continuously communicate with our stakeholders, both internal and external, through various channels as outlined in Table 3.

Enerjisa Enerji values relationships with all stakeholders that are directly or indirectly affected by its activities and prioritizes open, transparent and trust-based communication with all stakeholders in a wider ecosystem. We use different communication methods to obtain stakeholder feedback and to understand their expectations.

Analysts	Investors	Shareholders	Rating and Valuation Bodies	Financial Institutions	Regulatory Authorities
Subsidiaries and Affiliates	Government Agencies	Customers	Employees	Non-Governmental Organizations	Suppliers and Business Partners
Unions	International Organizations	Universities	Press	Local Governments	Competitors

Figure 3. Stakeholder Groups

Government agencies and regulatory authorities are the primary stakeholders that directly affect Enerjisa Enerji. As the sector leader, Enerjisa Enerji is aware that the development of a regulatory framework is necessary to encourage investments and improve efficiency and quality to ensure a reliable and cost-effective grid infrastructure in Turkey. Our relations with the public are based on the principles of righteousness, integrity, equality, and independence. Our relationships with public institutions are independent of any political views and managed as required by its corporate identity.

As part of our annual Enerjisa Local Governments Communication Plan, we pay regular visits to the Governors, district governors, municipalities, and local community leaders (Mukhtars) in our service regions. Moreover, face-to-face interviews allow us to obtain in depth information about the past experiences and future expectations of public institutions. Continuous engagement allows us the opportunity to improve our business processes through the requests and opinions received during regular consultations. Accordingly, the Company has held meetings, primarily with local community leaders (Mukhtar) and different stakeholders in the service areas such as municipalities and district governorships.

Enerjisa Enerji is an active participant in sector wide NGOs, in order to contribute to the activities that carry the sector forward and to spread the vision of sustainability in the business world at the leadership level.

### 5.2 Summary of Stakeholder Engagement Activities

Stakeholder engagement is conducted across Enerjisa Enerji. The extent of engagement, level of interaction, methods of engagement vary depending on the roles and responsibilities of departments. A summary of stakeholder engagement activities of Enerjisa Enerji is given in this section. Stakeholder engagement activities are conducted, monitored and reported by the distribution companies monthly or annually depending on the activity. Data registered by distribution companies regarding these activities also provides input to the Corporate SEP Monitoring Report. Detailed information about the methodology and tools such as Action Plan to manage, keep and monitor these data exist in the regional SEPs prepared by each distribution company.

Each department of Enerjisa Enerji, has engagement activities related with external stakeholders. Main responsibility for engagement with external stakeholders lies within Corporate Communication and Customer

Relations departments. However, all departments engage with the stakeholders they have identified, in line with the engagement methods identified in this SEP.

A schematic summary of the Company's department-based core works and their intersection with the stakeholders is as follows.

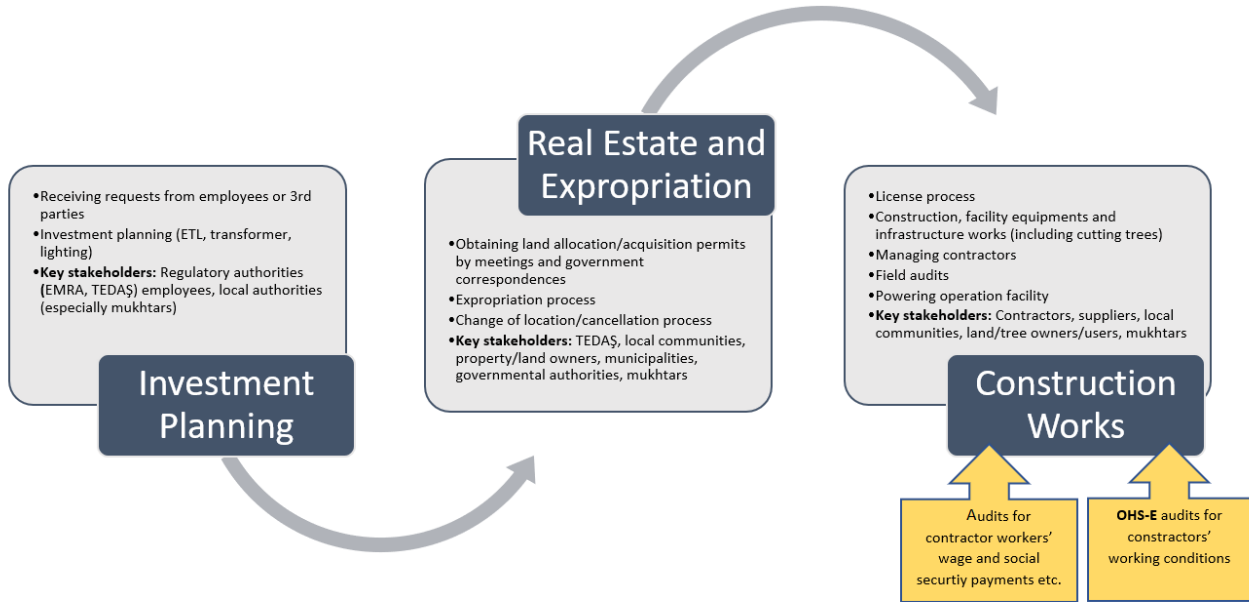
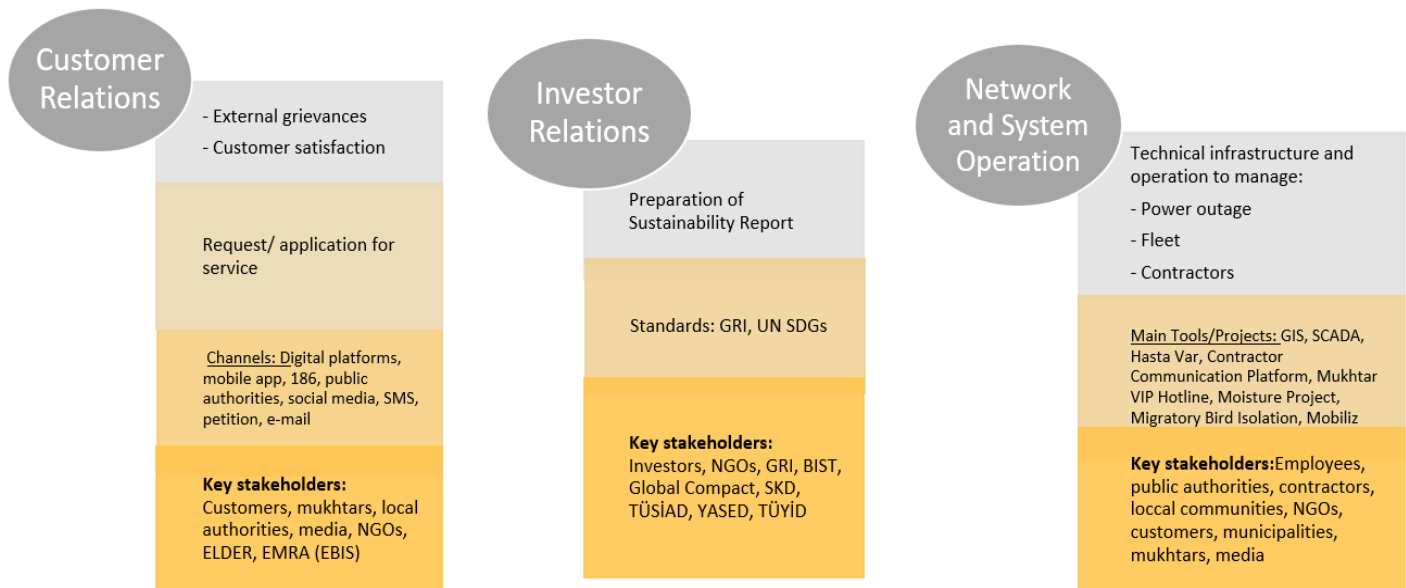


Figure 4. Enerjisa Enerji Core Works and Stakeholders

Main stakeholder engagement activities of the departments can be summarized as below. In addition, social and environmental sustainability, community health and safety, and occupational health and safety are the prevailing focus areas in all processes of each department.



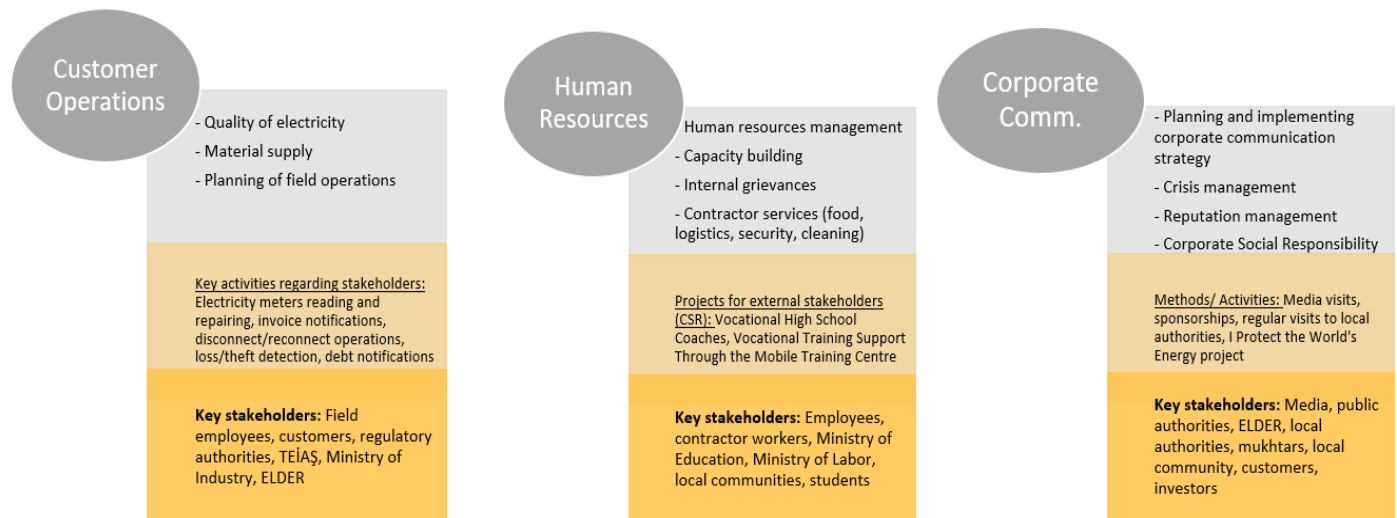


Figure 5. Department-based Stakeholder Engagement Activities

## 5.2.1. Internal Stakeholders

### a. Employees

Our human resources are one of the most important assets that make us the leader in the industry. We aim to ensure the sustainability of our business and to attract well-equipped individuals to the industry with the vision of becoming the most desirable employer. From this point of view, we offer our employees a positive work environment where they can work confidently and improve themselves. The foundation of Enerjisa human resources management is to get strengthen by drawing upon our employees' strengths in order to provide excellent service continuously. We intend to develop a positive organizational climate, communication and culture within our company in line with our human resources practices. Therefore, we focus on issues such as developing the leadership qualities of employees and providing training, development and offering equal opportunities to all employees.

We conduct employee loyalty surveys annually to measure employee loyalty and ensure that we provide the best working conditions. The employee loyalty scores in 2018 for Enerjisa and its electricity distribution companies were 55% and 59%, respectively.

It is important for us that our employees maintain a healthy work-life balance, and we support them accordingly. In this scope, we have taken steps in order to implement flexible working model, dress code and remote working in our headquarters. In 2018, we launched the flexible working model in our headquarters that our employees can be able to pick their working hours. We have implemented a pilot scheme for remote working model. With this model, we intend to increase employee productivity. We are also planning to implement this model in our other headquarters. We launched Avita Employee Support Program in 2018, and through this program, we ensure that employees and their families receive counseling on psychological, medical, financial, and legal matters.

You can find out more about our engagement with our employees in our Sustainability Report available at: <https://www.enerjisainvestorrelations.com/en/reports-presentations/sustainability-reports>

### b. Engaging Worker Organisations

Throughout 2018, Enerjisa Enerji also successfully renewed the collective bargaining agreement, which includes a large part of all employees for the upcoming period until 2021, ensuring visibility for all parties and allowing employees to participate in the success of the company.

### c. Working with Contractors and Suppliers

Our suppliers help us improve and strengthen our distribution network, get administrative services, construct and

renovate buildings and maintain and repair our materials and software. In 2018, all our 599 suppliers were local. We provide training to certain suppliers who are critical to our operations about regulation changes and technical issues regarding procurement. We also offer training and organise meetings before inviting tenders to decrease any uncertainty our suppliers may be experiencing as a result of changes in our procurement processes, regulations (EMRA Regulation on Procurement) or our company policy.

In 2018, we designed our supply chain flow to make our procurement processes more systematic, to increase internal customer satisfaction and to ensure that supply chain processes are faster, more efficient and in compliance with procedures and regulations. With this system, we aim to make our supply chain more transparent and measurable, ensuring that all documents required by the procurement processes can be checked by the relevant units with the help of control points specified by the system.

## 5.2.2. External Stakeholders

### a. Engaging with State and Local Authorities

Government agencies, regulatory bodies (EMRA, TEDAŞ) and local governments are the main stakeholders that directly affect our business. As the leading company in the industry, we are aware that the development of a regulatory framework is necessary to encourage investments, efficiency and quality in an effort to ensure a reliable and cost-effective network infrastructure in Turkey. With this awareness, we contribute to the process by keeping in touch with government agencies and regulatory bodies. Our relations with the public are based on the principles of transparency, equality and impartiality. Our relationships with public institutions are independent of any political view and managed as required by our corporate identity.

We care about establishing bilateral communication based on trust with our stakeholders. As part of the annual Enerjisa Local Governments Communication Plan, we pay regular visits to governors, district governors, municipalities and Mukhtars (local authority: officially elected neighbourhood representative) in our service regions. As a result of our face-to-face interviews, we obtain information about the expectations of public institutions and we have the opportunity to improve our business processes through their requests and opinions. In this respect, we organised regular meetings with stakeholders in the regions we operate, in particular with local authorities (Mukhtars).

We designed a direct communication mechanism that mukhtars can engage with our regional units and Customer Relations department through a dedicated Mukhtar VIP hotline (WhatsApp). According to our 2019 Performance Report, through our WhatsApp mukhtar hotline, we recorded and responded to an overall 35,956 requests across three distribution companies.

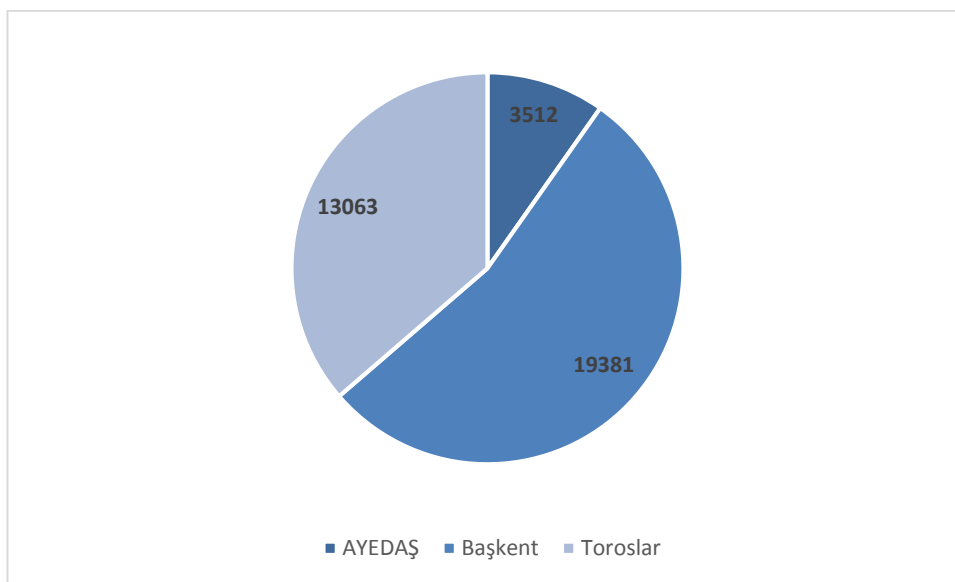


Figure 6. WhatsApp Mukhtar Applications, 2019

Moreover, when mukhtars call 186, they have priority access and directly connected without any holding period. Through this mechanism, all feedbacks, request and grievances from mukhtars are recorded and processed at distribution company level. Following figure shows the average monthly number of mukhtar Whatsapp queries in 2019. According to this, there were 979 monthly mukhtar queries in 2019 overall.

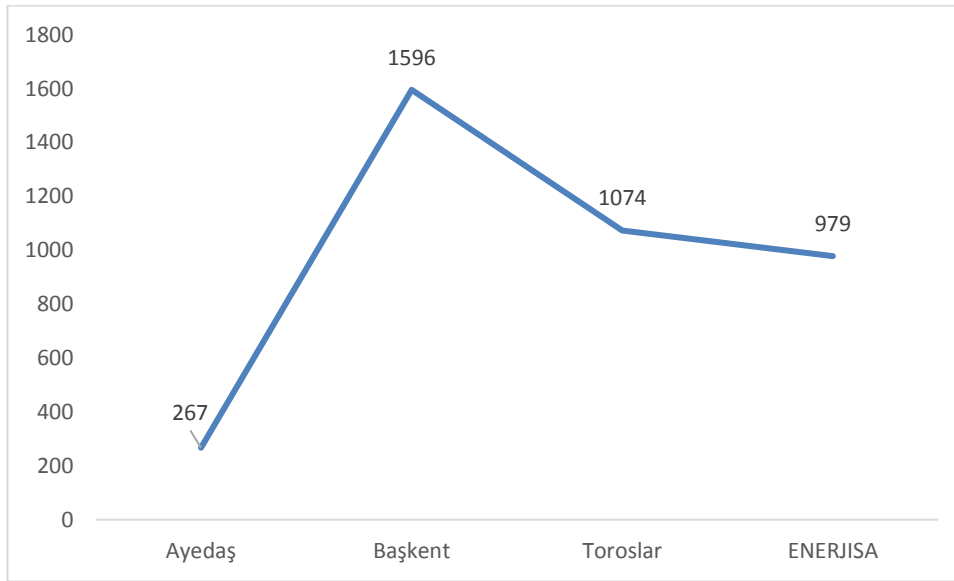


Figure 7. Mukhtar WhatsApp Queries, 2019 Monthly Average

These queries are also analysed by category. According to 2019 data, 73% of mukhtar queries are regarding power failure and 15% are about connections and disconnections.

Table 4. Mukhtar WhatsApp Query, 2019

Category	Number of Query
Lighting	740,588
Failure	9,007,966
Connect/Disconnect	1,796,313
Theft/Loss	486,882
Electric Meter	250,790
Damage Operations	61,853
<b>TOTAL</b>	<b>12,344,392</b>

#### b. Engaging with Local Communities

The Project may require some permanent acquisition of private land due to investments. We inform and consult the affected land owners/users regarding the land acquisition and compensation procedures, legal rights and land use restrictions during the construction and operation phases through written notifications, community leaflets, posters, newsletters, and face-to-face meetings.

Following figures depict a website announcement, mukhtar office and local notice board announcement samples for


expropriation by Başkent distribution company.

baskentedas.com.tr/YatirimDokumanlari/Bartın%20Merkez%20Mahalle%20Duyurusu.pdf

**Başkent** **KAMULAŞTIRMA DUYURUSU** (EXPROPRIATION NOTICE)

**Ordüyeri Mahallesi** (Related Neighborhood)

Tesisi planlanan ve aşağıda detayları yer alan Enerji Nakil Hattı için **Acele Kamulaştırma Kararı** verilmiş olup, Bartın 1. ve 2. Asliye Hukuk Mahkemesince belirlenen bedeller **T. Vakıflar Bankası Bartın Şubesine** yatırılmış/yatırılmaktadır.



**BEDELLERİN ALINABİLMESİ İÇİN:** (Directions for payments)

- 1) Bartın Asliye Hukuk Mahkeme Kaleminden Belge Alınması,
- 2) Takyidatlı Tapu Kaydı,
- 3) Kimlik Belgesi,

ile **T. Vakıflar Bankası Bartın Şubesine** başvuru yapılması gerekmektedir.

**Not:** Yaşanabilecek olası aksaklıklarda iletişim için, **186 Çağrı Merkezi** ile iletişime geçilebilir.

BAŞKENT ELEKTRİK DAĞITIM ANONİM ŞİRKETİ				
BARTIN OSB TM(AKÇALI DM)-ŞEHİR MERKEZİ ENERJİ NAKİL HATTI TESİSİ				
KAMULAŞTIRILMASINDA KAMU YARARI BULUNAN TAŞINMAZLAR LİSTESİ				
İLİ	İLÇESİ	KÖYÜ	ADA NO	PARSEL NO
BARTIN	MERKEZ	ORDÜYERİ	294	20, 30, 34, 47, 58, 59
			429	2, 25
			485	4

Figure 8. Expropriation Notice Sample - Website

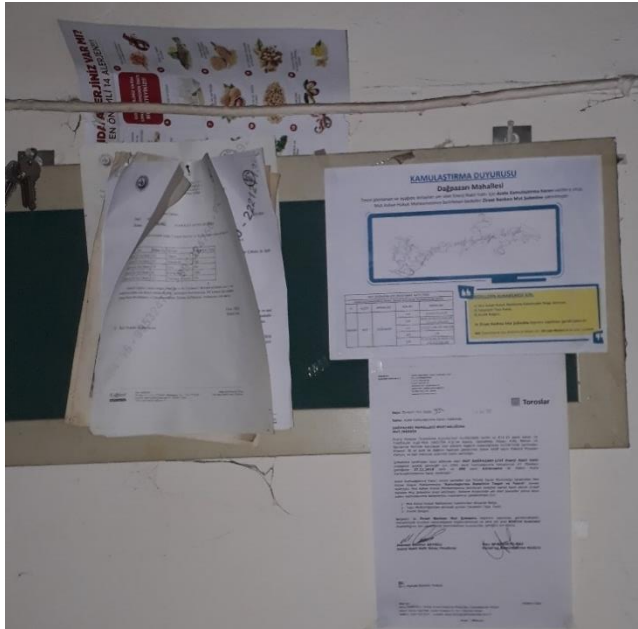


Figure 9. Expropriation Notice Samples - Mukhtar Office and Local Notice Board

We record, monitor and respond to PAPs' concerns and requests. For example, we assess grievances on pole locations, and accommodate grievances pertaining to adverse impacts of pole locations depending on approval from TEDAS.

Directly affected landowners/users will be identified during preparation of the expropriation plans. In order to minimize expropriation needs, we will take all necessary measures to avoid physical resettlement in future investment projects and will consider, to the extent possible, public areas (such as roads, streets, parks, squares, etc.) for distribution network routings.

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Among the land owners/users, potential vulnerable groups will be identified. We ensure project information disclosure for land acquisition is culturally appropriate, caters to vulnerable groups such as women, people with disabilities, illiterate, elderly, people with special needs, land users without official title deeds and similar.

### c. Engaging with Media

We use media as a tool to strength our relations with customers and community. All necessary information on our operations spread through local and national media outlets such as newspapers, magazines, TV channels, etc. As the region we operate consists of huge geography, information diffusion has different characteristic according to the cities. It is our job to specify the right tool to inform with the correct and necessary information. In order to do that, we monitor the media and public reactions closely and develop different strategies. We build our relations with the media on correct information, transparency and trust pillars. Corporate Communication Department manage both verbal and written communication with media.

Media exposures are monitored, analyzed, and reported monthly through 'Media Communication Report', evaluated internally and also reported annually to the ELDER. Press and internet news are regularly recorded at distribution company level and categorizing in detail such as positive/negative/neutral, controlled/uncontrolled, local/national etc. According to the 2019 Media Communication Report, trend of the press news are given in the figure below.

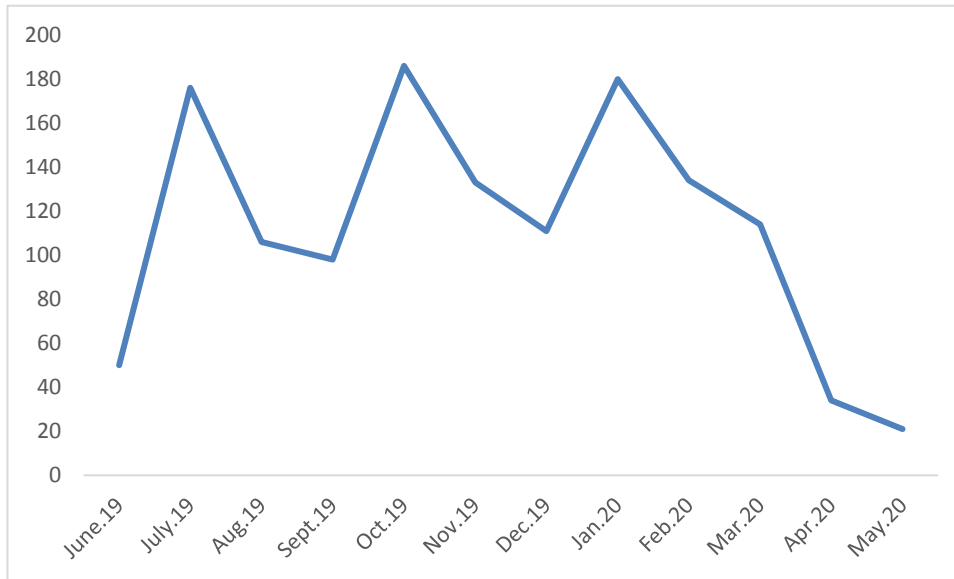


Figure 10. Total Number of Press News in the Last 12 Months

### d. Engaging with Non-Governmental Organisations (NGOs)

We are leaders in our sector by solid engagement in sector specific NGOs. Enerjisa is a member of various organisations where sector specific developments are discussed on a continuous basis. The list of organisations Enerjisa is a member of is presented in Table 6 below:

Table 5. List of Member Organizations

Member Organisations
Association of Distribution System Operators - ELDER
Turkish Industry and Business Association - TUSIAD
International Investors Association - YASED
Solar Energy Investors Association - GÜYAD

Turkey Cogeneration Association - TURKOTED
Business Council for Sustainable Development Turkey – SKD Turkey
Turkish Investor Relations Society- TUYID
EUROGIA2020

#### **e. Engaging with Society**

At Enerjisa, we serve almost 9.9 million households and 21 million users in 14 provinces with 11 million network connections. Therefore, we have the opportunity to create value in a wide ecosystem with social investments. With the goal of becoming a regional power in the energy distribution industry, we strive to create value for society and contribute to local economies. We focus on raising the awareness of children and young people to make energy sustainable by protecting natural resources while creating social investment programs.

##### **I Protect the World's Energy**

A vital topic in the field of energy in Turkey is efficiency. We aim to create and expand an awareness for energy saving among the public and especially primary school students, whom we see as the ambassadors of the future. As part of the project, Enerjisa volunteers, the Energetic Volunteers, train primary school students on energy efficiency and together with professional actors perform theater plays. Launched in 2010, the project has reached children in Zonguldak, Bartın, Karabük, Çankırı, Kastamonu, Ankara, Adana, Gaziantep, Hatay, Mersin, Kırıkkale, Ankara, Mersin and İstanbul so far. Children can also learn about the world's energy sources and how to protect these limited natural resources through animations and voice-overs that are specially prepared for them through the website [www.enerjimikoruyorum.org](http://www.enerjimikoruyorum.org).

In 2019, we introduced 6,100 elementary school students in the age group of 7-11 to theatre. We provided trainings to approximately 256,000 elementary school students from 580 schools in 14 provinces in the subject of energy efficiency and saving in order to raise their awareness.

##### **Vocational Training Support Through the Mobile Training Centre**

Vocational high schools and vocational schools for higher education are among the educational institutions providing qualified employees to the energy distribution industry. To increase the education level of the labor force in the energy distribution industry as well as the number of young people in the industry, we have implemented the Vocational Training Support through the Mobile Training Centre project. The project was launched in 2017 and is a first in the industry. We intend to contribute to the qualifications of students and teachers in the field of electric-electronic technology. As part of the project, the Mobile Training Centre is equipped with up-to-date equipment and technology used in the energy industry and capable of providing all the theoretical and practical technical training required in field operations. It also supports the development of technical skills for vocational high school students and educators.

We have reached 1,517 students in 14 different cities (Ankara, Bartın, Çankırı, Karabük, Kastamonu, Kırıkkale, Zonguldak, İstanbul Anatolian Side, Adana, Osmaniye, Gaziantep, Mersin, Kilis and Hatay) under the Vocational Training Collaboration Agreement signed with the Ministry of National Education. The Agreement will continue until the end of 2020.

##### **Vocational High School Coaches**

Coaching is a process that enables individuals to improve their learning processes and performance and acquire various skills. Coaching relationships also help employees to improve their competencies. Launched in 2012 with the initiative of the Private Sector Volunteers Association and with the participation

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of private companies, the Vocational High School Coaches Program is a volunteer-based program implemented by the Ministry of Education, General Directorate of Vocational and Technical Education protocol. Within the scope of the program, Enerjisa volunteers work as group coaches for 10th and 11th grade students from vocational high schools. The coaches meet with same student groups at least 12 times over two years and focus on different personal development goals. The relations built through this coaching are expected to cultivate new opportunities such as scholarships, internships and employment priorities, as well as other investments in vocational high schools in the future. We also aim to create permanent collaborations between the private sector and vocational high schools.

The project has been launched in 2017 and will last for two years. Under the project scope, 61 coaches have reached 214 students in Ankara, Istanbul and Adana by end of 2018. In 2019, 64 teachers of the Ministry of National Education were trained in our training centers in order to refresh their knowledge with current practices in distribution companies.

### **En-Biz**

Enerjisa distribution human resources team implemented the En-Biz to evaluate the perspectives of disabled people in business and development processes. The project aims to strengthen the social integration of individuals with disabilities through personal development and training programs. At the end of the program, the Enerjisa provides employment in certain cases. Currently, 96 people have participated in these personal development programs. The third round of the program started in 2018. We provided training to 54 people in three regions and 13 of them were hired. With the project, we intend to provide trainings for people with disabilities in other cities on Communication Skills and Communication Awareness and Preparing an Effective CV and Tips for a Successful Interview.

### **Project Daphne**

To reduce losses and prevent fire risk for power transmission lines by foresting the land under the lines, we plant value-added daphne trees with high moisture content under the lines. This project has been developed in 2019 in cooperation with Bartın University and funded by EMRA Research and Development Fund. Within the project, 5,550 saplings were planted under the electric lines. According to the scientific researches conducted by the University, it was understood that daphne trees are the most suitable tree type because of its moisture characteristics and maximum height. Also, upon the request of the University, leaves of these daphne trees will be used by local regional development cooperative by selling or used as a raw material for other regional products and enhance local income generation. Thus, Project Daphne not only reduces losses through an environmentally robust mitigation, but also contributes to local development through engagement with multi-stakeholders.

## **f. Engaging with Customers**

We consider access to energy as a natural human right. We aim to provide the best service in energy supply by continuously enhancing our products and services. We provide energy to more than 21 million people in our energy distribution and sales operations. With our customer-focused approach, we develop exclusive services and products that keep up with the constantly digitalizing world and utilize the cutting-edge technology.

We manage customer satisfaction and communication in line with our internal policies and international standards. With the ISO 10002 Customer Satisfaction standard that we have adopted, we provide services at international standards. In this context, we provide training to enable our employees to respond to customer expectations in the fastest and most efficient way. In 2018, we provided training to more than 450 employees in the areas of customer orientation and customer satisfaction.

Since communication is a priority to ensure satisfaction, we communicate with our customers through a variety of channels. While increasing the variety of communication channels we also update them according to the needs of our customers in order to resolve their issues and complaints as soon as possible. Accordingly, we make use of communication channels such as petition, SMS, e-mail, registered e-mail (KEP), telephone and internet, as well as our mobile applications Enerjisa Mobil and Mobile 186, social media, corporate şikayetvar.com account,

WhatsApp Mukhtar Support Line and SMSs. We have a wide service network with 41 customer service centers, 83 transaction centers and a 24/7 call center. We manage 2 million transactions per year, including subscription, invoices, applications and complaints. In addition to the diversity of the communication channels we create for our customers, we also bring our services to our customers' doorsteps. We have mobile service vehicles in the Başkent and Toroslar regions for use in areas that are far away from the transaction centers. We also perform regular customer satisfaction surveys for evaluating customer journeys at our customer channels and to improve customer experience.

Besides, regional measurement scores are published in the Annual Performance Report prepared by Customer Relations Department. According to the 2019 Performance Report, score of each distribution company is as follows.

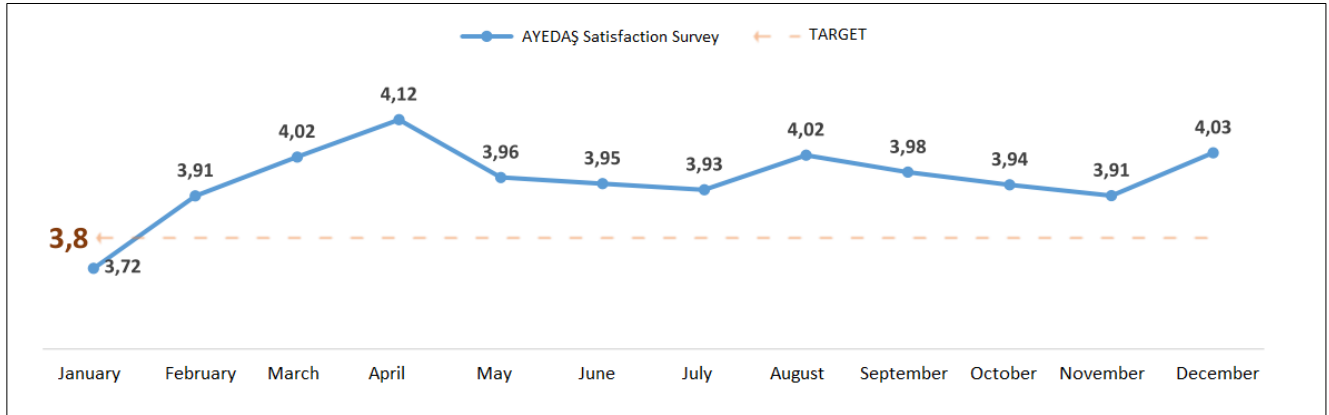


Figure 11. AYEDAŞ Satisfaction Survey Results, 2019

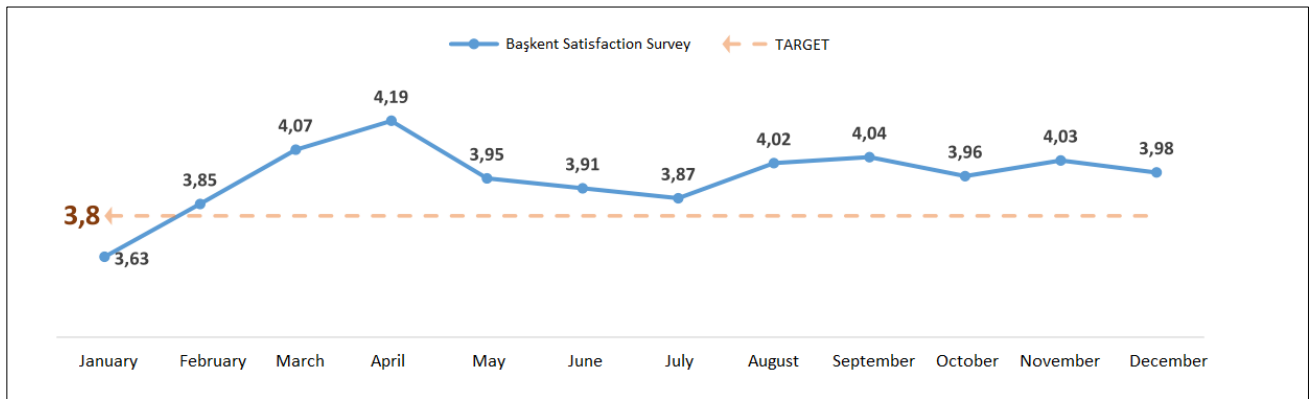


Figure 12. Başkent Satisfaction Survey Results, 2019

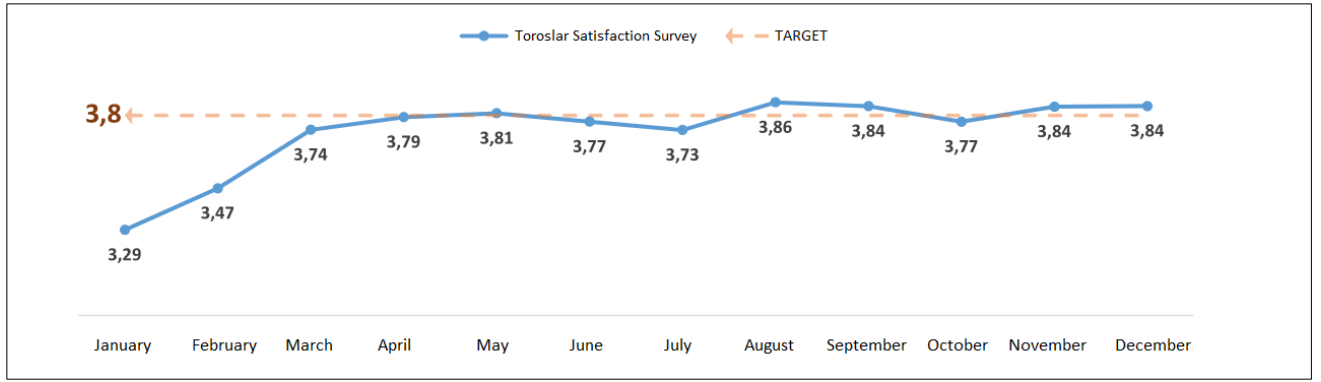


Figure 13. Toroslar Satisfaction Survey Results, 2019

As the leader energy provider in Turkey, Enerjisa guides customers to make savings based on daily household activities, considering the concept of sustainability in environment & climate and energy supply security. In that context, Enerjisa has started a national awareness campaign in 2017, which is called ‘Save Your Energy’. The campaign includes TV, digital and printed media commercials, as well as a micro website (enerjinikoru.com) that evaluates the saving habits via a gamified survey.

Enerjisa also performs various corporate social responsibility projects in line with its corporate communication procedure given in the Society Chapter 4.2.4.

#### i. Customer Experience

One of the key priorities of Enerjisa Enerji is to optimize customer experience. Enerjisa Enerji strives to ensure that a customer focused culture is adopted by all its operational units to advance the quality of service it provides to its customers. While Enerjisa Enerji distribution companies continue their operations by offering new services to customers and investing in the field of customer experience, they keep improving their operational processes in line with the quality and sustainability principles. Enerjisa Enerji prioritizes the diversification of customer communication channels that provide one-to-one contact with the customers in light of today’s needs. The Company continues its intense operations by responding and resolving customer queries and complaints through these channels promptly.

Enerjisa Enerji’s customers use various channels, such as petitions, email, telephone, websites, a mobile application (Mobile 186), registered electronic mail (REM), Twitter support accounts, Facebook corporate accounts, sikayetvar.com corporate accounts and WhatsApp “Local Authorities (Mukhtar) Hotline” to submit their requests and complaints to the Company. The information shared through these channels is logged and shared with the operational units in accordance with the Company’s customer experience principles. Feedback received from operational units is transmitted back to customers using their feedback channel of choice.

Table 6. Channels for Customer Transactions

	Call Center	Mobile App	Social Media	Petition	Email	Mukhtar Hotline	Website
Index-Reading	X	X	X	X	X	X	
Meter Operations	X	X	X	X	X	X	
Disconnect/ Reconnect	X	X	X	X	X	X	
Failure-Related Outages	X	X	X	X	X	X	X
Damage	X			X	X	X	

Lighting Failure	X	X	X	X	X	X	X
Electricity Theft	X			X	X	X	
New Connection	X	X	X	X	X	X	

Enerjisa Enerji launched the following projects in 2019 to improve its customer experience in line with the technological developments and customer requests and complaints:

#### **Index Reading – Digital Index Notification (DEBİ) Project:**

With this project, customers can view their index notifications electronically upon their approval. After the necessary configurations, index notifications are sent to customers via email and SMS at 21:00 on the same day for each customer meter whose index values are logged. The project kicked-off in three regions (AYEDAŞ, Toroslar EDAŞ and Başkent EDAŞ) as of July 2, 2019. Each month, the Company sends digital index notifications of approximately 1,200 installations to its customers via SMS and email.

#### **Meter Operations – Additional Accrual Due to Meter Failure Project:**

If consumption is measured inaccurately due to meter failures, a corrective invoice must be issued for the period when the meter is defective to prevent customer dissatisfaction or company losses. With this project, the calculation of the consumption amount reflected on the corrective invoice has been automated. Therefore, the process flows automatically for all customers whose meter is changed. With this project, the Company plans to switch to a completely user-independent system in 2020. It also plans to increase customer satisfaction by detailing the information texts sent to the customer and to prevent user-related errors.

#### **New Subscriptions – Mobil Device Atlas Application Integration:**

One of the biggest problems in the new connection processes occurs when the address for the new connection cannot be found in the system, leading to a failure in address verification and the termination of certain field orders. By entering the lot and block information into the Ministry of Environment and Urbanization's Atlas App, the coordinate data and the map of the building can be retrieved. With this integration project, Enerjisa Enerji has provided access to the Atlas App via mobile devices used in the field. Consequently, the issue of being unable to find the addresses in customer orders is eliminated by using the attained coordinate data to navigate to the correct address.

#### **Disconnection/Reconnection – Sending SMS:**

Permanent Data Storage is used to maintain records of transactions carried out at Enerjisa Enerji for subsequent retrieval purposes. This way, the consumer can examine the recorded information that was sent/received earlier at his/her convenience later. With this app, the Company ensures compliance with the Electricity Market Consumer Services Regulation and increases customer satisfaction. An SMS is sent to the consumer by specifying the date and time of the transaction, for connection, disconnection and reconnection due to new subscription, termination, default and payment of past-due invoice.

#### **Receivables Management – Indemnity Process Improvement**

With this improvement, the Company has redesigned its indemnity management process. If the customer's reconnection procedures are completed within a designated time, reconnecting from the distribution line and reconnecting from the meter processes are merged into a single process.

#### **Ability to Display Failure-Related Outages on the Mobile 186 Application:**

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In addition to planned outages, outages caused by malfunctions are also displayed on the Mobile 186 App. Thanks to this development, customers can receive the most up-to-date information about outages known to Enerjisa Enerji in the region in which they are inquiring by entering their location and address.

#### **RPA (Robotic Process Automation):**

This project uses robotic processes to automate the evaluation steps of the customers' damage claims. The process is supported by a robot engaged to evaluate and generate written responses to such damage claims. Thanks to this project, the robot performed preliminary evaluation to improve the manual evaluation process performed by the Grid Operation. This preliminary assessment processes aims to increase the quality of the answers given to the customers. Following the evaluation, the written response prepared by the Customer Relations is written by the robot. The robot's evaluations saved the Company 98 hours of work in one month during the request evaluation process.

#### **Customer Satisfaction Measurement System:**

A measurement system has been established to measure and monitor the customer satisfaction throughout Enerjisa Enerji's customer journeys across all customer contact points and results are reported monthly at regional level in these categories: Call Center, written/face-to-face communication channels, meter operations, failure, lighting, disconnect/reconnect, and customer relations responses (verbal and written).

#### **ii. Vulnerable Groups**

We consider machine-dependent patients as vulnerable groups and we have developed a system to prevent the health risks that can be caused by the power-cuts. Accordingly, vulnerable customers are registered in the system in advance and the electricity in that location is not cut off even if the customer cannot pay the debt or even if there is a system failure/cut. The flow chart of this system managed by the Customer Relations Department is given below.

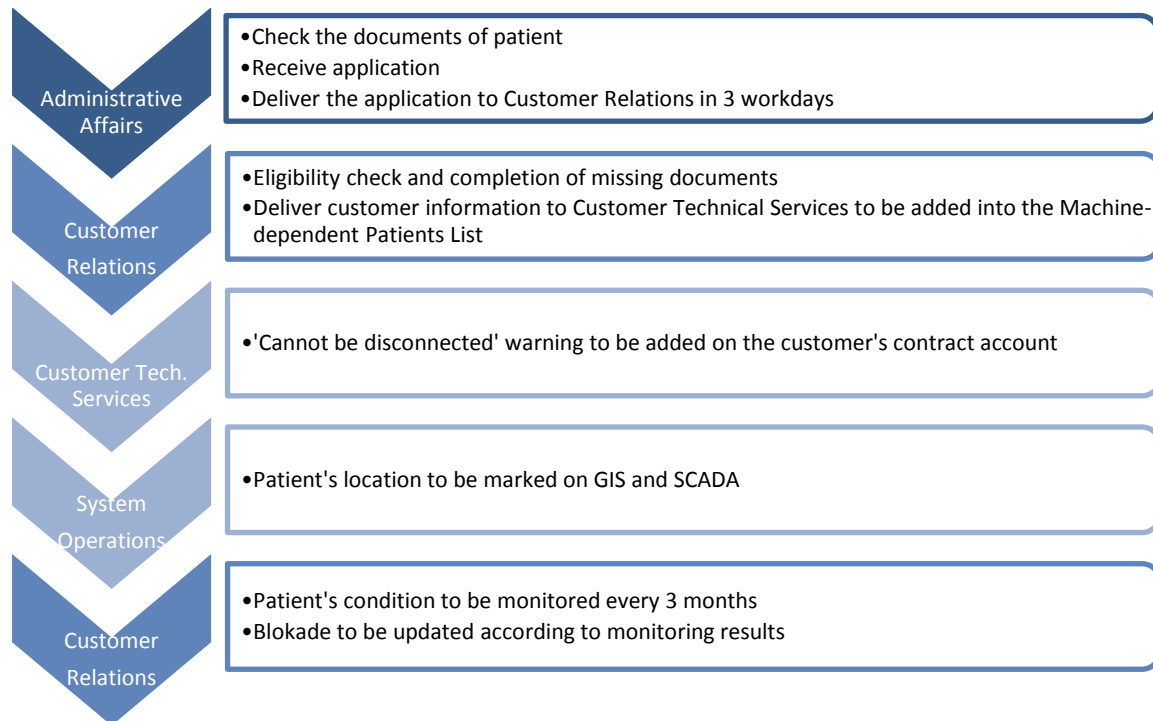


Figure 14. Machine-Dependent Patients Flow Chart

### 5.3 Stakeholder Engagement During Covid-19 Pandemic

As mentioned in the Stakeholder Engagement Briefing Note published by the EBRD in April 2020, mandatory restrictions and social distancing measures associated with Covid-19 in the economies where the EBRD invests, rule out some traditional consultation approaches in the short term. Projects at a stage of active engagement with stakeholders therefore need to develop alternate plans, taking account of mandatory, national Covid-19 restrictions and social distancing.

Accordingly, Enerjisa Enerji updated the consultation and disclosure approaches by including new engagement methods into this SEP. Engagement methods during Covid-19 pandemic include text-based messaging, email campaigns, utilization of online and telephone based tools in order to overcome mandatory restrictions on social gatherings, face to face meetings, and social distancing. Covid 19 engagement strategy also considers availability of access to online services, stakeholders' literacy and cultural considerations such as use of apt language, and ensures access to vulnerable groups.

Table 7. Short-Term Stakeholder Engagement Planning

Stakeholder Group	Key Messages	Planned Disclosure (2020 Q4-2021 Q1)	Methods (short-term)	Limitations
<b>Government agencies and regulatory bodies</b>	Planning investments Legal process for investments and operations (permits, etc.) Project results Reporting	Corporate SEP 2020 Annual Report 2020 Sustainability Report	Official correspondence Email Telephone engagement Online meetings	
<b>Analysts, credit rating agencies, financial institutions, shareholders, investors</b>	Annual reports Company valuation reports Sustainability		Online meetings Email campaigns Telephone engagement Website	
<b>Mukhtars</b>	Project impacts and risks Construction and operational mitigation measures External grievances received from PAPs Investment requests		Whatsapp Mukhtar Support Line Telephone engagement	Regular face to face mukhtar visits will not be conducted. Engagement will be limited to online and phone resources.
<b>PAPs</b>	Project impacts and risks Construction and		Telephone engagement	Short-term engagement may not reach all

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	operational mitigation measures External grievances received from PAPs Compensation entitlements	SMS Mobile App Website	PAPs
<b>Vulnerable Groups</b>	Machine-dependent patients project	Telephone engagement SMS	Engagement with patients' families to receive necessary documents for their registry in the system may be difficult in the short term.
<b>Customers</b>	Customer services Project impacts External grievances received from the customers	Call Center Mobile Application Website Social Media SMS Online Satisfaction Surveys	
<b>Press</b>	Investments Project impacts	Email Telephone engagement Online meetings	
<b>NGOs</b>	Investments Project impacts	Email Telephone engagement Online meetings	
<b>Unions</b>	Workers' rights and working conditions during the pandemic OHS implementations	Email Telephone engagement Online meetings	

In addition, employees working in the field and in direct contact with the stakeholders will have the necessary equipment in accordance with the OHS policies and governmental restrictions, and training/information related with the Covid-19 plan and policies of the Enerjisa such as Covid-19 Prevention Plan.

## 6 GRIEVANCE MECHANISM

### 6.1 External Grievance Mechanism

Enerjisa has an external grievance mechanism in place. The channels listed below are used for receiving grievances for electricity distributions of Enerjisa:

- 186 call centre,
- Mobile 186 application,
- Social media accounts (Twitter, Facebook),
- 'Şikayetvar' website
- The corporate website,
- E-mail,
- Government offices / Open door (Written grievances from public institutions),
- Petitions,
- Enerjisa Operation Centers,
- Whatsapp mukhtars support line.

Complaints are coded as complaints on behaviour (employees of Enerjisa) and other complaints. Other complaints are evaluated according to the related category and directed to the related unit. Responses are sent to the applicant via the communication channel within 15 working days. The complaint submission form available at the corporate web site is shown below in Figure 14.

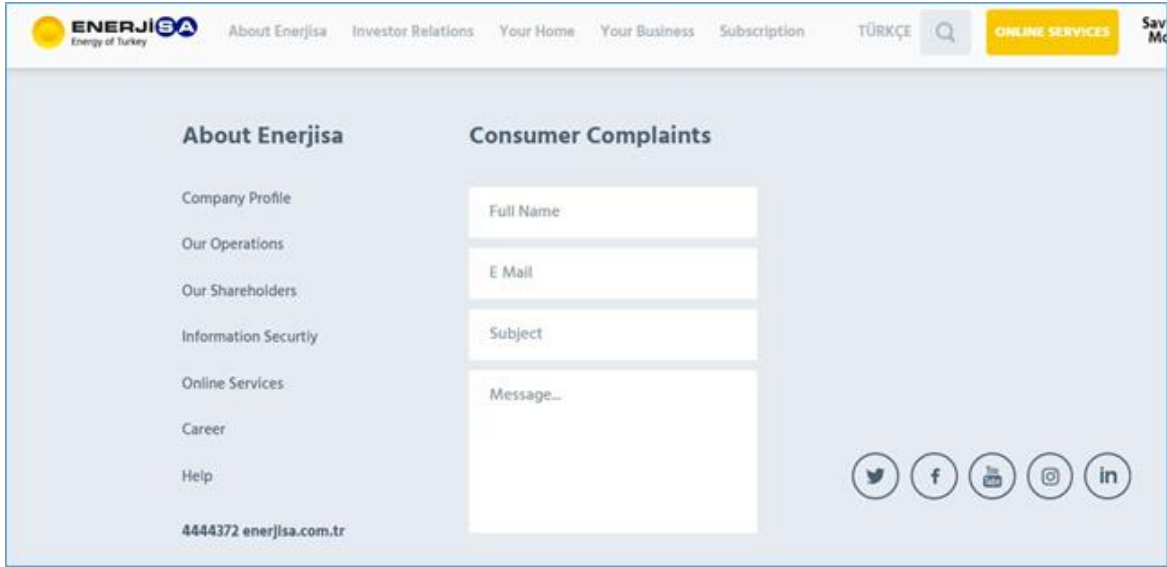
The image is a screenshot of the Enerjisa corporate website. At the top, there is a navigation bar with the Enerjisa logo (a yellow circle with 'ENERJISA' and 'Energy of Turkey' below it) and several menu items: 'About Enerjisa', 'Investor Relations', 'Your Home', 'Your Business', 'Subscription', 'TÜRKÇE', a search icon, 'ONLINE SERVICES', and 'Sav'. Below the navigation bar, the page is divided into two main sections. On the left, under the heading 'About Enerjisa', there is a vertical list of links: 'Company Profile', 'Our Operations', 'Our Shareholders', 'Information Security', 'Online Services', 'Career', and 'Help'. At the bottom of this list is the phone number '4444372' and the website 'enerjisa.com.tr'. On the right, under the heading 'Consumer Complaints', there is a form with four input fields: 'Full Name', 'E Mail', 'Subject', and 'Message...'. Below the form, there are five circular social media icons for Twitter, Facebook, YouTube, Instagram, and LinkedIn.

Figure 15. Grievance Form Available at the Corporate Web Site ([www.enerjisa.com.tr](http://www.enerjisa.com.tr))

Total of 14,605,346 grievances were recorded in 2019 for Başkent EDAŞ, Toroslar EDAŞ and AYEDAŞ. The numbers of grievances received from customers and public organizations are given in the figure below which shows that approximately 99,8% of total grievances were received from customers and 99,1% of them were resolved.



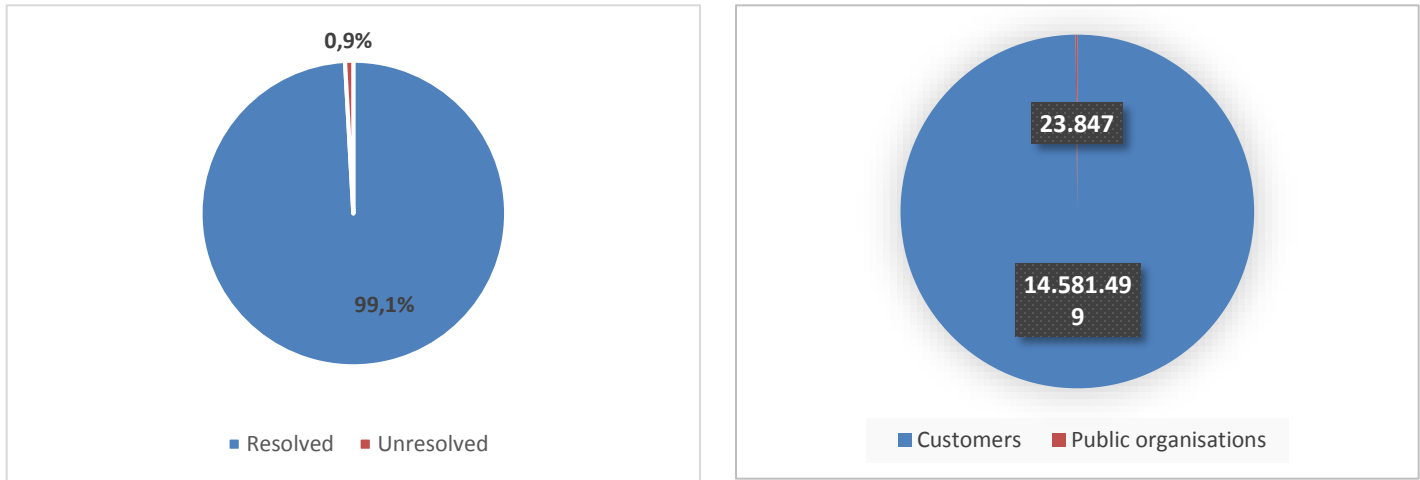


Figure 16. 2019 Grievances

According to the distribution of grievances by categories, the majority of grievances were related to power cut and general information both in 2018 and 2019. Compared to 2018, it can be seen that power cut complaints increased by about 8% and connection-disconnection complaints tripled in 2019.

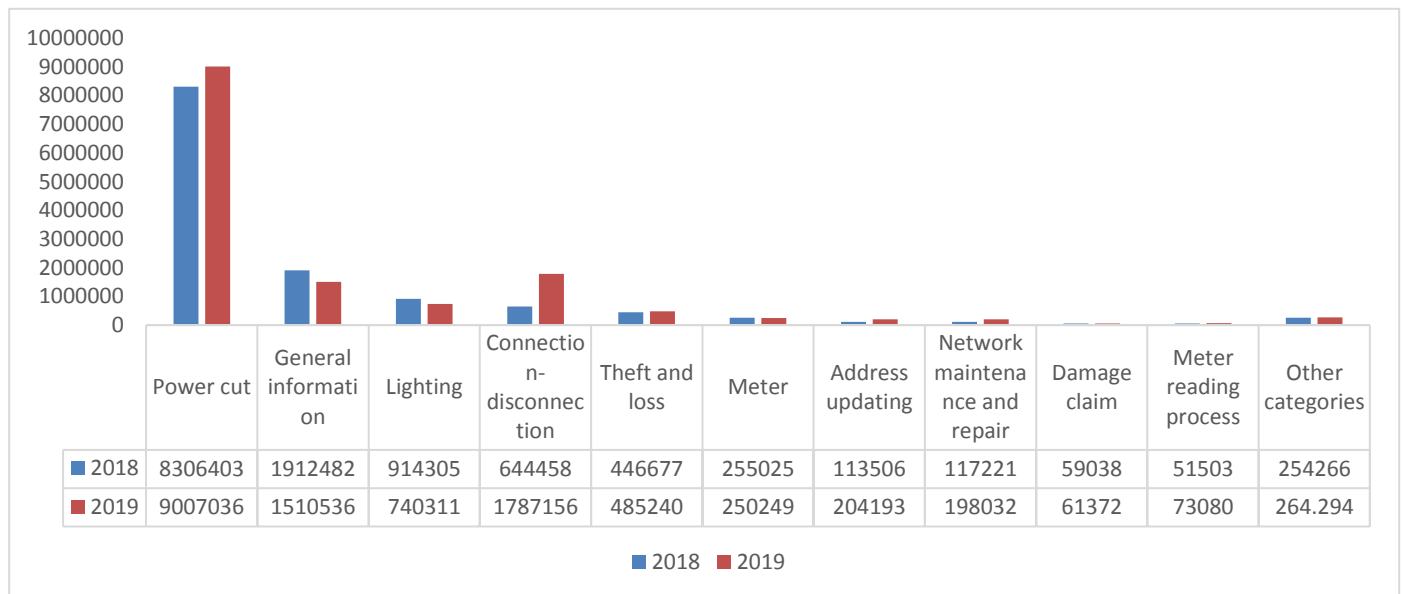


Figure 17. Number of Grievances by Category, 2018-2019

Distribution of grievances to these categories is recorded and analyzed on a distribution company basis regularly through their monthly/annual reports and SEPs.

## 6.2 Internal Grievance Mechanism

Enerjisa has an internal grievance mechanism that is continuously updated to meet EBRD PR 2.

### Ethical Rules

Enerjisa Code of Business Ethics, titled Enetik, sets a framework for employees to act with common values in all business processes. With the Code of Business Ethics, Enerjisa Enerji undertakes that the employees will demonstrate honest and ethical behavior in their relations with public institutions, customers, shareholders, competitors, suppliers, dealers, authorized dealers, and service providers. The code covers the principles

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concerning written and visual media and social media; conflicts of interest, political activities; association memberships, accepting and giving money, gifts, and donations; external duties; dress code; those who work together with their relatives; occupational health and safety and environmental protection; and substance use.

The Ethics Committee is responsible for the implementation of the code and follow-up of the compliance process. Additionally, the Human Resources Department appoints Ethics Consultants to guide employees on compliance with the code. These consultants inform employees about issues that may violate business ethics and monitor the actions taken. They also support ethical monitoring activities carried out by the board members. 25% of the Board of Directors are women. The Chairman and the CEO positions are held by different people. The Internal Audit Committee, the Early Risk Detection Committee and the Corporate Governance Committee operate under the Board of Directors.

In line with the vision and mission, Enerjisa Enerji continuously reviews and updates the business processes that are identified through a comprehensive Process Model. To increase the effectiveness of the corporate governance, Enerjisa Enerji determines and monitors performance indicators, risks, and opportunities under the leadership of process owners, and implements necessary improvements.

Internal Audit Department follows-up issues regarding the violation of work ethics. The consultants also follow the effectiveness of business ethics training and practices within the company.

All employees and other stakeholders of Enerjisa can report cases of non-compliance with the code of ethics to Enerjisa Enetik via various channels. Email: [ENETİK@enerjisa.com](mailto:ENETİK@enerjisa.com), [ethics notification form at www.enetik.enerjisa.com](http://www.enetik.enerjisa.com), by phone: +90 (312) 573 55 55, by fax: +90 (312) 573 55 55, or by mail: P.K. 2 06510 Emek/Ankara. They can also notify via the Sabancı Holding line. The head of the Internal Audit Department is the only person authorized to access notifications and is responsible for the security, confidentiality, and management of all notification channels. The Internal Audit Department, Ethics and Inspection Office independently and thoroughly examines Enetik notifications received via telephone, e-mail, fax, or mail. The results are reported to the senior management and to the Disciplinary Board when deemed necessary, and the Audit Committee is informed about the issue. In 2018, Enerjisa Enerji received 107 notifications about ethical issues. The main corruption issues were bribery, using company resources for private purposes, improper transactions to the detriment of the company, and theft.

### **Internal Audit**

Enerjisa Enerji ensures efficient and effective operations through internal audit. As part of Internal Audit activities, the Board of Directors ensures that Enerjisa and its subsidiaries operate in accordance with the laws and other applicable legislation and internal procedures. The Board also aims to guarantee the efficiency of risk management systems through internal audit. To improve business processes and add value to the corporation, insights and suggestions are offered for taking preventive measures, protecting corporate assets, and increasing operational efficiency.

The Internal Audit Department reports directly to the Audit Committee, which consists of independent board members of the Board of Directors. The internal audit plan is updated annually. And following its approval by the Audit Committee and the Board of Directors, the audit is carried out in accordance with international standards. In 2018, this compliance was certified by an independent quality assurance assessment.

### **Countering Bribery and Corruption**

Countering bribery and corruption plays a vital role in ensuring that all industrial activities and business relationships adhere to ethical principles and adopt a fair and transparent manner. The Enerjisa Anti-Bribery and Anti-Corruption Policy details the anti-bribery and anti-corruption approaches in the Code of Business Ethics. The Board of Directors is responsible for implementing and updating the policy. However, certain duties have been assigned to the Corporate Governance Committee, the Internal Audit Department, and the Ethics Committee.

This policy is binding upon people and organizations (business partners) acting on behalf of Enerjisa, including all employees, goods and service providers and their employees, suppliers, consultants, lawyers, and external

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auditors.

As part of Business Ethics training, a total of 1,455 hours of fight against bribery and corruption. The Enerjisa Code of Business Ethics and the Collective Bargaining Agreements signed between employer representatives established strict anti-bribery rules and defined the sanctions to be imposed by the Disciplinary Committees. In this context, a sanction is imposed if a violation is reported by the Internal Audit and communicated to the Disciplinary Committees.

## 7 PUBLIC DISCLOSURE

As Enerjisa Enerji, we are committed to transparency in its relations with stakeholders and disclose all of the public consultation documents in accordance with best practice. We will maintain an open-door policy around stakeholder engagement. In this context, this SEP will be disclosed on our corporate website <https://www.enerjisa.com.tr/> and Investor Relations website <https://www.enerjisainvestorrelations.com/>.

### 7.1 Mainstreaming Gender

As stated in our recruitment procedure, recruitment in Enerjisa Enerji is carried out regardless of gender, nationality, ethnicity in order to find and place the most suitable candidate on the basis of corporate culture, company objectives, specific competencies, knowledge and experience. We also attach importance to the fact that employees take equal advantage of the opportunities offered by the company throughout their working life after recruitment.

Labour relations are carried out in accordance with the applicable legislation. In our HR Policy, we strongly state that the creating and maintenance of a fair working environment for employees in the workplace is considered to be the most important priorities. Discrimination is strictly prohibited among employees due to language, race, colour, gender, political thought, religion, sect, age, physical disability and etc.

We also signed United Nations Women Empowerment Principles (WEPs) in 2019. By signing the Women's Empowerment Declaration, Enerjisa has declared that it adopts and supports the approach of women-men equality at works and has lead the way for many companies in this field. Although we have policies and procedures to guarantee equal opportunities for male and female employees, positions involving works such as meter operations in the field, repairing, connect-disconnect, maintenance are not popular with women applicants by the nature of the electricity distribution business. Managing positions, white-collar jobs and call-centers are with the highest number of female employees. Gender-based employee numbers by distribution companies and departments are recorded and monitored by HR department. Female employee numbers by company are as follows. According to this, approximately 6% of total employees are female in total. Başkent has the highest rate of female employees (7,7%), Ayedaş is the 2nd (5,3%) and Toroslar has the lowest rate (%3,7).

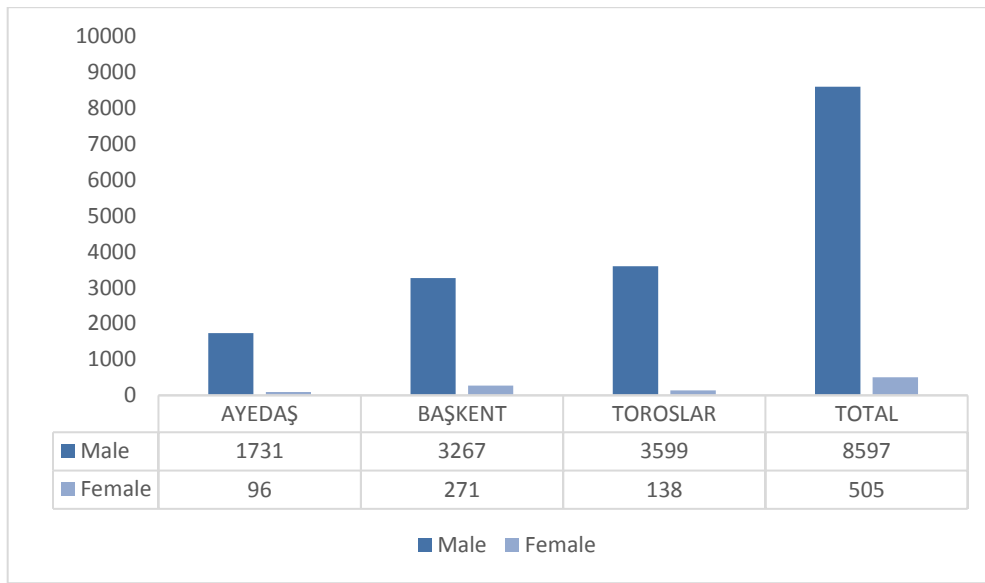


Figure 18. Distribution of Employees by Gender

Figure 7 shows the distribution of managerial staff by gender. The rate of female managers/directors is 18% which is higher than Turkey's average (14,7)<sup>1</sup>.

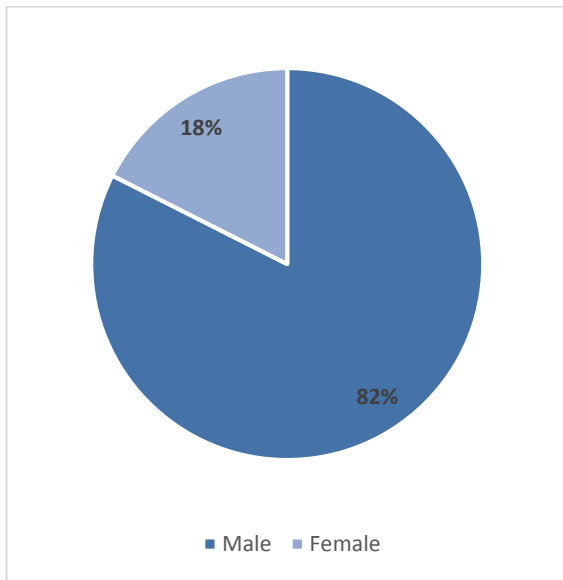


Figure 19. Distribution of Managerial Staff by Gender

On the other hand, the indicators that reveal gender impact of the company will be improved and detailed. Data related with the following issues will be gender-disaggregated and the results will be used to take action in corporate level to contribute to gender equality both in the company and in stakeholders we engaged.

- Gender impact of operations and services (especially the impact of implementations and applications)

<sup>1</sup> [https://kockam.ku.edu.tr/wp-content/uploads/2019/11/KOCKAM\\_Rapor\\_DIGITALCOPY-1.pdf](https://kockam.ku.edu.tr/wp-content/uploads/2019/11/KOCKAM_Rapor_DIGITALCOPY-1.pdf)

that contribute to the women-friendly cities such as lighting services)

- Gender impact of CSR projects and activities (participants/beneficiaries of the trainings, internships, sponsorships, events, donations etc.)
- Distribution of grievances (number and content) by gender

## 8 RESOURCES AND RESPONSIBILITIES

The Company will have an overall responsibility for undertaking and supervising engagement with all stakeholders in relation to the Project and will use available resources to ensure that the relevant activities are conducted effectively and to the appropriate standard. Received grievances and response status with actions taken/ to be taken and the results will be summarized in monthly reports. These reports will include a section detailing the number and nature of grievances received and the Company's performance in addressing the grievances.

## 9 MONITORING AND REPORTING

SEP monitoring and evaluation reports including general performance/sustainability aspects of the Project will be disclosed to stakeholders periodically by Enerjisa via the corporate web site.

Monitoring by an Independent Consultant/Consulting Firm once a year will be a part of SEP monitoring works to increase transparency and reliability. Actions defined in this SEP will be evaluated during this external monitoring process. A framework for SEP monitoring is given below.

Table 8. SEP Monitoring Indicators

Subject	Monitoring Indicator	Monitoring Frequency	Responsible
<b>Trust and satisfaction of the customers and society</b>	<ul style="list-style-type: none"> <li>- Satisfaction survey results of electricity subscribers and users</li> <li>- Observations regarding the attitude and feedbacks of people whose private lands are impacted by expropriation regarding the land acquisition process</li> <li>- Feedbacks and comments of public and local authorities</li> <li>- Feedbacks of corporate customers such as workplaces, industrial or trade firms</li> <li>- Results of grievance mechanism analysis regarding society/customer trust and satisfaction</li> <li>- Press and social media exposure analysis data</li> </ul>	Monthly	Customer Relations Customer Operations Corporate Communication Real Estate and Expropriation Construction Works
		Annually	3 <sup>rd</sup> party/Consultant
<b>Stakeholder engagement process and grievance mechanism</b>	<ul style="list-style-type: none"> <li>- Stakeholder engagement process in the distribution company level – activity records, number of meetings, visits to local authorities or other local stakeholders, meetings with the PAPS impacted by expropriation, media</li> </ul>	Weekly and Monthly	Customer Relations Customer Operations Corporate Comm. Network and System Operation

	exposures, CSR activities (including sponsorships) - Project-specific impact reporting – Hasta Var, Daphne, I Protect World's Energy, Vocational High School Coaches etc. - Call center satisfaction data - Grievance mechanism data – resolved/unresolved grievance numbers, grievance closure period/rate, period for informing the complainant, grievance results (actions taken).		HR
		Annually	3 <sup>rd</sup> party/Consultant

The following table shows the reporting work that will be used in monitoring and evaluation.

Table 9. SEP Reporting Works

No	Report/Document	Time Period	Related Department/Party
1	Enerjisa Annual Report	Annual	All Departments
2	AYEDAŞ Annual Report	Annual	Distribution Company Managers
3	Başkent Annual Report	Annual	Distribution Company Managers
4	Toroslar Annual Report	Annual	Distribution Company Managers
5	Reports prepared/to be prepared related with EBRD and IFC requirements such as SMMP	To be determined	Social Monitoring Team
4	ELDER Report	Annual	ELDER
5	Media Analysis Reports (including social media)	Monthly and Annually	Corporate Communication
6	Visit/Meeting Monitoring Records	Monthly	Head Office (Corporate Comm.), Managers of Distribution Companies
7	Reports prepared for ELDER	Monthly	Corporate Communication
8	Corporate and Distributions' SEP Activities	Monthly and Annually	Head Office, Distribution Company Managers
9	EMRA Mukhtar and Customer Satisfaction Survey	Annually	EMRA
10	Enerjisa Customer Satisfaction Survey	Annually	Customer Relations
11	Call Center Satisfaction Survey	Annually	Customer Relations
12	Employee Motivation Rewards and Satisfaction Survey	Annually	HR

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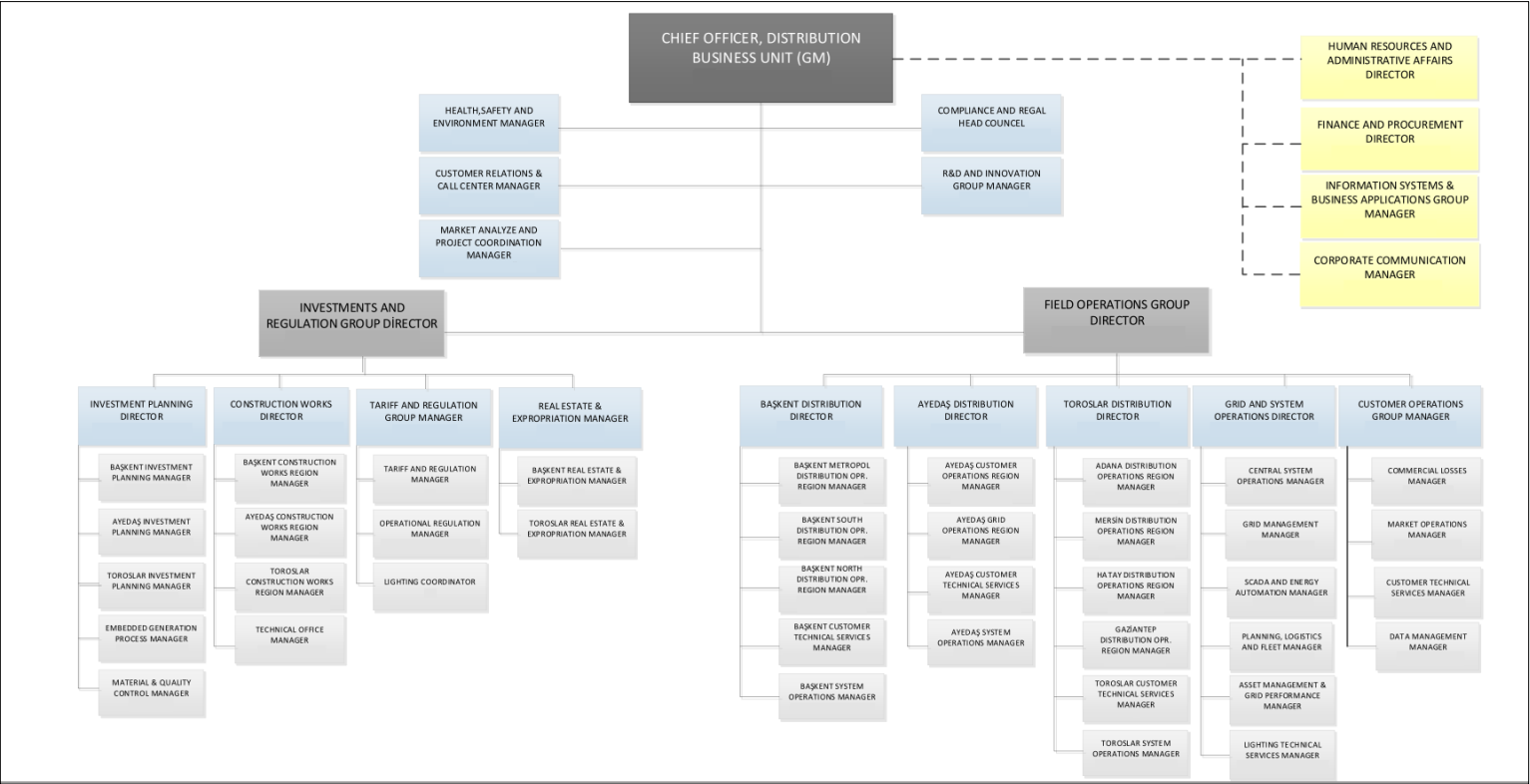
13	Reports for Contractors Regarding Contractors Management Plan	Monthly and Annually	Contractor Firms OHS-E HR
14	Grievance and demand analysis results	Monthly and Annually	Customer Relations Corporate Communication Other Related Departments
15	Enerjisa and Distribution Companies Department Reports	Monthly	Head Office, Company Managers

## 10 CONTACT INFORMATION FOR THE PUBLIC

Address: ENERJİSA ENERJİ A.Ş. Barbaros Mah. Begonya Sok. Nida Kule Ataşehir, Batı Sitesi No:1/1 Ataşehir 34746 İstanbul.

Phone: 444 4 372

# Appendix A: Organization Chart





## Appendix B: Comment/Grievance Form

COMMENT/GRIEVANCE FORM		
INFORMATION ABOUT THE PERSON SUBMITTING COMMENT AND/OR COMPLAINT (Please leave blank if you wish to remain anonymous. Your comments/complaints will still be considered by Enerjisa)		
Full Name:		
Date:		
Contact Information: (Please provide necessary information based on how you wish to be contacted)		
By mail .....		
By phone .....		
By e-mail.....		
Indicate your purpose: <input type="checkbox"/> Comment <input type="checkbox"/> Complaint  Recorded by: <input type="checkbox"/> Person submitting comment/complaint  <input type="checkbox"/> Other (please specify who)		Signature confirming receipt of completed Comment/Complaint Form copy .....
YOUR COMMENTS (Continue on the back of the sheet if required)		
INFORMATION ABOUT YOUR COMPLAINT		
Describe the Complaint (Continue on the back of the sheet if required)		
Date of Incident Regarding Complaint		
<input type="checkbox"/> ..... One-time incident/grievance (Date )		
<input type="checkbox"/> ..... Happened more than once (how many times? )		
<input type="checkbox"/> On-going (currently experiencing problem)		
What would you propose to resolve the problem? (Continue on the back of the sheet if required)		
This section will be filled by Enerjisa		
STATUS OF COMMENT		
Comment Logged (Y/N)	Date of submission:	Logged by:
Response Required (Y/N)	Date of response sent:	

STATUS OF COMPLAINT		
Complaint Logged (Y/N)	Date of submission:	Logged by:
Date of Response sent:	Complaint closed (Y/N):	Close out date and signature: