



POWER BEYOND BORDERS

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ABOUT THIS REPORT

We hereby present our sustainability performance and progress report on our environmental, social and economic impacts and corporate governance practices to our stakeholders.

Our sustainability report aims to inform all our stakeholders in a transparent manner about our business activities and our sustainability approach based on the pillars of "Environmental Sustainability," "Employees" and "Social Responsibility." This report covers the period between January 1 and December 31, 2020. Unless otherwise stated, the scope of data in the report includes all our operating regions in Turkey and abroad.

This report was prepared in accordance with GRI (Global Reporting Initiative) Standards (Core); and the Electric Utilities Sector Disclosure was used as a reference guide. In preparing our report, we also complied with the principles of the United Nations Global Compact (UNGC), to which we are a signatory, and followed the guidelines of the United Nations Sustainable Development Goals (SDG).

You can access our sustainability report at <http://www.aksaenerji.com.tr/en/home> and send your questions, feedback, and recommendations regarding this report to surdurulebilirlik@aksa.com.tr.

With the vision of becoming a global energy company with the operations in Turkey, Northern Cyprus, Ghana, Madagascar, and Mali, we focus on creating sustainable value for the economy, the environment and society. Within this scope, we are working non-stop to ensure people in different parts of the world can have access to electricity as a basic human need.

With our motto of “Power Beyond Borders,” we continue our operations on a global scale via our power plants located in Turkey, Northern Cyprus and three African countries. We are also excited to gain a foothold in Asia with three natural gas power plants which are currently under construction in Uzbekistan.

Due to the high environmental impact of the energy sector, we develop biodiversity projects that create value for natural life.

Our Sustainability Report 2020 is enriched with content on cranes. These unique birds hold an important place in the folk songs, poetry, and patterns of the Anatolia region. Cranes are capable of making intercontinental migrations and covering 20 kilometers in a single day.



A JOURNEY THAT LASTS FOR GENERATIONS



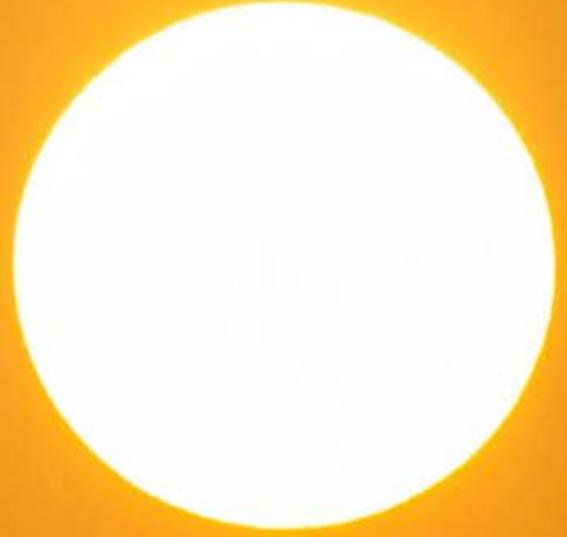
A symbol of abundance and bounty, cranes migrate every year and pass over our homeland during their journey that lasts for generations.

We embarked on our journey of becoming a global company in these same lands. We design our roadmap with sustainable strategies and flap our wings to ensure a better tomorrow for future generations.





ENERGY THAT EXTENDS TO AFRICA



Cranes grow very rapidly and are able to withstand harsh conditions thanks to their impressive strength, brilliance and resilience. Every year, countless flocks of cranes fly over Turkey in a typical "V" formation to reach their destination: Africa.

With power plants constructed in Ghana, Madagascar and Mali - African countries in urgent need of electricity - we provide the critical power that these markets need to develop. This way, we also create sustainable value for our home country by providing foreign currency inflows to Turkey.

**FOR SUSTAINABLE
DIVERSITY**

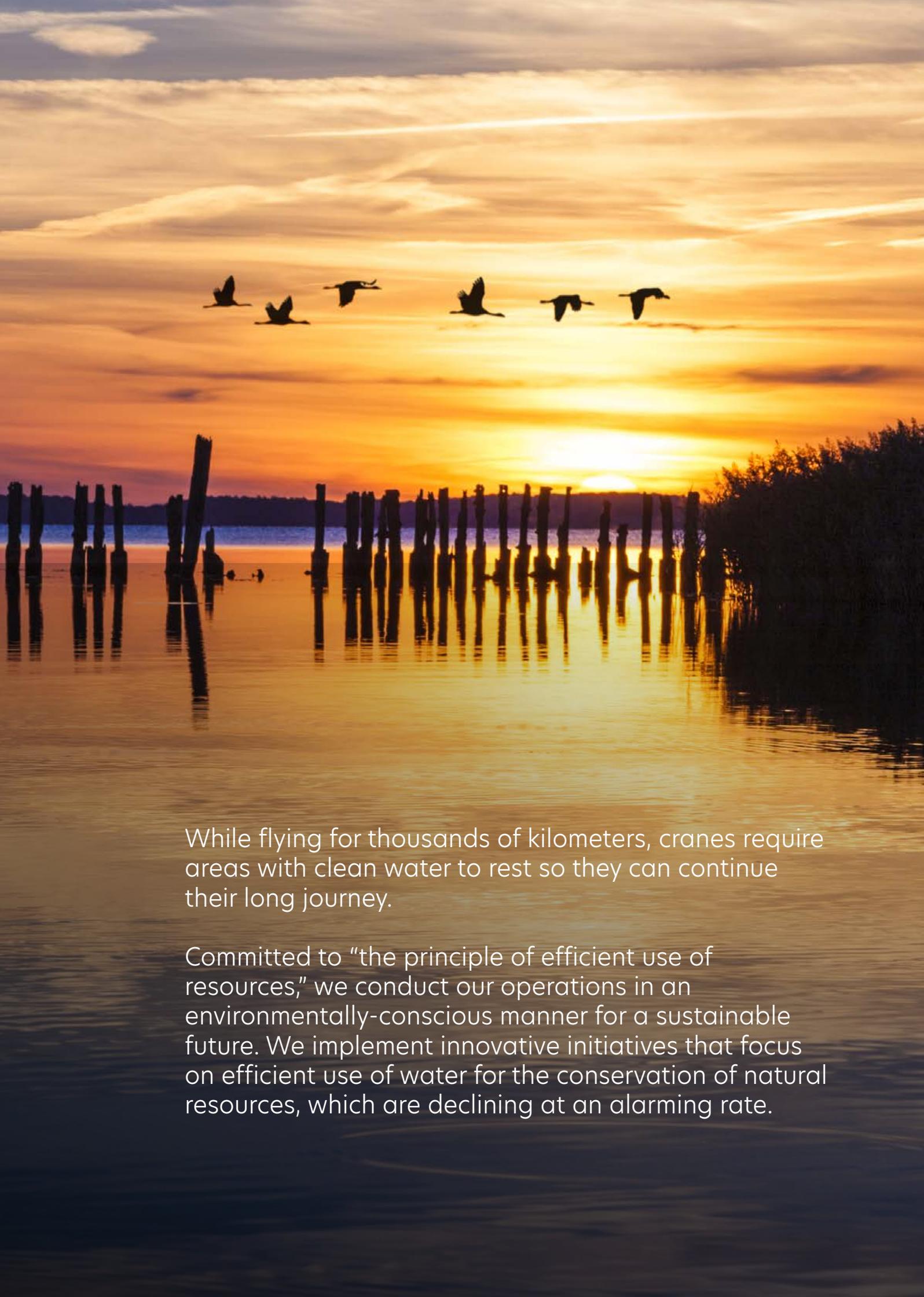


A blurred background of a forest with sunlight filtering through the trees and a dark, bare branch in the foreground.

We value biodiversity and carry out projects aimed at protecting endangered species as part of our environmental responsibility.



RESPECTING NATURAL RESOURCES



While flying for thousands of kilometers, cranes require areas with clean water to rest so they can continue their long journey.

Committed to “the principle of efficient use of resources,” we conduct our operations in an environmentally-conscious manner for a sustainable future. We implement innovative initiatives that focus on efficient use of water for the conservation of natural resources, which are declining at an alarming rate.

Message from the Chairman and CEO

In this highly challenging year that we left behind, our top priority was to safeguard the health of all our stakeholders, especially our employees, while continuing to provide uninterrupted services.



We delivered uninterrupted service at both our domestic and overseas power plants thanks to the expedient and effective measures we took in response to the pandemic.

Dear Distinguished Stakeholders,

The Covid-19 pandemic left its mark on 2020 and affected all the world's economies on an unprecedented scale. Economic stagnation quickly spread and unemployment jumped around the globe. The Turkish economy also felt the negative effects of the pandemic. However, thanks to the government's rapid response, Turkey's economy grew by 1.8% in 2020.

Lower industrial production during the pandemic led to a double-digit decline in electricity consumption in April-May 2020. Starting from June, when normalization steps were taken, supply and demand began to regain their balance. The recovery became more pronounced from August onwards. Meanwhile, a landmark discovery of natural gas was made in Turkey, which will reduce the country's dependence on foreign energy imports and help lower the current account deficit. The discovery of 405 billion m³ of natural gas in the Black Sea with the first national deep drilling effort was one of the most important agenda items of the year. This major finding promises to boost Turkish economy and its energy supply security.

The Turkish energy sector demonstrated great resilience during the pandemic and continued its generation activities to maintain

energy supply. According to Turkish Electricity Transmission Corporation (TEİAŞ) data, Turkey's total installed capacity expanded from 91.3 GW in 2019 to 95.8 GW in 2020, up by 4.5 GW year-on-year. New investments in the sector were concentrated in renewable energy thanks to incentives offered to investors under the Renewable Energy Resources Support Scheme (YEKDEM). Due to the impact of the Covid-19 pandemic, electricity consumption remained relatively stable compared to the prior year. Depreciation of the Turkish lira caused an increase in the operating costs of natural gas-fired power plants. This rise was partially reflected in higher electricity prices.

Solid Financial Structure and Sustainable Profitability

In this highly challenging year that we left behind, Aksa Energy's top priority was to safeguard the health of all its stakeholders, especially its employees, while continuing to provide uninterrupted services. We took all necessary precautions by saying "Health Comes First" at our power plants and safely continued electricity generation – a fundamental human need. The exemplary precautionary measures at our Bolu Göynük Thermal Power Plant were recognized with the Covid-19 Safe Production Certificate from the Turkish Standards Institute (TSE).

470
TRY Million

Net Profit



At Aksa Energy, we delivered uninterrupted service at both our domestic and overseas power plants thanks to the expedient and effective measures we took in response to the pandemic. In 2020, we conducted our operations with a focus on sustainable growth and profitability. With this approach, Aksa Energy reported net profit of TRY 470 million, a 43% jump from the previous year. Total revenues rose to TRY 7.2 billion, up 30% year-on-year. With the strong contribution of its overseas operations, Aksa Energy posted Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) of TRY 1.5 billion in 2020. While we moved forward with new investments in line with our global growth vision, we also reduced our debt, decreasing the company's net debt-to-EBITDA ratio to 1.76x.

We Are Further Diversifying Our Investments

In 2020, we focused on turning the risks brought by the pandemic into opportunities. During the year, we continued to search for new investment opportunities abroad. In May 2020, we announced that we would operate on the Asian continent for the first time with its Uzbekistan investment. We are further diversifying our portfolio geographically with the natural gas combined cycle power plants in Uzbekistan. These facilities are planned to be commissioned gradually in the fourth quarter of 2021 with an installed capacity of 740 MW. In the beginning of 2021, we also signed a 30-year concession agreement for the operating right of a natural gas power plant in the Republic of Congo with an installed capacity of 50 MW. In addition, we started to export energy to Iraq.

1.5
TRY Billion

EBITDA

Message from the Chairman and CEO

We facilitate access to energy in developing markets, such as African countries, and contribute to their socio-economic development by creating employment opportunities.

2.3 TRY Million

Environmental Investments



Aksa Energy recycles hazardous and non-hazardous waste from its operations in line with applicable legislation. We regularly enhance our waste management processes with innovative technologies to reduce resource consumption and waste generation.

Covid-19 Reminded Us of the Importance of Sustainability

This year, global awareness was raised on the key issues of our time: economic and social inequality, climate change, digitalization, and innovation. The pandemic showed us that we need to use what we have learned from this challenging experience to build a better world. As a company that adopts sustainability as a business model in every aspect, Aksa Energy remains committed to addressing ever-deepening economic, social, and environmental issues – now more than ever.

Since 2014, we have engaged in exemplary practices in sustainability with a business model that prioritizes economic, environmental, and social development. At Aksa Energy, we assess the potential environmental, social and governance impacts, as well as the economic risks and opportunities of our business activities. We aim to ensure continuous value creation for our stakeholders. With this approach, we support existing policies and joint actions in sustainability. Since 2015, our company has been a component of the BIST Sustainability Index. In addition, we signed the Trillion Tonne Communiqué, in 2015, and the United Nations Global Compact (UNGC) in 2017. These efforts indicate our commitment to sustainability, both locally and internationally.

Our Environmental Investments Amounted to TRY 2.3 Million

We are aware of the environmental impact of the energy sector. At Aksa Energy, we are committed to “efficient use of resources.” With this perspective, we boosted our environmental investment spending to TRY 2.3 million in 2020. We engage in a wide range of activities to mitigate the adverse effects of our operations on the environment. Our technological investments and initiatives help us to optimize our costs and reduce greenhouse gas emissions. We place great importance on the use of efficient and environmentally friendly technologies at our power plants. We completed the necessary environmental investments at our Bolu Göynük Thermal Power Plant, commissioned in 2015, while it was still under construction. With the “fluidized bed combustion technology and flue gas treatment system” in use at this facility, we have met the European Union emissions target since the plant’s commissioning in 2015.

Two of Our Power Plants Received “Zero Waste” Certification!

Waste management is a key component of the sustainability approach at Aksa Energy. We manage our wastes in accordance with our Environmental Policy and applicable laws, rules, and regulations. Hazardous and non-hazardous waste from our

operations are recycled in line with legal and regulatory requirements. We regularly enhance our waste management processes with innovative technologies to reduce resource consumption and waste generation. As a result of our focused efforts in this important area, we obtained "Zero Waste" Certification for Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant.



Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant

Ongoing Efforts to Protect Biodiversity

Aksa Energy takes into account its potential effects on living species in the regions where it operates. We also monitor, assess and report the impact of our operations on biodiversity. Since 2015, we have supported various projects via collaborations to reduce and monitor potential negative impacts in the regions where we operate and to protect endangered species. We plan to support further initiatives in this arena in the coming year.

We Embrace Our Corporate Responsibilities Related to Social Development

We believe that energy generation is a vital need for economic growth and social development. With this perspective, we facilitate access to energy in developing markets, such as African countries, and contribute to their socio-economic development by creating employment opportunities. As always, this year we focused on employing local residents to meet our staffing needs in our operating regions. As of 2020 year-end, local employees accounted for 61% of the total staff in Ghana, 62% in Madagascar, 65% in Mali, and 72% in Northern Cyprus. Furthermore, we aim to work with locally based contractors at both our foreign and domestic power plants.

In 2020, we supported combat for the disruptive effects of the Covid-19 pandemic in our operating regions with donations. We supported the extraordinary fight against the pandemic by donated TRY 2.5 million to the Assistance Fund of Doctor Burhan Nalbantoğlu State Hospital in Northern Cyprus and GHS 2.5 million to the Covid-19 fund established by the Republic of Ghana.

We Aim to Bolster the Brand Value of Aksa Energy

In 2020, Aksa Energy was named the Most Reputable Brand in the Energy Sector at The ONE Awards – Integrated Marketing Awards event held by Marketing Türkiye magazine. This prestigious award confirmed our ongoing efforts to become a global player in the energy sector. In the coming year, we plan to further consolidate our competitive edge and position among the world's leading energy brands. Aksa Energy aims to pursue growth opportunities that create added value, while also undertaking key projects in the sustainability arena. I would like to express my gratitude to all our stakeholders, particularly our employees, who have supported Aksa Energy on its journey to sustainable success.

Cemil Kazancı
Chairman and CEO



We take into account our impact on living species in the regions where we operate. We also monitor, assess and report the impact of our operations on biodiversity.

63%

Local Residents Employed at African Power Plants

About Us

We operate in five countries on two continents with the international investments we have undertaken as part of our globalization strategy.

1,946
MW

Installed
Capacity



We introduced our efficiency and sustainability-driven approach to foreign markets through investments in Northern Cyprus, Ghana, Mali and Madagascar power plants.

Aksa Energy was established in 1997 as a subsidiary of Kazancı Holding. We commissioned our first energy investment in 1998, and diversified our power plant portfolio over time by using various energy sources. We completed our first international power plant investment in Northern Cyprus. Shifting our investment strategy in 2015, we decided to expand abroad and entered the African market with the power plants we commissioned in Ghana, Madagascar, and Mali.

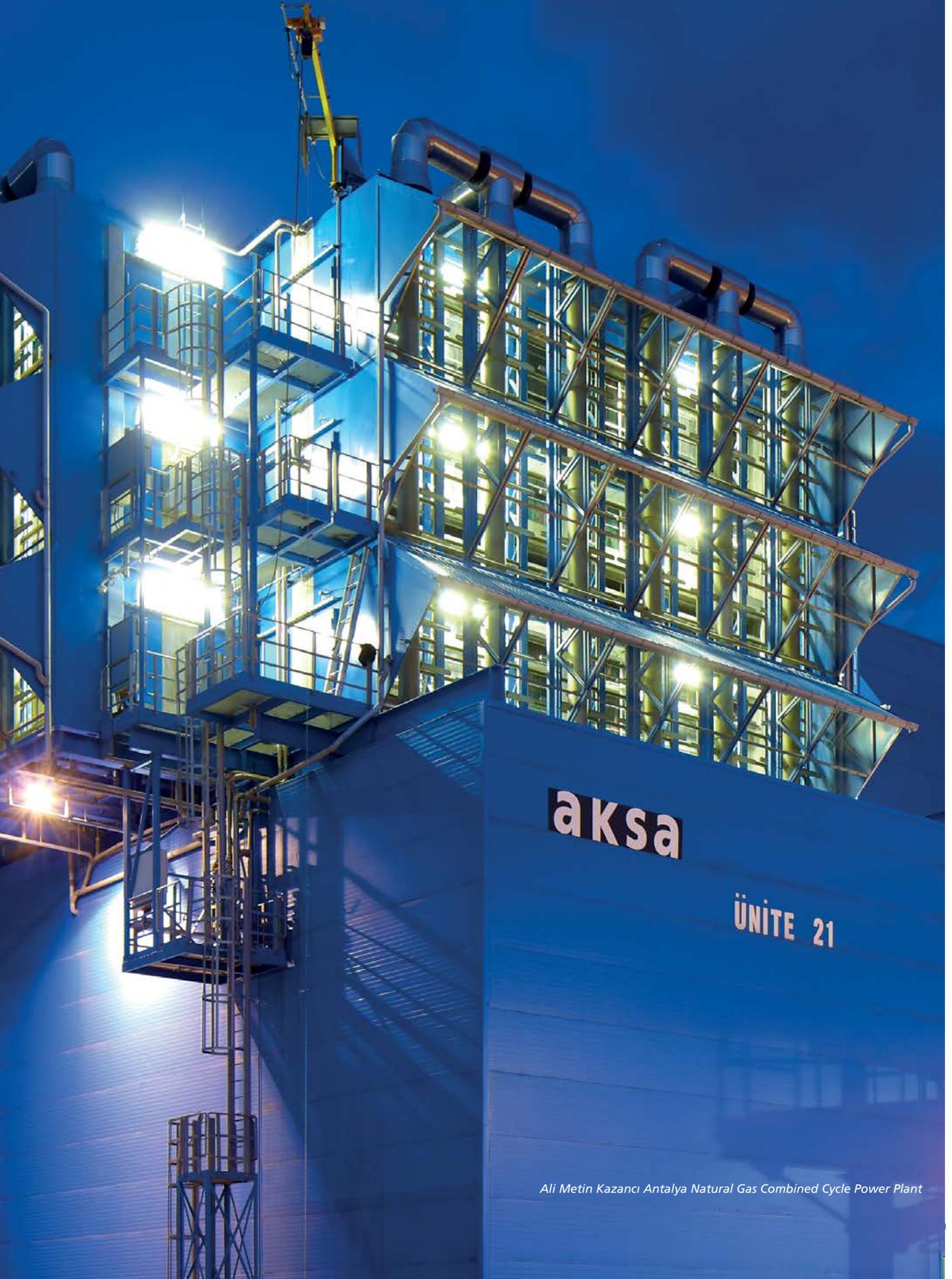
Aksa Energy is Turkey's largest publicly traded independent power producer, and a global energy company with its overseas power plants in Northern Cyprus and Africa. As of the end of 2020, we operate in five countries on two continents with a total installed capacity of 1,946 MW in line with our globalization-driven investments.

Aksa Energy performs all steps in plant installation – from project development, procurement, construction and installation to operation, maintenance, and repair – in-house with its experienced technical staff.

To date, we have installed and operated more than 30 power plants using diverse energy sources, including coal, fuel oil, biogas, natural gas, hydroelectricity, and wind. Taking our know-know on power generation overseas with power plant installations in energy-strapped countries, we provide flexible and fast solutions to meet the urgent need for energy in these countries.

We introduced our efficiency and sustainability-driven approach to foreign markets through investments in Ghana, Mali and Madagascar power plants.

We place utmost importance on maintaining the social structure, supporting social and economic development, human rights, and increasing energy savings and efficiency in the regions where we operate. And we are included in the BIST Sustainability Index since 2015.



Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant



About Us

Shareholding Structure

20.58% of Akxa Energy's shares are trading on BIST 100, BIST Electricity and BIST Sustainability Indices under the ticker AKSEN.

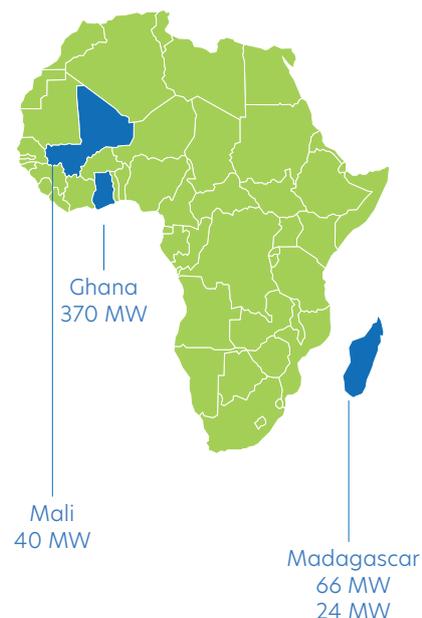


* Kazancı Holding A.Ş acquired 4,958,962 shares of Akxa Energy with the purchases made in Borsa Istanbul. Since these free float shares belong to Kazancı Holding A.Ş., they are disclosed under Kazancı Holding A.Ş.

About Us

Generation Portfolio

Aksa Energy is achieving rapid progress towards its objective of becoming a global player with power plants in five countries on two continents.



Number of Power Plants	7
Installed Capacity	1,946 MW
Domestic	1,317 MW
Antalya	Natural Gas Combined Cycle Power Plant 900 MW
Bolu, Göynük	Thermal Power Plant 270 MW
Şanlıurfa*	Natural Gas Combined Cycle Power Plant 147 MW
Overseas	629 MW
Ghana	Heavy Fuel Oil Power Plant 370 MW
Northern Cyprus	Heavy Fuel Oil Power Plant 153 MW
Madagascar	Heavy Fuel Oil Power Plant 66 MW
Mali	Heavy Fuel Oil Power Plant 40 MW
Number of Power Plants Operated on Behalf of Madagascar	1
Installed Capacity Operated on Behalf of Madagascar	24 MW
Madagascar CTA-2	Heavy Fuel Oil Power Plant 24 MW

* Generation at Şanlıurfa Natural Gas Combined Cycle Power Plant has been suspended since August 2020, due to high transmission costs.

1,047
MW

Based on Natural Gas Total Installed Capacity



ANTALYA
900 MW
ŞANLIURFA*
147 MW

2
Natural Gas Combined Cycle Power Plants

NORTHERN CYPRUS
153 MW
GHANA
370 MW
MADAGASCAR
66 MW
MALI
40 MW

4
Heavy Fuel Oil Power Plants



629
MW

Based on Heavy Fuel Oil Total Installed Capacity

270
MW

Based on Lignite Coal Total Installed Capacity



BOLU, GÖYNÜK
270 MW

1
Thermal Power Plant

MADAGASCAR
CTA-2
24 MW

1
Heavy Fuel Oil Power Plant



24
MW

Total Installed Capacity Operated on Behalf of the Country

* Generation at Şanlıurfa Natural Gas Combined Cycle Power Plant was suspended as of August 2020.



Our Vision

To become the largest and the most reliable power in the region.

Our Mission

To capitalize on our deep experience and know-how in the energy sector in order to continue implementing high performance projects, with a focus on cutting-edge technologies and a well-educated, highly skilled workforce.

Economic Value Generation

In 2020, we moved towards our objective of becoming a global company in line with our targets and strategies and continued to support the Turkish economy with foreign currency inflows.



Our corporate values, combined with an innovative business model and effective change management, have been instrumental in our geographic expansion and transformation into a global company.



Aksa Energy is the electricity generation subsidiary of Kazancı Holding, a leading group of companies with long-standing experience across the entire energy supply chain from generation to distribution and sales. As a result, we have major competitive advantages – such as cross-selling, higher brand recognition, and integrated service capability alongside the vertical and horizontal integration that we have built with other Group companies. Our corporate values, combined with an innovative business model and effective change management, have been instrumental in our geographic expansion and transformation into a global company.

In line with our globalization strategy, we undertook significant investments in three African countries in 2017,

and we aligned our economic sustainability and profitability targets with this strategy. While continuing to work on our projects undertaken in many foreign countries, we also focus on effective management of our domestic power plant portfolio. As part of this strategy, we may choose to cancel generation licenses or temporarily cease generation at certain power plants in order to reduce operating costs in the event that such power plants lose their competitive edge due to rising natural gas costs and lower profit margins on domestic market.

In 2020, we moved forward toward our objective of becoming a global player in line with our targets and strategies. We also continued to support the Turkish economy with foreign currency inflows while monitoring investment opportunities in new overseas markets.

Direct Economic Value Generated and Distributed

	2017	2018	2019	2020
i. Direct Economic Value Generated (TRY)				
Net Sales	3,599,311,868	4,669,249,102	5,578,594,781	7,230,546,535
Gains on Revaluation of Property, Plant and Equipment	1,148,789,260	0	1,855,172,202	0
Income from Investment Activities	591,940,550	2,640,864	633,402	156,404
Operating Income	24,725,041	18,257,699	67,206,818	14,082,509
Financial Income	88,925,423	424,894,229	398,409,926	356,862,103
Revenues	5,453,692,142	5,115,041,894	7,900,017,129	7,601,647,551
ii. Economic Value Distributed (TRY)				
Cost of Sales (Operating Costs Included)	3,292,553,203	3,967,572,291	4,572,664,580	6,075,121,474
Employee Wages and Benefits*	22,291,121	21,064,254	31,670,357	31,241,696
Community Investments	89,633	201,068	411,854	6,619,013
Financial Expenses	598,027,562	886,863,321	828,696,646	682,056,938
Tax Expenses (Payment to Government)**	58,902,533	27,022,279	23,501,379	35,191,869
Operating Expense	4,160,221	0	0	0
Payment to Shareholders (Dividend)	0	0	0	0
Expenses	3,976,024,273	4,902,723,213	5,456,944,816	6,830,230,990
iii. Economic Value Retained (TRY)				
Revenues	5,453,692,142	5,115,041,894	7,900,017,129	7,601,551
Expenses	3,976,024,273	4,902,723,213	5,456,944,816	6,830,230,990
Economic Value Retained	1,477,667,869	212,318,681	2,443,072,313	771,416,561

* Blue collar personnel wages are not included as they are included in cost of sales.

** Includes total tax payments to government by Turkey-based subsidiaries of Aksa Enerji Üretim A.Ş., which are consolidated under Company's financial statements. Tax payments made in Africa and Northern Cyprus are not included as these payments are made to other governments.

Note: Updated to include operating income.

Developments in 2020

We signed an agreement that includes the establishment of 740 MW natural gas combined cycle power plants in Uzbekistan and the sale of the electricity generated at the power plants for 25 years in return for a guaranteed capacity payment in USD.



Our Bolu Göynük Thermal Power Plant, completely fulfilling the requirements set out in the guidelines published by the Republic of Turkey Ministry of Industry and Technology for industrial facilities, was granted the Covid-19 Safe Production Certificate as a result of an on-site inspection conducted by Turkish Standards Institution.



740 MW

Uzbekistan
Investment Total
Installed Capacity

Uzbekistan Investment: First Step in Asia

In May 2020, we signed an agreement with the Ministry of Energy of Uzbekistan. The agreement includes the establishment of a 240 MW natural gas combined cycle power plant in Tashkent, the capital of Uzbekistan, and the sale of electricity for 25 years in return for a guaranteed capacity fee based in US dollars. Expanding the scope of this investment at the beginning of 2021, we expect that the power plants in Tashkent and Bukhara, which will have a total installed capacity of 740 MW will become gradually operational starting from the fourth quarter of 2021.

We Collected All Our Receivables from the Sale of Kıyıköy WPP

An agreement was executed with Borusan EnBW Energy Investments&Production and Borusan Consultancy & Joint Services for the sale of Kıyıköy Wind Power Plant for USD 60.1 million. Within the scope of this agreement, we collected the remaining USD 15.2 million in April 2020, and USD 2.2 million in September 2020.

Generation Suspended at Şanlıurfa Natural Gas Combined Cycle Power Plant

due to high transmission costs, the application filed to Turkish Electricity Transmission Company (“TEİAŞ”) to temporarily suspend electricity generation at the 147 MW Şanlıurfa Natural Gas Combined Cycle Power Plant was accepted on August 19, 2020.

Energy Export to Iraq Has Commenced

“Aksa Aksen Enerji Ticareti A.Ş.”, our 100% power trading subsidiary, applied to the Energy Market Regulatory Authority (EMRA) in order to export electricity up to 150 MW capacity to Iraq over the Turkey-Iraq energy transmission line on November 3, 2020. EMRA approved the application on December 8, 2020, and an interconnection line usage agreement was signed with TEİAŞ. Electricity export activities started on January 24, 2021.

Our Bolu Göynük Thermal Power Plant Received Covid-19 Safe Production Certification

Our Bolu Göynük Thermal Power Plant completely fulfilled the requirements of the Covid-19 Hygiene, Infection Prevention and Control Guide published by the Ministry of Industry and Technology of the Republic of Turkey for industrial facilities in connection with the pandemic. The plant was granted Covid-19 Safe Production Certificate, issued by Turkish Standards Institution.

We Are Included in the BIST Sustainability Index for the 6th Time in a Row!

With the awareness of our responsibility for a safe future to be passed on to generations, we are trading at Borsa Istanbul Sustainability Index, which incorporates companies with a high corporate sustainability performance, since 2015. Our Company, one of the 14 companies that qualified for this listing in 2015, will continue to be included in the Sustainability Index in 2021.

Two Major Awards from the Annual Report Competition in the USA

This year, we won two major awards at the 34th Annual Report Competition (ARC) Awards. ARC is the world’s largest international reporting competition. In 2020, 1,690 corporate reports from 75 countries competed. Our 2019 Sustainability Report, with the concept of “Energy for Tomorrow,” was granted a Bronze Award in the “Interior Design” category and an Honor Award in the “Specialized Annual Reports” category.

Aksa Energy: The “Most Reputable Brand” at The ONE Awards

We were recognized with an award confirming our brand reputation in the energy sector at The ONE Awards – Integrated Marketing Awards competition, organized for the seventh time in cooperation with Marketing Türkiye Magazine, the leading marketing platform of Turkey, and Akademetre, a market research agency. We were named as the “Most Reputable Brand” in the energy sector at The ONE Awards based on “Reputation and Brand Value Performance Measurement” research.



Aksa Energy was named as the most reputable brand of the energy sector at The ONE Awards based on “Reputation and Brand Value Performance Measurement” research.

6TH TIME

In 2020, Aksa Energy was included in the BIST Sustainability Index for the 6th time.

Sustainability Approach

We conduct our business operations with the awareness that energy is a vital need for economic growth and social development. Embracing this perspective, we have adopted a business model that embodies a holistic approach to sustainability.



We are moving toward our target of becoming a global player with the power plants located in five countries on two continents. We shape our sustainability strategy in line with our vision of becoming a socially responsible energy company.

At Aksa Energy, we are keenly aware of the responsibility placed upon the energy sector to build a better future and a more livable world. We manage our sustainability efforts with a global perspective, in parallel with the investments decisions with our target of becoming a global energy company. In this context, we reduce Turkey's external dependence on energy with our operations in Turkey and provide access to energy via our activities in developing countries, including those in Africa. Thus, we support the growth of these countries by meeting their urgent need for energy, while contributing to the socio-economic development of local communities with the employment opportunities we create. These operations also provide important foreign currency inflows for our country.

While we conduct our activities with the awareness that energy generation is a vital need for economic growth and social development, we also create our business model by considering economic, social and environmental effects. By closely monitoring developments in the sustainability arena, we regularly assess our current business processes via sustainability perspective. We are committed to incorporating sustainability into every aspect of our operations.

We shape our business and sustainability strategy as an energy company that is evolving into a global company with our power plants in five countries on two continents. We base our sustainability approach on three pillars: "Environmental Sustainability," "Employees" and "Social Responsibility." We conduct effective communication across the organization to convey the sustainability goals, set by top management in line with our strategies by focusing on creating value across three main pillars of our sustainability approach. Additionally, we implement multistakeholder feedback efforts to monitor our performance against these goals.

We attach great importance to aligning our business processes and methods with the rapidly advancing technology as technological innovation is an integral part of a sustainable business model. At Aksa Energy, we empower our employees to embrace this innovative understanding and corporate culture which will facilitate the holistic development of our Company. This approach also supports our sustainability performance as we constantly improve and develop our business strategy while creating additional social benefits through transfer of our technology and know-how in the regions where we operate.

**GRI 102-42, GRI 102-43, GRI 102-44,
GRI 102-46, GRI 102-47**



Bolu Göynük Thermal Power Plant

Sustainability Approach

In line with our vision of becoming a socially responsible energy company, we signed the Trillion Tonne Communiqué in 2015, which is a declaration to the world from companies that are sensitive to climate change and demand measures to combat it.



We are committed to conducting our business operations in line with the 10 principles outlined in the UN Global Compact.

In addition to integrating responsible and sustainable development principles in our current operations, we develop and implement environmental and social initiatives with a wide impact area. With these efforts, we aim to be an effective stakeholder in the geographies where we operate while creating long-term value for future generations. We closely monitor both local and global sustainability platforms and support sustainable development in all areas on a voluntary basis. Our Company has been included in the BIST Sustainability Index since 2015, and a signatory to the United Nations Global Compact (UNGC) since 2017. We are committed to conducting our business operations in line with the 10 principles outlined in the UN Global Compact. To this end, we prioritize identifying and managing the significant environmental impacts of our industry, respecting human and employee rights, and contributing to

social development in the regions where we operate. In line with our vision of becoming a socially responsible energy company, we also signed the Trillion Tonne Communiqué in 2015, which is a declaration to the world from companies that are sensitive to climate change and demand measures to combat it.

To make sustainability a core part of our business operations and long-term strategic approach, we take utmost care to regularly update our policies related to the Environment, Occupational Health and Safety, Quality, Energy, and Corporate Social Responsibility. In addition, we engage in continuous communications with our stakeholders. We report our sustainability performance to the public through our sustainability reports, which we have been voluntarily issuing in accordance with GRI Standards every year since 2016.



Details on our policies related to sustainability are available on the Akso Energy corporate website.

**GRI 102-42, GRI 102-43, GRI 102-44,
GRI 102-46, GRI 102-47**



Madagascar Heavy Fuel Oil Power Plant



GRI 102-42, GRI 102-43, GRI 102-44,
GRI 102-46, GRI 102-47

Sustainability Management

Thanks to our strong organizational structure and dynamic governance model, we established a Sustainability Committee in 2015 to continually enhance the added value we create in social, environmental, and common economic areas.



Aksa Energy Sustainability Committee develops the strategies, policies, and objectives required to manage the company's environmental, social and governance risks.

Aksa Energy goes to great lengths to ensure that all of its business strategies are aligned with its sustainability approach. Thanks to our strong organizational structure and dynamic governance model, we continually enhance the added value that we create in social, environmental, and common economic areas. Within this scope, in 2015, the Aksa Energy Sustainability Committee was established to coordinate the company's sustainability efforts to this end.

Aksa Energy Sustainability Committee reports directly to the Chairman of the Board of Directors and CEO. The Committee develops the strategies, policies, and objectives required to manage the company's environmental, social and governance risks. With these efforts, Sustainability Committee aims to ensure integration of sustainability with the Company's decision-making, management, operations and audit processes, and to create long-term value. The Committee helps to manage sustainability-related issues with a more holistic approach and contributes to sustainability performance reporting. The Sustainability Committee also regularly updates Aksa Energy's sustainability priorities; determines the focus areas in light of these priorities; evaluates the impact of sustainability efforts on company operations; and presents recommendations and suggestions to the CEO.

The Committee is composed of members from multiple departments across the organization to ensure that all of Aksa Energy's business activities are conducted in accordance with sustainability principles. Relevant recommendations are provided to this end. Committee members play a key role in managing important and high-priority sustainability issues in their respective areas of responsibility. Sustainability risks and opportunities related to key and prioritized issues are evaluated by the relevant units. Utmost care is taken to analyze the environmental, social, and economic impacts of any action to be taken in a holistic manner.

To foster a multi-faceted sustainability approach, Sustainability Committee members are appointed from among the top executives of units across the company, including production, business, financial affairs, operations, investment, engineering, corporate communications and investor relations, human resources, supply chain, risk, internal audit and Quality, Health, Safety and Environment (QHSE). If necessary, senior executives from other relevant departments are invited to meetings held by the Sustainability Committee.

The Sustainability Coordination and Working Group, established under the Sustainability Committee, assists the Committee in carrying out these various tasks.



Şanlıurfa Natural Gas Combined Cycle Power Plant

Chairman of the Board of Directors and CEO

Sustainability Committee

Vice President, Chief Operating Officer (COO)
 Vice President, Chief Financial Officer (CFO)
 Eurasia Power Plants Operation and Maintenance Director
 Human Resources Director
 Supply Chain Director
 Risk & Control Director
 Internal Audit Director
 Investor Relations & Corporate Communications Manager
 Environment & Energy Legislation Executive

Sustainability Coordination and Working Group

Environment & Energy Systems
 Quality & Social Responsibility Management
 Occupational Health and Safety
 Human Resources
 Financial Affairs/Budget & Reporting
 Investor Relations & Corporate Communications
 Supply Chain
 Risk and Control
 Internal Audit

Sustainability Material Topics

In parallel with our global investments, we integrate global sustainability targets into our understanding of value creation and contribute to seven of the United Nations Sustainable Development Goals.



Being the largest publicly traded energy producer in Turkey, we also prioritize corporate governance, ethics and transparency as well as equal opportunity and diversity as our material topics.

At the core of Aksa Energy's sustainability approach lies several material topics, which we prioritize and revise in line with our evolving business strategy and stakeholders' opinions. While determining our sustainability material topics, we reviewed and evaluated global and industrial trends, risks and opportunities, management opinions and corporate strategy, in addition to the stakeholder analysis we conducted in 2018. We also took into account international guidelines, such as United Nation's Sustainable Development Goals, and the UN Global Compact, to which we are a signatory.

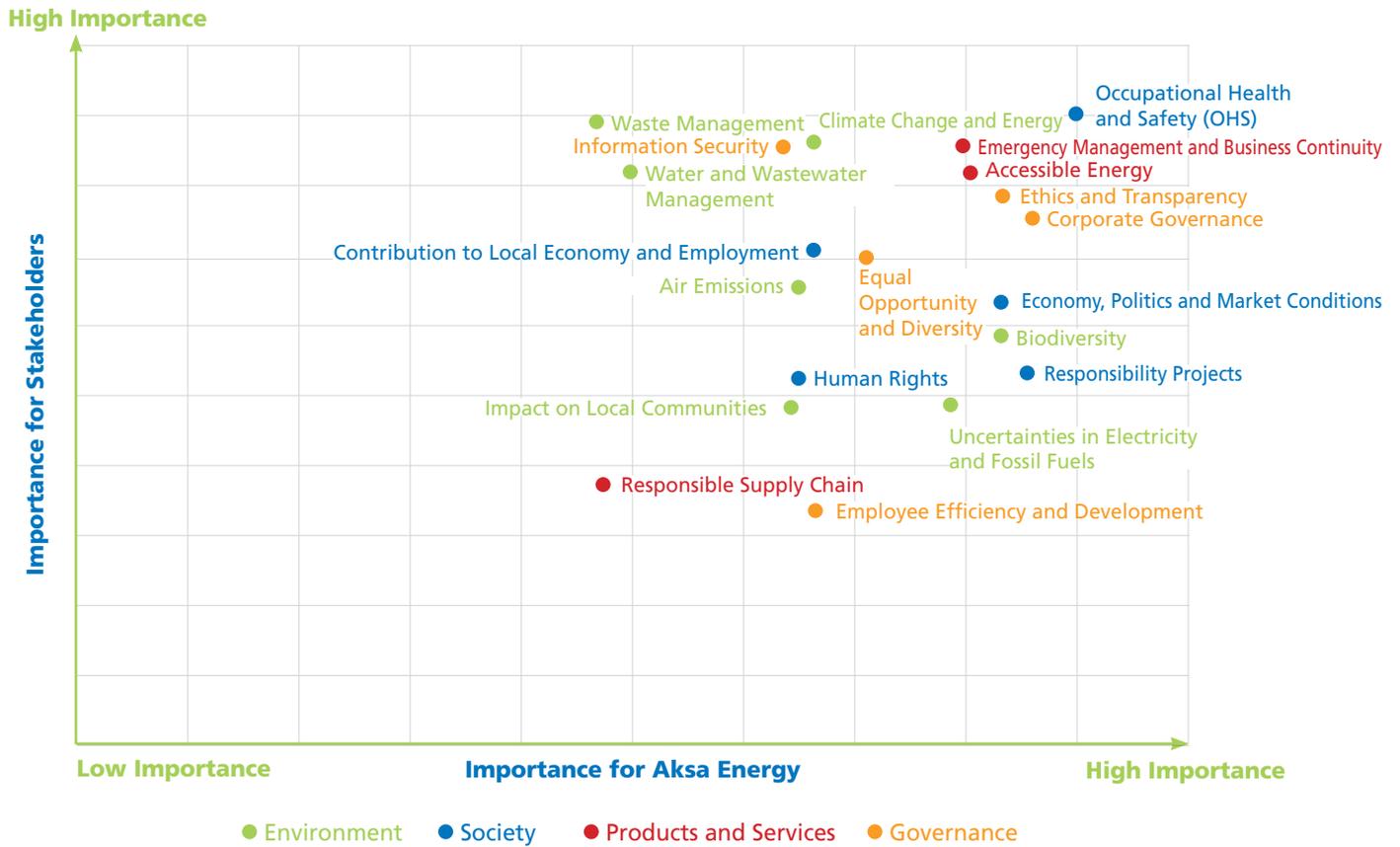
In line with the three pillars of our sustainability approach, namely Environmental Sustainability, Employees and Social Responsibility, we group our material topics in four focus areas: Environment, Society, Products and Services, and Governance.

Since we operate in an industry that has a high environmental impact, we consider issues related to climate change, air emissions, water and waste management, and protection of biodiversity in our regions of operation among our material topics.

Occupational health and safety, another key concern for the energy sector, remains to be one of material topics. Additionally, social responsibility projects are incorporated among our material topics, considering our relations with society. As a global energy company with international investments, Aksa Energy's material topics also encompass economic, political, and market conditions, contribution to local economy and employment, and accessible energy. Being the largest publicly traded energy producer in Turkey, we also prioritize corporate governance, ethics and transparency as well as equal opportunity and diversity as our material topics.

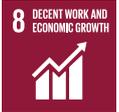
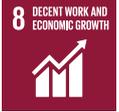
In 2020, we added "Emergency Management and Business Continuity" and "Information Security" topics to our material topics by also taking into account the Covid-19 pandemic data which greatly affected the whole world.

**GRI 102-42, GRI 102-43, GRI 102-44,
GRI 102-46, GRI 102-47, GRI 102-49**



In parallel with our global investments, we integrate global sustainability targets into our understanding of creating value and contribute to seven of the United Nations Sustainable Development Goals through activities taken on our material topics.

Relation Between Our Material Topics and UN Sustainable Development Goals

Group	Material Topic	Sustainable Development Goals Contributed
Environment	Climate Change and Energy	 
	Waste Management	
	Water and Wastewater Management	
	Air Emissions	
	Biodiversity	
Society	Contribution to Local Economy and Employment	 
	Occupational Health and Safety (OHS)	
	Economy, Politics and Market Conditions	
	Social Responsibility Projects	
Products and Services	Accessible Energy	 
	Emergency Management and Business Continuity	
Governance	Corporate Governance	  
	Information Security	
	Ethics and Transparency	
	Equal Opportunity and Diversity	

GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-46, GRI 102-47, GRI 102-49

Stakeholder Relations and Communication Channels

As part of our sustainability approach, we value building and maintaining relations with our stakeholders; we seek to understand stakeholder expectations and integrate their opinions into our business processes.



Focusing on continuous communication with our investors, we achieved 24/7 availability and we are committed to responding to all investor inquiries within 24 hours.

As part of our sustainability approach, we value building and maintaining relations with our stakeholders; we seek to understand stakeholder expectations and integrate their opinions into our business processes. We obtain our stakeholders' opinions on sustainability-related matters via stakeholder surveys. In 2018, we conducted a stakeholder analysis, which we first carried out in 2015, with employees, brokerage firm analysts, banks, investors, clients, members of the media, public officers, and Non-Governmental Organizations (NGOs). Our stakeholders communicate their expectations related to sustainability and their opinions on our material topics and efforts in the area of sustainability through a stakeholder survey. According to stakeholder analysis results, our stakeholders expect us to demonstrate leadership the field of sustainability and serve as a role model for all of our stakeholders in the value chain.

We believe in the importance of interacting and cooperating with stakeholders in all our business

processes; and we take into account the potential social impact on our stakeholders while conducting our business operations. Furthermore, we consider contributing to the economic and social development of local communities in the regions where we operate as our primary objective.

We also took the necessary actions to maintain continuous communication during the pandemic which profoundly affected the methods of conducting business. Focusing on continuous communication with our investors, we achieved 24/7 availability. Additionally, we are committed to responding to all investor inquiries within 24 hours.

As disclosed in our Quality Policy, which is available on our corporate website for the information of all our stakeholders, while maintaining our business, we are committed to fulfilling the expectations and demands of our stakeholders everywhere where we operate, and continuously improving our business processes.

Details on our Quality Policy are available on our website.

**GRI 102-40, GRI 102-42,
GRI 102-43, 102-44**



Şanlıurfa Natural Gas Combined Cycle Power Plant

Stakeholder Relations and Communication Channels

As disclosed in our Quality Policy, while maintaining our business, we are committed to fulfilling the expectations and demands of our stakeholders everywhere where we operate, and continuously improving our business processes.



**GRI 102-40, GRI 102-42,
GRI 102-43, 102-44**

Our Communication Channels

	Channels	Frequency
	Annual Reports	 Quarterly
	Investor Presentations	 Quarterly
	Requests/Suggestions Boxes	 Continuously
	Stakeholder Surveys	 Every three year
	Face-to-Face Meetings and Forums	 Continuously
	Write to Us Form	 Continuously
	Investor Relations & Sustainability E-mail Addresses	 Continuously
	Ethics Hotline	 Continuously
	Press Releases, Interviews	 Continuously
	Social Media	 Continuously
	Corporate Websites	 Continuously
	Public Disclosures	 Continuously
	Sustainability Reports	 Annually

Via our request & complaint platform, we collect and evaluate requests and complaints from all of our stakeholders and inform our stakeholders. Our stakeholders can contact us through various communication channels, including:

E-mail addresses:

- enerji@aksaenerji.com.tr
- surdurulebilirlik@aksa.com.tr
- etik@aksa.com.tr
- investorrelations@aksaenerji.com.tr

“Write to Us” form on the corporate website:

<http://www.aksaenerji.com.tr/en/write-to-us/>

Phone:

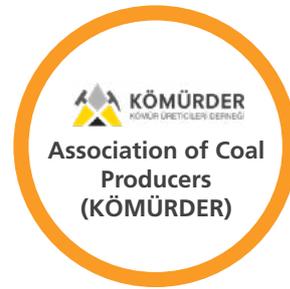
Ethics Hotline: +90 850 511 11 12

**GRI 102-40, GRI 102-42, GRI 102-43,
GRI 102-44**

Memberships and Supported Initiatives

As a pioneering company in field of sustainability in Turkey, we collaborate with and support several associations and initiatives.

Associations



Initiatives





Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant

Corporate Governance Structure

Aksa Energy is committed to complying with the four principles of corporate governance – transparency, fairness, responsibility, and accountability – and the Corporate Governance Principles of Capital Markets Board.



Our Board members have all the qualifications specified in the Corporate Governance regulations issued by the Capital Markets Board.

Corporate governance is a basic requirement to ensure the sustainability of companies. As Aksa Energy, we are committed to comply with the four principles of corporate governance – transparency, fairness, responsibility, and accountability – and the requirements of the Corporate Governance Principles published by CMB. We transparently share with the public any relevant developments and actions taken to reinforce our compliance with these principles via the **Corporate Governance Principles Compliance Report** that we publish on the Public Disclosure Platform.

The Capital Markets Board's (CMB) "Framework of Compliance with Sustainability Principles" which entered into force in October 2020 describes the basic principles that publicly traded companies are required to disclose when executing Environmental, Social and Corporate Governance (ESG) initiatives. You can access our relevant disclosures in our 2020 Annual Report.

Our Board of Directors consists of seven members -one of whom is female- including two independent members appointed by the General Assembly. To enhance our

competitiveness in the market, in July 2019, Chairman of the Board of Directors was appointed to the CEO position, which was vacated on December 31, 2018. Our Board members have all the qualifications specified in the Corporate Governance regulations issued by the Capital Markets Board.

The committees that directly report to the Board of Directors include the Audit Committee, Corporate Governance Committee, and Early Detection of Risk Committee. The Corporate Governance Committee executes the duties of the Nomination Committee and the Remuneration Committee. Additionally, the Sustainability Committee reports directly to the Chairman of the Board and CEO.

Our team of 9 senior executives, who possess the required expertise and professional qualifications in their respective areas of responsibility, help realize the targets set in line with the Company's strategies as established by the Board of Directors.

Details on Corporate Governance and our Committees are available on our website.



Details on the Data Security policy which is applicable also to Kazancı Holding companies are available on our Holding's website.

Code of Ethics and Transparency

Aksa Energy Code of Ethics aims to embed ethical behavior and high corporate governance standards in our corporate culture.



In addition to our Code of Ethics, Aksa Energy Combating Bribery and Corruption Policy is designed to protect stakeholders against risks and boost the corporate value and reputation of our Company.

At Aksa Energy, we are aware that effective corporate governance can only be achieved with a corporate identity based on strong foundations. Aksa Energy Code of Ethics aims to embed ethical behavior and high corporate governance standards in our corporate culture. Our Code of Ethics is focused on eliminating risks relevant to business ethics, providing ethical guidelines for employees, auditing the healthy and continual execution of reporting processes for unethical conduct, and ensuring continuity of the corporate culture, which is reinforced by ethical values. The Code of Ethics is applicable to all Board Members, managers, and employees. In addition, each newly recruited employee is required to sign the Code of Ethics Commitment Form.

In addition to our Code of Ethics, which requires acting sensitively to the needs and interests of all stakeholders in conducting business operations; Aksa Energy Combating Bribery and Corruption Policy is designed to protect stakeholders against risks and boost the corporate value and reputation of our Company. Our Combating Bribery and Corruption Policy sets forth principles, practices, audit and reporting standards related

to bribery, corruption, facilitation payments, compliance with applicable laws, rules and regulations, donations, travel and entertainment expenses and gifts. The Policy applies to all board members, managers and employees of Aksa Energy, as well as all business partners and any individuals acting on behalf of the Company. As per our Policy, we embrace the principle of “zero tolerance” for corruption. Thus, breach of the anti-bribery principle could result in termination of employment contract for employees and termination of work relations for suppliers.

Any issues or violations related to the Combating Bribery and Corruption Policy or the Code of Ethics can be reported via **etik@aksa.com.tr** or the **Ethics Hotline at 0 850 511 11 12**. The Ethics Committee is responsible for investigating and resolving complaints and notifications. All reports received by the Committee are treated with strict confidentiality and held in anonymity. The Ethics Committee consists of an Aksa Energy Board Member, Group President/ Group Vice President, Internal Audit Director, General Counsel and Human Resources Director, and reports to the Chairman of the Board of Directors.



Madagascar Heavy Fuel Oil Power Plant

Compliance with the Combating Bribery and Corruption Policy and Program is closely monitored by all business units. In 2020, no non-compliance was reported to the Ethics Committee or the senior management. Likewise, no complaints regarding bribery or corruption were received from the employees or those acting on behalf of the Company. Additionally, no lawsuit was filed against the Company in connection with any noncompliance with anti-bribery and anti-corruption laws and regulations.

The function of the e-mail address **etik@aksa.com.tr** has been communicated to all employees and

publicly disclosed on the corporate website under the heading "Ethical Principles." While training on Combating Bribery and Corruption Policy was held in previous years, the Company also plans to provide training on sustainability, anti-corruption, ethics and human rights again at the Aksa Academy, i.e. Kazancı Holding's in-house online training platform, in 2021.

Details on our Code of Ethics and Combating Bribery and Corruption Policy are available on our corporate website.



As per our Combating Bribery and Corruption Policy, we embrace the principle of "zero tolerance" for corruption.

Risk Management

The Early Detection of Risk Committee established to oversee the development and monitor Aksa Energy's risk management policies carried out its tasks throughout the year.

High vulnerability of the energy sector to the impacts of global and local market conditions, combined with the fierce global competition, increased the need for effective risk management in the energy sector. The scope of risk management has expanded and diversified to cover additional issues such as sustainable growth, stable revenue, reducing costs, combating climate change, legal and regulatory compliance. Thus, it is more important than ever to accurately evaluate existing and future risks faced by the industry and ensure the energy sector's financial, social and environmental sustainability.

Therefore, as Aksa Energy, we are committed to conduct risk management processes in an effective and efficient manner. Kazancı Holding's Board of Directors is responsible for monitoring risks associated with Kazancı Holding group companies and accordingly taking decisions within the Holding to handle such risks. Group companies are responsible for adopting this model in their own companies, monitoring the risks to their companies and taking appropriate actions against such risks. For this purpose, our Board of Directors has overall responsibility for the establishment and oversight of our Company's risk management framework. The Board of Directors has established the Detection of Risk Committee to oversee the development and monitor risk management policies. The Early Detection of Risk Committee, which convenes 6 times a year, also carries out efforts to identify risks and take necessary measures. The Committee conducts

efforts to identify risks and implement necessary measures regarding potential risks, to manage and review these within the framework of the risk management system, and to report the results to the Board of Directors.

We implement an effective risk management policy in order to prevent and mitigate all risks. Our risk management philosophy is based on safeguarding the value of company assets, operational security and sustainability. We regularly review the Company's risk management policies and systems in order to identify and analyze potential risks, set appropriate risk limits and establish risk controls, and monitor risks relative to the relevant limits. In addition, we aim to develop a disciplined and constructive control environment where all staff members recognize their roles and obligations through training, management standards, and procedures.

We handle the risks of our Company with a centralized management approach; and effectively manage the risks and opportunities faced by the Company by revising our policies where necessary. We evaluate hedging instruments in line with policies determined by senior management to minimize risk exposure.

Aksa Energy operates in an investment-intensive industry and mainly finances its investments with bank loans. Therefore, we regularly monitor liquidity, currency and interest rate risk positions and market developments. For all our operational facilities, we perform on-site and organizational controls; and group



We handle the risks of our Company with a centralized management approach; and effectively manage the risks and opportunities faced by the Company by revising our policies where necessary.



the identified risks into three categories as operational, strategic and compliance risks. We monitor the identified actions via technical studies regularly, and report the eliminated risks. Through regular follow-ups, we systematically monitor and manage new risks that arise in our operations.

At Aksa Energy, we regularly monitor our non-financial risks as well as our financial risks. For each risk identified, we establish the Key Risk Indicators (KRI); and we gather data from the relevant units at regular intervals to report to senior management. We holistically consider the environmental, social and economic implications of the actions to be taken. Starting from the investment decision, we perform environmental risk assessments at every stage of our business operations. To ensure compliance with legal and regulatory requirements on environmental matters, we identify potential risks by performing onsite visits. We take actions to prevent these risks and regularly monitor the actions taken to mitigate risks.

We also operate and document ISO 27001, a risk-based information security system, within a scope that is broader than the requirements of legal frameworks. In this context, standard controls are implemented without excluding any of them.

Additionally, various efforts are conducted within Kazancı Holding, including the Aksa Energy Headquarters and domestic power plants. We completed the analysis and test services

as per the “Energy Market Regulatory Authority’s (EMRA) Regulation on Data Security in Industrial Control Systems Used in the Energy Sector” as part of the required analysis on data security stipulated in the national legislation. We took administrative and technical measures, which are required to be implemented as per the Personal Data Protection Law (KVKK), by matching them with existing controls. In 2020, we continuously improved the system security by making technological investments and receiving consultancy services to improve and automate the controls. We began to carry out our efforts in relation to the Office Information and Communication Security Guide published by the Digital Transformation Office of the Presidency of the Republic of Turkey (CB DDO BİGR) in 2020 and will continue such efforts in 2021, too.

Our Internal Audit Department performs risk-based assessments in order to evaluate and develop the control and governance processes of the Company. The Internal Audit Department conducts regular audits on the reliability of our financial reporting system; compliance of the Company’s investment and operating activities with legal and internal regulations, and the effectiveness and efficiency of business operations. The Internal Audit Department conducted both central internal audits and on-site internal audits at some of the power plants in 2020. It reports its activities to the Audit Committee.

Details on our Risk Management procedures are available in Aksa Energy’s 2020 Annual Report.



We began to carry out our efforts in relation to the Office Information and Communication Security Guide published by the Digital Transformation Office of the Presidency of the Republic of Turkey in 2020 and will continue such efforts in 2021, too.

Environmental Sustainability

At Aksa Energy we implement a Framework Environmental Management system (FEMS) to ensure that our operations are managed, monitored and inspected in accordance with Environmental Policy.



Our Environmental Policy is based on four main pillars: climate change, natural resource management, waste management and conservation of biodiversity.

We see environmental sustainability as one of the three fundamental pillars of our sustainability approach. Our operations are executed in an environmentally-friendly manner for a sustainable future in line with our principle of “efficient use of resources.” We maintain efforts to minimize environmental impact from energy generation in order to continuously improve our environmental performance. We also lead the industry with our environmental management practices that encompass all aspects of our value chain.

Aksa Energy Environmental Policy has been developed to introduce our environmental management understanding at the corporate level and ensure that it is adopted and implemented by all stakeholders. Our Environmental Policy is built on four core pillars: climate change, natural resource management, waste management and conservation of biodiversity. Our Policy ensures regularly reporting, monitoring, and communication of Aksa Energy’s performance towards its sustainability goals based on efficiency, transparency, stakeholder engagement, and cooperation.

As Aksa Energy, we implement a Framework Environmental Management system (FEMS) to ensure that our operations are managed, monitored and inspected in accordance with the corporate Environmental Policy. We are committed to complying with the regulations under FEMS, which sets out the rules and responsibilities related to the internal Environmental Policy, as well as general environmental legislation. Our environmental management practices are executed with a risk-based and systematic approach in accordance with applicable legal and regulatory requirements in our regions of operation as well as Aksa Energy corporate environmental and energy policies, and internationally-recognized management systems.

In addition to FEMS, which is designed to provide an effective and dynamic environment management system, Aksa Energy also holds certification for the ISO 14001 Environmental Management System, ISO 9001 Quality Management System, ISO 50001 Energy Management System, ISO/IEC 27001: 2013 Information Security Management System* and ISO 45001 Occupational Health and Safety Management System. These efforts support our environmental management system. At Aksa Energy, we maintain the validity of all of our certifications and successfully adopt each of the five management systems.

2.3 TRY Million

Environmental Investments

* Kazancı Holding has obtained certifications for the ISO/IEC 27001:2013 Information Security Management System. Bolu Göynük Thermal Power Plant and Şanlıurfa Natural Gas Combined Cycle Power Plant are also certified to this standard.



Bolu Göynük Thermal Power Plant

In October 2017, we initiated efforts to improve and extend the Integrated Management Systems practices under ISO 9001, ISO 14001, ISO 50001, and ISO 45001, which are already in effect at headquarters, to Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant. As of year-end 2019, the required documentation process was completed. At the beginning of 2020, the documentation and action management of all management systems were migrated to an online document management system. Thanks to this document management system, which allows remote control and management of the company's various management systems, Akxa Energy was able to operate without interruption during the pandemic. The coordination and construction of this system in domestic power plants continues under the leadership of the QHSE (Quality, Health, Safety, Environment) Department at corporate headquarters. We also plan to implement this document

management system at our foreign power plants in 2021. In addition, efforts are ongoing to implement the ISO 14001 Environmental Management System and ISO 45001 OHS Management System at the Ghana Heavy Fuel Oil Power Plant, as part of a process which began in 2020.

While conducting our business activities, we strive to use natural resources efficiently, reduce greenhouse gas and air emissions, minimize waste generation, and preserve biodiversity. For this purpose, we perform ongoing studies on the environmental effects of our existing production facilities. We also conduct an environmental impact analysis for our new production facilities, prior to the project. During the reporting period, Akxa Energy's domestic power plants achieved full compliance with all applicable environmental legislation. Our Turkish facilities have not been imposed with any penalty by legal or regulatory authorities since they were commissioned.



At Akxa Energy, we perform ongoing studies on the environmental impact of our existing production facilities. We also conduct an environmental impact analysis for our new production facilities, prior to start of operations.

Environmental Sustainability

Bolu Göynük Thermal Power Plant has met all legal and regulatory requirements stipulated by environmental legislation since it was commissioned in 2015. The facility has also obtained the Environmental Permit and License Certificate on Air Emission, Wastewater Discharge and Regular Storage.



We promote responsible environmental management across all our stakeholder groups, in particular our employees. We regularly organize training sessions for staff members on this key topic and raise awareness of our suppliers.



Bolu Göynük Thermal Power Plant

Aksa Energy undertakes various investments to minimize its environmental impact and improve its performance. With this perspective, we boosted our environmental investment spending to TRY 2.3 million in 2020. Bolu Göynük Thermal Power Plant, the only power plant featuring fluidized-bed boilers and wet flue gas treatment systems in Turkey, is a testament to the importance that we place on environmental investments. Thanks to its advanced combustion and treatment technologies, Bolu Göynük Thermal Power Plant has met all legal and regulatory requirements stipulated by environmental legislation since it was commissioned in 2015. The facility has also obtained the Environmental Permit and License Certificate on Air Emission, Wastewater Discharge and Regular Storage. In recognition of its model occupational health and safety practices, Bolu Göynük Thermal Power Plant has received the Covid-19 Safe Production Certificate from the Turkish Standards Institution (TSE).

We promote responsible environmental management across all our stakeholder groups, in particular our employees. We regularly organize training sessions for staff members on this key topic and raise awareness of our suppliers. As part of this approach, we implemented 114 man*hours of environmental management system training in 2020. In the coming year, we plan to further invest in efforts to mitigate the environmental impacts of our activities, boost our performance and raise awareness on this subject.

For detailed information about our Environmental Policy and Framework Environmental Management System (FEMS) Procedure, please visit the Aksa Energy corporate website.

For detailed information about our various certifications, please visit the Aksa Energy corporate website.

114

Man*Hours

Environmental Management System Training

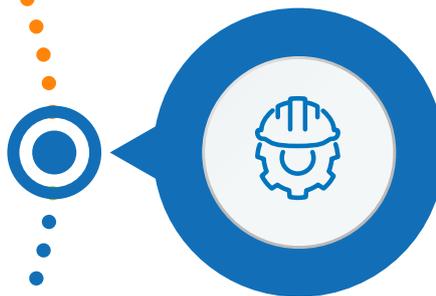
OUR CERTIFICATIONS



**ISO 50001 ENERGY
MANAGEMENT
SYSTEM**



**ISO 9001 QUALITY
MANAGEMENT
SYSTEM**



**ISO 45001
OCCUPATIONAL
HEALTH
AND SAFETY
MANAGEMENT
SYSTEM**



**ISO 14001
ENVIRONMENTAL
MANAGEMENT
SYSTEM**



**ISO/IEC 27001: 2013 DATA
SECURITY MANAGEMENT
SYSTEM**

Environmental Sustainability

Climate Change and Energy

Since 2015, we have periodically prepared Greenhouse Gas Emission Reports to track greenhouse gas emissions at our power plants.



With combined cycle power plant technology, we utilize the heat of waste gas emitted during production to generate energy, thereby lowering energy consumption by an average of 10% per unit.



The energy sector has a significant impact on global climate change. As a company operating in this sector, we understand that it needs to assume more responsibility. We aim to conduct our business operations in a responsible manner while utilizing more efficient technologies and processes. We are committed to improving our performance regarding climate change and energy consumption as part of our sustainability approach.

Our Energy Policy is designed to ensure that Akso Energy's energy management system is implemented in accordance with the ISO 50001 Energy Management System standard. We aim to fully comply with all applicable laws, rules, and regulations at every location where we operate, improve our energy production efficiency, and reduce energy losses.

Under the energy efficiency pillar, a key component of our Environmental Policy, we monitor and assess our performance in terms of both energy consumption and greenhouse gas emissions. Since 2015, we have periodically prepared Greenhouse Gas Emission Reports to track greenhouse gas emissions at our power plants. We submit our reports to the verification bodies approved by Turkish Republic Ministry of Environment and Urbanization, which are then presented to the Ministry of Environment and Urbanization. We have completed our Greenhouse Gas Emission Reports for 2020 and submitted to the Ministry of Environment and Urbanization in April 2021. We also continue to inform stakeholders about our environmental performance data, such as energy consumption and greenhouse gas emissions, via our sustainability reports.



Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant

Pursuant to our sustainability approach and vision of becoming a socially responsible energy company, we signed the Trillion Tonne Communiqué in 2015, which is a declaration made by companies that acknowledge the issue of climate change and demand significant measures to fight against it. We are proud to be a signatory to the Prince of Wales Corporate Leaders Group's declaration, which has over 1,000 signatories in 60 countries and advocates that immediate, new and long-lasting measures should be enforced to combat climate change. We continue to shape our energy investments in this regard. In addition as Aksa Energy we plan to invest in renewable energy in the medium to long term, as part of our efforts to fight against the effects of climate change. Aksa Aksen Enerji Ticareti A.Ş., 100% subsidiary of Aksa Energy operating in electricity trade, is one of Turkey's leading service providers of management of generation imbalances at renewable energy plants. This way, we indirectly support the renewable energy sector by managing a high volume of electricity generation via renewables.

We engage in a wide range of activities to mitigate the adverse effects of our operations on the environment. Our technological investments and initiatives help lower costs and reduce greenhouse gas emissions. With combined cycle power plant technology, we utilize the heat of waste gas emitted during production to generate energy, thereby cutting the energy consumption by an average of 10% per unit. We generate energy through waste heat recovery at all our natural gas power plants and the Northern Cyprus Kalecik Heavy Fuel Oil Power Plant. Oxicat filters are also used in natural gas power plants in order to reduce greenhouse gas emissions.

At Aksa Energy, we inform all our employees, including subcontractors, via various communication tools and trainings about climate change and energy efficiency in order to raise awareness among these key stakeholders.

Detailed information on our Energy Policy is available on the Aksa Energy corporate website.



Pursuant to our sustainability approach and vision of becoming a socially responsible energy company, we signed the Trillion Tonne Communiqué in 2015, which is a declaration made by companies that acknowledge the issue of climate change and demand significant measures to fight against it.

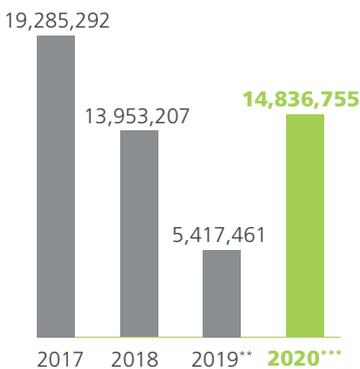
Environmental Sustainability

Air Emissions

We conduct multiple initiatives and invest in new technologies to reduce our air emissions and minimize the potential risks associated with such emissions.

Air Emissions (kg)

NOx*

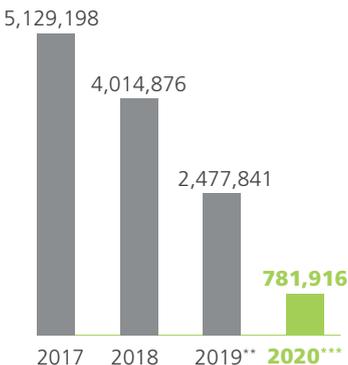


Aksa Energy is aware of the possible effects of air emissions that originate from its energy production processes on the environment and human health. Therefore, we regularly monitor and measure air emissions resulting from our production processes and the effects of such emissions on air quality. We take the necessary measures to ensure that emissions are within legal limits, and monitor and strive to reduce other air emissions besides greenhouse gases. Emissions are controlled on a real time basis through continuous emission measurement systems installed in our power plants; air emissions from domestic plants are also monitored online by the Ministry of Environment and Urbanization.

We conduct multiple initiatives and invest in new technologies to reduce our air emissions and minimize the potential risks associated with such emissions. With the “fluidized bed combustion technology and wet

flue gas treatment system” used at Bolu Göynük Thermal Power Plant, legally mandated emission values that the European Union targets are being achieved by our power plant since it first became operational in 2015. Thanks to the fluidized bed combustion technology, the desulphurization process is realized directly in the boiler using limestone during combustion. This technology both minimizes emission of the gases harmful to the environment and boosts the plant’s efficiency. Similarly, the gas turbines with ultra-low NOx emission combustion systems at Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and the flue gas treatment system to reduce SOx emissions at Northern Cyprus Kalecik Heavy Fuel Oil Power Plant are critical for reducing air emissions. We plan to continue carrying out projects that are aimed at improving efficiency of our operations. This way, we intend to further minimize emissions.

SOx



* Indicates the amount in NO2.

** The decrease in the number of stop/startups at Aksa Energy power plants effectively reduced air emissions in 2019.

*** Increase in the total annual operation time of our Ghana Power Plant contributed to the increase in the NOx amount in 2020. We plan to undertake various projects to reduce these values in the forthcoming period.



781,916

Kg

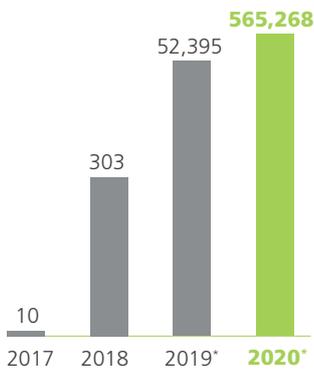
Amount of SOx
Emissions

Environmental Sustainability

Waste Management

In 2020, we recycled 565,268 tons of non-hazardous waste.

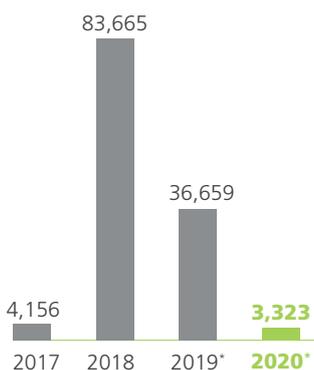
Recycled Non-Hazardous Waste (Tons)



Waste management is a key component of our environmental sustainability approach. At Aksa Energy, all waste is disposed in accordance with applicable laws, rules and regulations, and in line with our Environmental Policy. We recycle hazardous and non-hazardous waste derived from our operations in line with Waste Management Regulation; and we regularly enhance our waste management processes with innovative technologies to reduce resource utilization and waste generation.

We store hazardous waste – such as waste oil, contaminated packaging, contaminated clothing, absorbent filters, sludge in oil/water separators – originating during the course of our business operations in temporary waste landfills at our facilities. During this process, we prevent substances and materials that may affect human and environmental health from contact with the external environment. Later, these materials are transported in licensed vehicles to recycling or disposal facilities, at regular intervals. In addition, we send non-hazardous packaging waste and scrap materials, to recycling companies accredited by municipalities in the areas where our facilities are located. This way, in 2020, we recycled 3,323 tons of hazardous waste.

Recycled Hazardous Waste (Tons)



* The increase in the amount of Recycled Non-Hazardous Waste in 2019 and 2020 mostly comes from the recycling of scrap material remaining from the construction phase at the Ghana Heavy Fuel Oil Power Plant site.

Prior to commissioning Bolu Göynük Thermal Power Plant, we planted more than 6,000 trees around the plant site. Furthermore, ashes that are discharged from power plant operations are stored at Southern Regular Ash Landfill, which was constructed in 2017 and received an environmental approval from the Provincial Directorate of Environment and Urbanization, instead of the temporary ash storage area. We rehabilitated the Southern External Dump Site, which completed its lifecycle in 2019, and handed over the site to the Ministry of Agriculture and Forestry. The Ministry has planted approximately 140,000 saplings in 2019 and 60,000 saplings in 2020 in this site area.

As a result of the importance that we attach to waste management and the works carried out in this context, Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant were granted the “Zero Waste” Certificate. Each year, we strive to enhance our waste management performance with efforts to generate lower waste, ensure effective use of resources and boost process efficiency.

565,268

Tons

Recycled Non-Hazardous
Waste



Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant

Environmental Sustainability

Water and Wastewater Management

Thanks to our decarbonization plant investments, over 317,968 m³ of water saving was achieved in the power plant in Antalya, and over 1.5 million m³ of water saving was achieved in the power plant in Bolu in 2020.

39%

Saving in
Municipal Water
(2019-2020)

Many factors that impact the entire world – such as climate change and urban migration – lead to depletion of natural resources, and water is a critical resource. For Aksa Energy, effective use of water resources is a very important issue as water plays a key role in our production processes. We structure our business activities and processes to reduce water consumption through effective management. Using an innovative approach, we carry out efforts to enable efficient use of water across the organization.

Aksa Energy uses water from varied resources, such as municipal water supply, surface water, and groundwater, depending on the region of operation. We ensure that wastewater from our operations is analyzed by accredited laboratories and discharged pursuant to the Water Pollution Control Regulation.

In 2020, we reduced our municipal water consumption by 39% compared to 2019.

We continue to implement various methods and develop projects to conserve water. We use decarbonization systems in generation processes at Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power plant. With a EUR 5.3 million investment, we installed decarbonization facilities at both plants. With these facilities, over 317,968 m³ of water

saving was achieved in our power plant in Antalya, and over 1.5 million m³ of water saving was achieved in our power plant in Bolu in 2020.

The Bolu Göynük Thermal Power Plant employs a reverse osmosis technology to collect wastewater in a different pool and reuse it for ash humidification. Moreover, we created Çatak Pond with a TRY 17.5 million investment to meet the power plant's water requirement. The regional community also benefit from this water resource via the General Directorate for State Hydraulic Works.

The seawater desalination system installed at Northern Cyprus Kalecik Heavy Fuel Oil Power Plant meets 100% of the facility's water requirements. Modification of the purifier tank system for seawater treatment, which was performed in 2020, improved the efficiency of internal consumption. We also purify wastewater by evaporating and condensing it with the Evaporator Treatment System for natural gas closed-cycle systems and internal needs.

At Ghana Heavy Fuel Oil Power Plant in Africa, where water resources are more limited, we have built measurement tools to monitor water consumption. We also use the wastewater discharged from the power plant's water-softening unit for garden irrigation purposes.



558,716

M³

Recycled
Wastewater

Bolu Göynük Thermal Power Plant

Water Use (m ³)	2017	2018	2019	2020
Municipal Water	226,713	148,643	61,630	37,294
Surface Water	7,649,666	7,000,446	7,289,340	8,487,973
Groundwater	161,987	112,095	0	13,664
TOTAL	8,038,366	7,261,184	7,350,970	8,538,931

Wastewater Amount (m ³)	2017	2018	2019*	2020
	1,872,351	1,656,947	1,894,771	2,351,791

* The amount of wastewater increased as of 2019 due to use of water to improve the quality of water used in production processes.

Recycled Wastewater (m ³)	2017	2018	2019	2020
	567,969	96,969	355,225	558,716

Environmental Sustainability

Biodiversity

As part of a project conducted in 2020, we contributed to the efforts to protect the bobcats, considered as an “endangered” species according to the International Union for Conservation of Nature (IUCN) Mediterranean Biodiversity assessment.



Thanks to our collaboration with Hatay Nature Conservation Association (TAKODER), an area of 12,000 decares in Hassa district of Hatay, Turkey has been registered as Natural Monument by the Ministry of Agriculture and Forestry.

As Aksa Energy, we are aware that natural resources play a significant role in securing the continuity of our operations. We place great importance on protecting and monitoring the natural habitat and biodiversity in the areas where our power plants are located. We take into account our potential effects on the living species in the regions where we operate; and conduct environmental risk analyses starting from the initial investment decision stage. In addition to monitoring, assessing and reporting on the impacts of our operations on biodiversity, we also support various projects through our collaborations to mitigate and supervise potentially negative impacts in the regions where we operate.

During 2015-2020, we collaborated with Hatay Nature Conservation Association (TAKODER) to develop projects to monitor endangered species, and minimize the detrimental effects on their habitats. Thanks to this collaboration, an area of 12,000 decares in Hassa district of Hatay, Turkey has been registered as Natural Monument by the Ministry of Agriculture and Forestry.

In 2015, with our first biodiversity project – Conversation Project for Hatay Mountain Gazelles – we supported conservation of the mountain gazelle species and its native habitat in Hatay, Turkey. As part of this project, a special

Mountain Gazelle Observation Event was organized on World Environment Day. Students selected from the region’s rural schools had the chance to observe mountain gazelles from the observation tower constructed on the land.

In 2016 and 2017, Aksa Energy supported a project to study striped hyenas (*hyaena hyaena*), an endangered species residing nearby Gölbaşı Village in Kırıkhan, Hatay. As part of the project, local residents were interviewed and photo traps were placed in the region to assess the current status of striped hyenas and collect information about their natural habitats and ecology. During these efforts, the rock gerbil (*gerbillus dasyurus*), which had not been observed for 22 years in the region and was thought to be extinct, was also encountered. Even though the rock gerbil was not the target species in the project, this discovery was a key output for initiation of research for conservation of the species. Observation of the rock gerbil was included in the report titled “Preliminary Study on the Determination of Striped Hyenas’ Dispersion and Ecology in the Kırıkhan – Reyhanlı Region.” The report reveals the need for meticulous protection of habitats with rich mammal diversity in the region. In addition, the results of this study were published in regional and national press, raising public awareness on this important topic.



Aksa Energy 2016 Biodiversity Project - Hatay/Kirikhan

Environmental Sustainability

Biodiversity

In 2019, we initiated activities in Bolu for the conservation of the brown bear (*Ursus arctos*), the biggest predator and the only bear species living in Turkey in order to protect the species and raise public awareness on this subject.



We take into account our potential effects on the living species in the regions where we operate; and conduct environmental risk analyses starting from the initial investment decision stage.



Aksa Energy 2019 Brown Bear Project - Bolu/Yedigöller

In 2018, we continued our efforts on biodiversity in cooperation with TAKODER. We conducted a project to determine the presence and ecology of red deer (*Cervus elaphus*), a species symbolizing biodiversity, around the Yedigöller National Park. The population of red deer – which is included on the Red List of the International Union for Conservation of Nature (IUCN), indicating an endangered species – is gradually decreasing. Under the project, key factors – such as height, inclination, flora, water resources, road network and status of agricultural activities – affecting the distribution of the population were determined. Visual records were collected about the species via photo-traps installed to obtain exact information about the size of the population. At completion of the project, the size, density, distribution,

natural habitat, food, and nutritional sources of the red deer population, as well as their social behavior and interaction with humans and the threats facing the species, were defined. Alongside the prescribed measures to be taken for preservation of the species, notes were also created to raise public awareness for continuity of the red deer population.

In 2019, we initiated activities in Bolu for the conservation of the brown bear (*Ursus arctos*), the biggest predator and the only bear species living in Turkey. This initiative aims to preserve the species in the Yedigöller region of Bolu, and raise awareness of the public. As part of protection efforts, the threatening factors in the geographic areas that the species inhabits were identified and protection measures were established. Informational



Aksa Energy 2020 Lynx Project - Bolu

signage was placed in road networks and areas where tourism activities are conducted; and ecological bridge passages were identified. Additionally, measures taken to protect the species were reported to the Bolu Branch of the Nature Conservation and National Parks.

For the purpose of managing its impact on biodiversity, in 2020, Aksa Energy carried out a project in Bolu, where it operates, in order to reveal the existence of the bobcat (*Lynx lynx*), identify the factors that threaten the species and set forth protection recommendations. Within the scope of the project, the company focused on the “endangered” lynx species according to the International Union for Conservation of Nature (IUCN) Mediterranean Biodiversity assessment, and contributed to the analyses to ensure the survival of the generation. In this project carried out to contribute to the sustainability of the lives of lynxes, which are rare in Turkey and generally found in Bolu, different species as well as lynxes were determined and various ecological data was collected.

In 2021, we will commence a project to conserve the natural habitat of Mediterranean monk seals. Under the project, we will examine the natural habitat of the Mediterranean monk seals in the coastal area of Northern Cyprus, and the breeding, sheltering and wandering areas of seals in this zone will be identified and mapped. All data from the project will be shared with relevant authorities in Northern Cyprus so that the natural habitat of the Mediterranean monk seals can be secured.

Aksa Energy plans to further promote research in this area in the future, and manage the Company’s impact on biodiversity. Our efforts will focus on the continuity of endangered animal species in Turkey.



In 2020, the company focused on the “endangered” lynx species according to the International Union for Conservation of Nature (IUCN) Mediterranean Biodiversity assessment, and contributed to the analysis to ensure the survival of the generation.

Aksa Energy Biodiversity Projects

Year	Project Name	Project Location
2015	Mountain Gazelles	Hatay
2016	Striped Hyenas I	Hatay
2017	Striped Hyenas II	Hatay
2018	Red Deer	Bolu
2019	Brown Bear	Bolu
2020	Bobcats	Bolu

Employees

We offer a workplace environment that respects employees' rights, supports training and development, and allows us to create a competent, best-in-class team to contribute to our sustainable growth.



Aksa Energy continues to develop its policies and practices to further improve employee engagement. We place great importance on employee satisfaction and loyalty, one of the immutable elements of the Company's human resources vision.



As Aksa Energy,, we shape our human resources approach around the core values of right person for the right job, management of diversity, equal opportunities for all, and personal and professional development. The approach best summed up as "Our most valuable asset is our human resources" serves as the cornerstone of our Human Resources Policy. Accordingly, we focus on effectively using modern human resources systems and practices, aligned with the Company's strategic objectives and its mission of being the employer of choice in the industry. We offer a workplace environment that respects employees' rights, supports training and development, and allows us to create a competent, best-in-class team to contribute to our sustainable growth.

At year-end 2020, 24% of our 841 employees are white-collar and 76% are blue-collar; 7% of the employees work at headquarters and 93% work at power plants. With the operations spanning 5 countries across 2 continents and our new project under construction in Uzbekistan, we have 375 employees in Turkey, 82 in Northern Cyprus, 169 in Ghana, 72 in Mali, 133 in Madagascar and 10 in Uzbekistan. We are committed to employing local residents at our facilities located in Turkey and abroad. As a result, 62.6% of our 374 employees in African countries are local residents.

We prioritize employing well-educated, highly skilled, successful individuals with the awareness that achieving our corporate targets require high

841

Total Number of Employees

quality human capital. Our Human Resources Policy, which also includes our recruitment criteria, is disclosed to the public on the corporate website. For recruitment needs, we assess internal and external resources within the context of job description and requirements. In recruitment process, we consider not only the current needs for personnel vacancies, but also our long term objectives.

We manage employee relationships through our Human Resources Department and human resources professionals with specific roles and responsibilities. On the other hand, the Board of Directors takes an active role in developing a succession plan for key managerial positions.

We continue to develop our policies and practices to further improve employee engagement and place great importance on employee satisfaction and loyalty, one of the immutable elements of the Company's human resources vision. We conducted an employee loyalty survey in 2020 with the participation of all of our employees. The results of this survey is taken into account in all internal processes.

As of 2018, we have introduced **Requests/Suggestions/Complaints Boxes** at headquarters and the power plants in order to manage the suggestions, requests and complaints of our employees systematically. Our other communication channels include the **"Write to Us"** form on the corporate website, **the Ethics Hotline**, and the email address **enerji@aksaenerji.com.tr**. In 2020, we received 54 requests from our employees via the Requests/Suggestions/Complaints Boxes. We evaluated all requests one by one and took the necessary actions in connection with 16 of them. During this period, we actively monitored Aksa Energy's communication e-mails and put in great efforts to take quick action, when necessary.

Employees by Category



Employees by Location



Employees by Country



Details on our Human Resources practices are available on our corporate website.

Employees

Safe Working Environment

We take all requisite safety measures across the organization to meet our target of “zero-accidents” and prevent occupational diseases.



Aksa Energy achieves compliance with legal requirements through its statement of intent and commitment in the corporate Occupational Health and Safety Policy. This statement highlights our commitment to providing a safe working environment and protecting the health of our employees.



Uzbekistan Natural Gas Combined Cycle Power Plant

We recognize our responsibilities in occupational health and safety (OHS) management, one of our material sustainability topics. We are committed to complying with all applicable local and international regulations and other legal requirements to ensure that our employees work in a healthy and safe environment. At Aksa Energy, we implement pioneering OHS practices, and pursue continuous improvement of our performance in this key area.

In 2020, we reviewed and revised our Occupational Health and Safety Policy, which forms the basis of the company's occupational health and safety management efforts. The revised policy is published on our corporate website. As Aksa Energy we achieve compliance with legal requirements through our statement of intent and commitment in the corporate Occupational Health and Safety Policy. This statement highlights our commitment to providing a safe

working environment and protecting the health of all our employees. In addition, we effectively manage OHS processes with the ISO 45001 Occupational Health and Safety Management System certificate. Currently, efforts are underway to extend the ISO 45001 standard to our power plants, which is already implemented at our corporate headquarters.

In 2019, Aksa Energy purchased Quality Document Management System (QDMS) software to digitalize its management system practices and achieve data traceability. Thanks to this solution, we began to perform document management systematically; monitor actions, corrective actions and accident-incident reports; record suggestions; plan trainings and monitor health records. QDMS was implemented at corporate headquarters and all domestic power plants in a very short time. We plan to actively use QDMS at the Ghana Heavy Fuel Oil Power Plant during the first half of 2021.



At Aksa Energy, we define, assess, and classify OHS related hazards and risks. As in all other areas of strategic importance for the company, OHS issues are handled from a risk management perspective. Appropriate measures are taken to reduce risks to an acceptable level. OHS risks are mapped based on the plant and production model according to the threat detection and risk assessment procedure. The following are included as high-priority risks in our risk assessment: electric shock, arcing, fire, combustion, explosion, falls from height, limb injuries, high temperature, among others. These risks are addressed under various categories, such as death, serious injury, and injuries with lost days.

In accordance with OHS Management System notification instructions, we fully record the health and safety data of our employees. In addition, we conduct assessments and improvement efforts by comparing our data with overall Turkey and European statistics. We are committed to taking preventive OHS measures at all of our plants, including our subcontractors and any affiliated parties. We collect all OHS data on a monthly basis and in the event of an accident, we manage the process according to the accident investigation procedure. Starting from 2021, Aksa Energy will ensure that details about accidents are entered into the system via QDMS. Accidents will also be notified to relevant authorities within three business days by the Human Resources Department at corporate headquarters. In addition to accidents, we will examine any unsafe conditions or behaviors that may result in accidents or near-misses by using specific software.

OHS-related assessments and improvement actions are carried out by the OHS Committee at Aksa Energy. All employees are represented on the Committee. The Chairman of the OHS Committee reports directly to the Chief Operating Officer (COO).

Covid-19 Period

We have successfully managed the global Covid-19 pandemic process thanks to the strict measures taken from the first moment at both our domestic and foreign power plants. We quickly rated the risks associated with the Covid-19 pandemic and implemented emergency action plans in all of our power plants. Thanks to good occupational health and safety practices, our Bolu Göynük Thermal Power Plant obtained the "Covid-19 Safe Production Certificate" from the Turkish Standards Institution (TSE). As a result of the on-site inspection performed by the Turkish Standards Institution in August 2020, it was determined that Bolu Göynük Thermal Power Plant fulfilled all the requirements in the Covid-19 Hygiene, Infection Prevention and Control Guide.

Additionally, the Quality, Health, Safety & Environment (QHSE) Department collects OHS data from power plants on a monthly basis. The QHSE Department reports on the overall OHS performance biannually.

We take all requisite safety measures across the organization to meet our target of "zero-accidents" and prevent occupational diseases. Corrective and Preventive Action reports include assessments and recommendations to prevent situations that may cause injury to employees; enhance the corporate OHS performance; and eventually, help Aksa Energy to achieve the zero-accident objective. These reports also provide emergency plans for all scenarios to prepare for possible incidents and emergencies. In 2021, Aksa Energy plans to implement an incentive system that is designed to encourage all employees to report any unsafe conditions or behaviors in addition to near misses.

In 2020, Aksa Energy recorded 10 work accidents with minor injuries (injuries requiring outpatient care or first aid only) and zero work accidents with severe injuries at its domestic power plants. Meanwhile, 12 work accidents with minor injuries and one work accident with lost days occurred at the overseas power plants. Aksa Energy completed the year with no fatal work



In 2021, Aksa Energy plans to implement an incentive system that is designed to encourage all employees to report any unsafe conditions or behaviors in addition to near misses.

Employees

Safe Working Environment

In 2020, OHS training accounted for 91.5% of all the training provided to Aksa Energy staff members.

17,170

Man*Hours

OHS Training



We aim to ensure that all Aksa Energy employees and subcontractors, regardless of their experience, demonstrate exemplary behavior both in terms of compliance with the OHS Management System as well as the corporate safety culture.

accidents. In 2020, seven lawsuits were filed against the company alleging liability for work accidents. In addition, one lawsuit filed in 2018 for a fatal work accident is ongoing.

During the year, we maintained our efforts to enhance the health and safety conditions at our domestic and overseas power plants, reduce work accidents and lower the incidence of occupational diseases. We provided 17,170 man*hours of OHS training to Aksa Energy employees in 2020. We remain committed to further boosting the OHS competency of our workforce to achieve the “zero-accident” target at our power plant facilities. In 2020, a total of 3,244,859 man*hours of training was provided to Aksa Energy employees at both domestic and foreign power plants. OHS training accounts for 91.5% of all the training provided to our workforce.

To provide a healthy and safe work environment at both our domestic and foreign power plants, we are committed to reducing OHS risks and making continuous improvements. For this purpose, we plan to establish and implement the ISO 45001 OHS Management System at all of our plants in the short-term. In addition, we aim to achieve compliance with national standards and continuously improve the management system by adopting global standards. Aksa Energy plans to implement reward and penalty practices to maximize awareness on OHS. Our long-term objective is to ensure that all Aksa Energy employees and subcontractors, regardless of their experience, demonstrate exemplary behavior both in terms of compliance with the OHS Management System as well as the corporate safety culture.



Ghana Heavy Fuel Oil Power Plant

		Work-Related Injuries		Serious Injuries		Work-Related Deaths	
Per Location	Total Annual Working Hours	Employee Number	Rate	Number of Employees	Rate	Number of Employees	Rate
Domestic	1,432,779	10	6.98	0	0.00	0	0
Overseas	1,812,080	13	7.17	1	0.55	0	0
Total	3,244,859	23	7.09	1	0.31	0	0

* Rates were calculated according to the following formula: $[\text{Number of Employees} / \text{Total Annual Working Hours (Man*Hour)}] * 1,000,000$

Details on our Occupational Health and Safety Policy are available on our corporate website.

Employees

Employee Efficiency and Development

Career paths are created on a common ground that benefits both employees and Aksa Energy, enabling staff members to improve their skills and help the Company achieve its corporate goals.



The mission of human resources is to support Company's management staff and personnel; to ensure the continuity of a creative, dynamic, highly motivated, effective, and efficient corporate team; and to establish human resources systems in coordination with the related units.

Aksa Energy understands that it is only possible to achieve its long-term goals with the help of its employees. We strive to recruit and retain staff members, who are dynamic, open to creativity and change, and are aware of their potential to develop themselves and their work. At Aksa Energy, we are committed to investing in our human capital to make our employees feel that they are members of a team that cultivates development and creativity, rewards efforts and appreciates achievements, from the day of recruitment onwards.

The mission of human resources is to support Company's management staff and personnel; to ensure the continuity of a creative, dynamic, highly motivated, effective, and efficient corporate team; and to establish human resources systems in coordination with the related units. For this purpose, we are committed to provide our employees with every kind of opportunity for career development.

We recruit skilled employees who can adopt and actively work to realize the Company's vision. As a rule, we primarily meet our staffing needs internally from the current workforce. To fill vacancies that cannot be met

internally, via promotion or transfer, we use external resources to facilitate new staff recruitment. We discover and recruit our current and potential human capital via talent management efforts. Career paths are created on a common ground that benefits both employees and Aksa Energy, enabling staff members to improve their skills and help the Company achieve its corporate goals.

At Aksa Energy, job descriptions are documented under ISO 9001 Quality Management System, and shared with all staff members. We implement career and performance management systems developed with a target-based approach. In 2019, we began to apply a performance evaluation process for positions of manager and above. We are working towards applying the Performance Management System (PMS), which will be implemented for employees holding managerial positions in 2021, for other positions as well.

For more effective and efficient management of human resources, we aim to develop integrated Enterprise Resource Planning (ERP) systems; and to that end, we plan to formulate career maps and a talent pool in 2021.



Training Categories in 2020

Man*Hours

OHS Training	17,170
Technical and Professional Training	1,587
Aksa Academy (In-house Training)	486

Employees

Employee Efficiency and Development

Aksa Energy promotes personal and professional development of its staff members, and organizes frequent training sessions to support employees.



As per our policy, we embrace the principle of equal pay for equal performance and determine salaries and other benefits on the basis of performance and efficiency.

Remuneration and Benefits

Aksa Energy focuses on remuneration and benefits to provide the most suitable conditions that are meaningful to employees and sustainable for its business. In parallel with our objective of being the employer of choice within the industry, we implement a remuneration policy that is competitive, sensitive to the market conditions, and which aims to improve the quality of life of our staff.

The Corporate Governance Committee is responsible for execution of the Remuneration Policy for the Board of Directors and Senior Management, which is available on our corporate website, on behalf of the Board of Directors.

As per our policy, we embrace the principle of “equal pay for equal performance” and determine salaries and other benefits on the basis of performance and efficiency. Additionally, we closely monitor macroeconomic factors and trends in the industry to ensure implementation of a fair and accurate remuneration policy across the Company.

At Aksa Energy, we implement a remuneration system that is based on fair, transparent, measurable and balanced performance targets, encourages sustainable success, and is aligned with the Company’s risk management principles.

In addition to remuneration and benefits provided to employees, Aksa Energy has furnished health and personal accident insurance to a total of 770 personnel in 2020. This number includes headquarters staff who visit the power plants as part of their job descriptions, along with those working at the power plants.

Check out our website for detailed information about the Remuneration Policy for the Board of Directors and Senior Management.

Personal and Professional Development

Aksa Energy promotes personal and professional development of its staff members, and organizes frequent training sessions to support employees. We provide various training opportunities to all staff members in order to meet their career and personal development needs; fulfill occupational requirements occurring over time; and achieve the Company’s targets and strategies. These trainings are designed to ensure that employees acquire new skills and remain aware of innovations in the energy sector, where ever-advancing technology is the norm. Our training efforts aim to continuously improve employee performance while providing access to all technical and professional knowledge they require to become more competent in their respective roles, and develop their personal skills.

In 2020, 18,757 man*hours of OHS, technical and professional training was provided to the employees. A further 486 man*hours of training was also given at Aksa Academy, i.e. Kazancı Holding’s in-house training platform.

18,757

Man*Hours

Total Training Hours



Madagascar Heavy Fuel Oil Power Plant

Employees

Equal Opportunity and Diversity

Believing that diversity and respect to diverse beliefs and opinions enrich corporate culture, we provide our employees with equal opportunities to strengthen their competencies.



Our Human Rights Policy is shaped around the Universal Declaration on Human Rights and International Labor Organization (ILO) Conventions, United Nations Global Compact, UN Guiding Principles on Business and Human Rights, and OECD's Guiding Principles for Multinational Enterprises.

We respect the rights of all our employees and business partners, and advocate respect for fundamental human rights in the society across all countries where we operate with an efficiency and sustainability-oriented approach.

We have committed to meeting basic human rights requirements with our "Aksa Energy Human Rights Policy," which we prepared in 2016 and translated into the official languages of all of the countries where we operate. Our Human Rights Policy is shaped around the Universal Declaration on Human Rights and International Labor Organization (ILO) Conventions, United Nations Global Compact, UN Guiding Principles on Business and Human Rights, and OECD's Guiding Principles for Multinational Enterprises. The Policy is disclosed to the public on our corporate website. Our Human Rights Policy further states that we are opposed to child labor and forced labor. The Policy covers our employees, business associates, and suppliers, and is executed by the Ethics Committee.

Believing that diversity and respect for diverse beliefs and opinions enrich corporate culture, we provide our employees with equal opportunities to strengthen their competencies. Aksa Energy and its subsidiaries are firmly against discrimination based on race, religion, language, gender or sexual orientation, in any stage of its business operations including the nomination, recruitment and promotion processes.

We support women's participation in the labor force to ensure gender equality in the workplace. Female employees account for 35% of the total number of employees working at our headquarters; meanwhile 14% of our board members are female. We believe that returning to work after maternity leave should be considered as part of gender equality in business, and encourage our female employees in this regard. In 2020, 50% of our female staff returned to work after maternity leave.

We take every precaution and actively implement the Code of Ethics to prevent discrimination based on race, religion, language and gender among employees and protect the staff from physical, mental and emotional abuse within the organization. We are committed to observe fairness in terms of any rights given to our employees. Employees are informed about any decisions or developments that concern them by respective department managers or via email. We encourage our employees to contact the Human Resources Department if they experience any kind of management related problems. In 2020, no complaints alleging discrimination by race, religion, language or gender were received from our employees.

Details on our Human Rights Policy are available on our corporate website.

14%

Rate of Female Board Members

Social Responsibility

We manage our corporate social responsibility pursuant to the principles outlined in our Corporate Social Responsibility Policy. We actively work to minimize the adverse impacts of our operations, and evaluate potential outcomes that may arise from these impacts.



Madagascar - Orphelinat Etoile du Matin - Children's Home Activities



We carry out initiatives to support economic, social and cultural development of the local communities residing in our regions of operation.

As a company that moves towards its target of becoming a global company with operations spanning 5 countries on 2 continents, we consider all individuals and entities, directly or indirectly affected by our business operations, as stakeholders. With this perspective, and coupled with a strong sense of social responsibility, we aim to create further value for our extensive network of stakeholders. We manage our corporate social responsibility pursuant to the principles outlined in our Corporate Social Responsibility Policy. We actively work to minimize

the adverse impacts of our operations. We evaluate potential outcomes that may arise from these impacts and take responsive measures as needed, by listening to the opinions and suggestions of local residents in the areas where our power plants are located. Moreover, we carry out initiatives to support economic, social and cultural development of the local communities residing in our regions of operation.

Details on our Corporate Social Responsibility Policy are available on our corporate website.

Social Responsibility

Contribution to the Local Economy and Employment

Committed to establishing transparent and effective communication channels with all of our stakeholders, we strive to conduct our relations with the companies and suppliers on the basis of sustainability.



As of the year end, ratio of local residents employed in our power plants is 61% in Ghana, 62% in Madagascar, 65% in Mali, 72% in Northern Cyprus, and 60% in Uzbekistan where the investment process is still ongoing.



Bolu Göynük Thermal Power Plant

We are keenly aware that energy generation is a vital need for economic growth and social development. Embracing this perspective, we help reduce Turkey's foreign dependence on energy while meeting the urgent need for energy in developing markets such as African countries, through our operations. Thus, we indirectly support the growth of these countries by expanding access to energy, and contributing to the socio-economic development of local communities with the employment opportunities we create.

As in previous years, in 2020, we also continued to employ local residents to meet our need for personnel in order to create employment opportunities for

the local communities. As of the year end, ratio of local residents employed in our power plants is 61% in Ghana, 62% in Madagascar, 65% in Mali, 72% in Northern Cyprus, and 60% in Uzbekistan where the investment process is still ongoing. Similarly, Bolu Göynük Thermal Power Plant's staff was recruited from the villages of Bölükceköva, Himmetoğlu and Karaardıç, in the vicinity of the plant.

In addition to providing employment opportunities at our power plants, we also select subcontracting companies from the region when additional services are needed at the power plants. Thus, we contribute to the expansion of the local labor market, and create a source of income for the

94%

Percentage of Local Suppliers



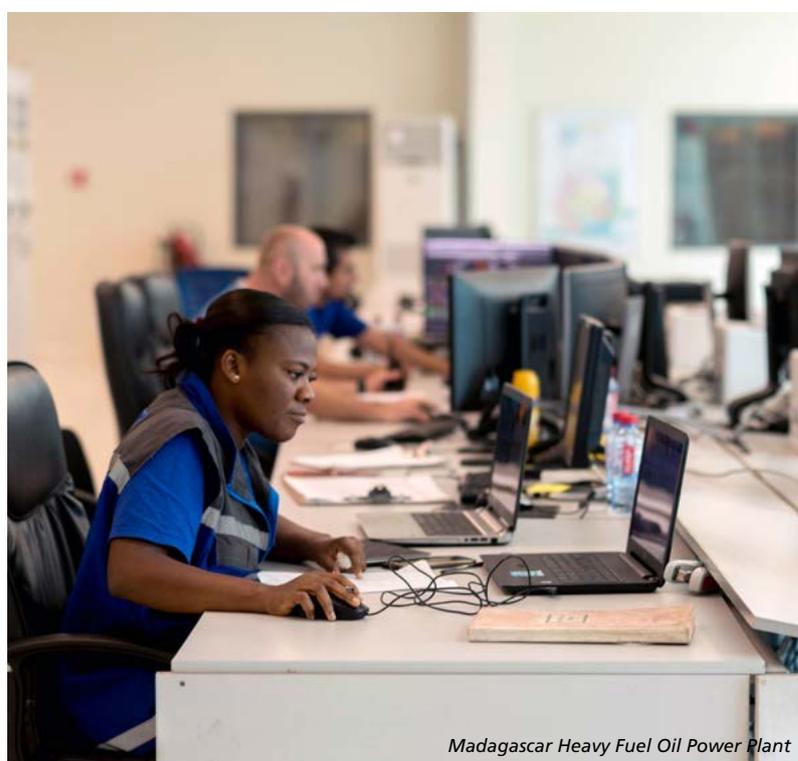
local population. Besides, we try to split contracts among as many suppliers as possible in order to minimize potential effects of any disruption in the generation processes of manufacturers in areas which are heavily affected by the Covid-19 pandemic on the supply chain. As at year-end 2020, 94% of our 820 suppliers in 16 countries across 4 continents are local, along with subcontractors, brokerage houses and consultancy firms operating in energy generation and mining. In 2020, our procurement spending amounted to TRY 515.2 million, and 11% of this amount was paid to local suppliers.

Committed to establishing transparent and effective communication channels with all of our stakeholders, we strive to conduct our relations with companies and suppliers on the basis of sustainability. Accordingly, in line with our vision of being a socially responsible energy company, we expect our suppliers to comply with international standards in terms of occupational health and safety and environmental policies, and stop working with any organization or supplier that is known to offer bribes. Our Supplier Relations Management (SRM) system, scheduled for implementation in 2021 upon completion of test runs in 2020, is designed to facilitate supplier selection at the Company by methodically assessing suppliers from a social and environmental perspective.

We also carry out infrastructure work and maintenance projects in the regions where we operate to support local economic development and create lasting value. We provide dedicated feedback mechanisms to receive and assess the requests and expectations of our stakeholders and local communities in this regard. In this context, we donated a total of TRY 6,619,013 during the year, including TRY 5,718,573 within the scope of Covid-19, TRY 162,970 to sports clubs and schools, TRY 718,139 to various associations and TRY 19,331 to women's associations in order to meet various local requirements in regions where we operate.

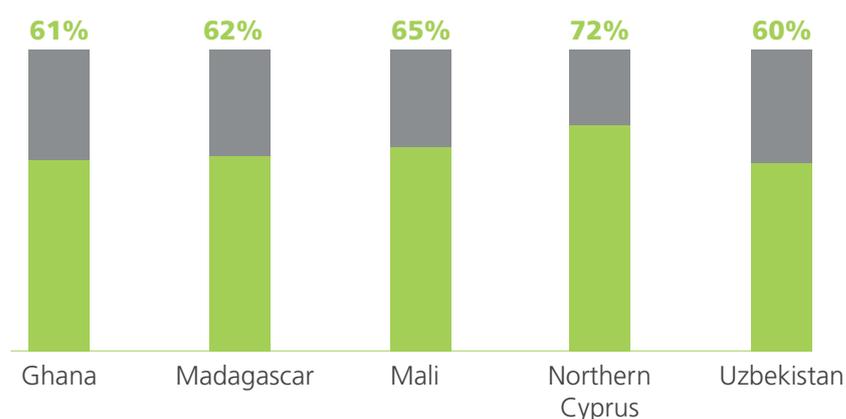
Covid-19 Pandemic

During the pandemic that affected the whole world in 2020, we contributed to the fight against the virus with our donations in our operating regions. Aksa Group Companies, under the umbrella of Kazancı Holding, participated in the National Solidarity Campaign, launched under the leadership of President Recep Tayyip Erdoğan with the motto "Together We Are Strong," and donated TRY 5 million. We also supported the extraordinary struggle against the pandemic with a donation of TRY 2.5 million to the Aid Fund of the Doctor Burhan Nalbantoğlu State Hospital in Northern Cyprus and contributed 2.5 million Ghanaian Cedi to the Covid-19 Fund established by the Republic of Ghana.



Madagascar Heavy Fuel Oil Power Plant

Percentage of Local Residents Employed Abroad



Social Responsibility

Responsibility Projects

With a strong commitment to social responsibility which is one of the three pillars of our sustainability approach, we develop and carry out various social responsibility projects to promote education and culture, with a particular focus on children - the future of us all.

ENERGY FOR TOMORROW with numbers

8,500+
Km of Road

23
Cities

25
Village Schools

2,500
Students



With a strong commitment to social responsibility which is one of the three pillars of our sustainability approach, we develop and carry out various social responsibility projects to promote education and culture, with a particular focus on children especially those living in rural regions.

In 2019, we teamed up with Akso Natural Gas, Akso Electricity and Akso Power Generation under Kazancı Group to execute a joint social responsibility project: "ENERGY FOR TOMORROW." Under this initiative, employee volunteers from participating Group companies traveled across Turkey and provided training sessions on energy in rural elementary schools in 2020 until the outbreak of the pandemic.

From the beginning of the project in March 2019 until the beginning of the pandemic, we traveled more than 8,500 km and reached approximately 2,500 students in 25 village schools throughout 23 cities. We visited village schools in Van, Ağrı, Elazığ, Malatya, Balıkesir, Çanakkale, Trabzon, Rize, Amasya, Tokat, Ordu, Giresun, Zonguldak, Düzce, Bolu, İzmir, Manisa, Bursa, Bilecik, Adana, Mersin, Hatay and Osmaniye, and provided comprehensive trainings on energy to the 5th, 6th, 7th and 8th grade students. Formed by the Corporate Communications staff of Group companies, the ENERGY FOR TOMORROW team provided students with useful information on many

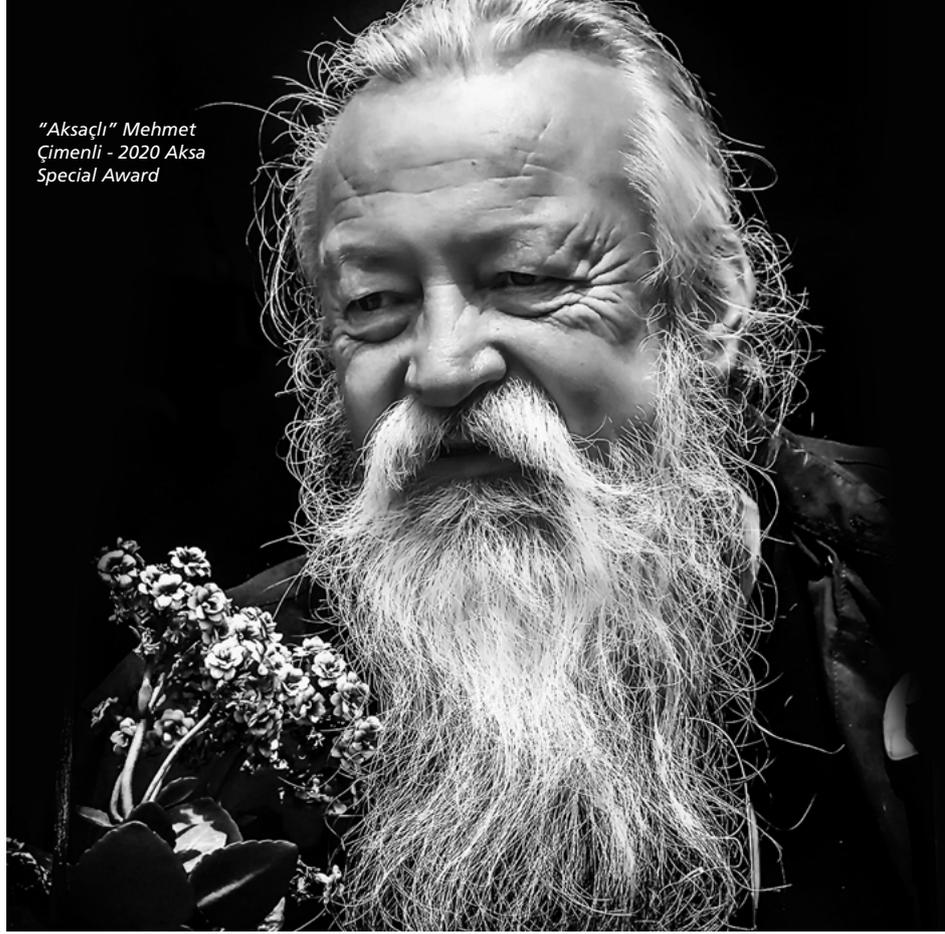
energy-related subjects, including energy resources, energy efficiency, conscious use of energy, clean energy concept and energy generation. In addition, students had the opportunity to learn about the Group companies operating in the energy sector.

We intended to entertain the children while reinforcing the information and concepts, presented during the training, with an energy-themed math game developed specifically for the project. Numerous energy-themed experiments were also used to demonstrate key points. The energy-themed math game was specially designed for the Aksa brand. The innovative game was developed by taking into account the mathematics skill level of each class. With this game, we intended to entertain the children while supporting their learnings as they try to solve the math questions in a fun game. The game is played with groups of four and specifically designed for all groups to be completed at a similar time, thus it does not allow any team to win by a landslide, considering the emotional development of children, as well. The educational gameplay is conducted by a team of advisors consisting of math teachers; these instructors support those children who experience difficulties during the game.

At the end of the instructional activities, students are presented with a variety of school supply products, a backpack, and the Energy Encyclopedia – a specially designed illustrated book on energy. We also provide a copy of the Energy Game to each school for teachers to use as an educational tool in their classes. Since school visits were postponed due to the pandemic, the educational content of the initiative was transformed into an animated cartoon video.

We also conduct efforts for the benefit of children in African countries. In September 2019, we initiated a project with the participation of Kazancı Holding employees to make donation to a children's home near the Madagascar Heavy Fuel Oil Power

*"Aksaçlı" Mehmet
Çimenli - 2020 Aksa
Special Award*



Plant. Under this voluntary campaign, we collected various items – including clothing, toys, kitchenware, curtains and school supplies – with the support of other Group companies throughout Turkey. The donated items were delivered to the children's home. We also distributed some of the collected items to 150 students attending a school near the Madagascar Heavy Fuel Oil Power Plant.

Each year, we hold a photography contest named Aksa Fotofest regularly in order to contribute to the world of culture and art in Northern Cyprus as well as to support photography. Thanks to the competition organized with a different theme every year, amateur artists have the opportunity to represent their local culture in different environments with their works. The themes of the contest, which we held for the 5th time in 2020, were "Human Portraits" and "Health and Hope." In the contest, a record high participation was achieved compared to the previous years. 1,071 works were evaluated, 5 photographs received awards and 36 photographs in total were considered worth to be exhibited.



We hold a photography contest named Aksa Fotofest annually in order to contribute to the world of culture and art in Northern Cyprus as well as to support the art of photography.

Environmental Performance

Energy Consumption (GJ)	2017	2018	2019	2020
Electricity (internal consumption from own generation)	1,288,598	1,292,659	1,223,834	1,322,573
Natural Gas	33,523,085	20,124,335	16,410,100	18,689,917
Lignite	19,713,139	22,148,489	12,741,995	21,032,121
Fuel Oil	13,450,687	14,275,678	13,724,053	14,270,179
Diesel	1,958.4	323,392	9,793	32,129
Total	67,977,468	58,164,552	44,109,775	54,024,346
Energy Consumption per GJ of Electricity Generation	2.18	2.50	1.64*	2,21*

* In 2019, calculation method for Energy Consumption per GJ of Electricity Generation has been revised as Total Fuel Energy Used / Total Energy Generated (Electricity and Steam Power).

Greenhouse Gas Emissions (ton CO ₂ e)*	2017	2018	2019	2020
Scope 1	4,888,820	4,446,485	3,882,434	5,296,142
Scope 2	183,315	182,049	0**	0
Total	5,072,135	4,628,534	3,882,434	5,296,142
Greenhouse Gas Emissions per MWh Generation (kg CO ₂ e/MWh)	586	716	535***	778

* The greenhouse gas calculation methodology is based on "greenhouse gas activity data multiplied by GHG emission/removal factors." Greenhouse gas emissions were calculated in accordance with the Greenhouse Gas Protocol methodology. Global Warming Potentials (GWPs) are based on Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report Values.

** GHG emissions from use of electricity generated at the plants were included in Scope 2 before 2019. However, emission from fuels used to produce electricity for internal consumption is already included in Scope 1. To avoid double-counting, Scope 2 value is revised as 0 in 2019.

*** From 2019 onwards, the steam power generation is also included in calculation of "GHG emissions per MWh Generation." Otherwise, this value for the 2019 year is calculated as 612 kg CO₂e/MWh. GHG intensity has decreased as a result of resource and energy efficiency policies and practices. In calculation of GHG inventory for Bolu Göynük Thermal Power Plant, only CO₂ emissions from lignite combustion are included as recommended by the Turkish Ministry of Energy and Natural Resources for the industry.

Air Emissions (kg)	2017	2018	2019**	2020
NOx*	19,285,292	13,953,207	5,417,461	14,836,755
SOx	5,129,198	4,014,876	2,477,841	781,916

* Indicates the amount in NO₂.

** The decrease in the number of stop/startups at our plants effectively reduced air emissions amount in 2019.

Social Performance

Employees By Location	2017*	2018*	2019*	2020**
Domestic	512	501	501***	457***
Overseas	507	476	406	384
Total	1,019	977	907	841

* Includes 5 Board Members, excluding Independent Board Members.

** Includes 1 Board Member as Aksa Energy employee.

*** Includes our employees in Northern Cyprus.

Employees By Gender	2017*	2018*	2019*	2020**
Female	84	87	86	79
Male	935	890	821	762
Total	1,019	977	907	841

* Includes 5 Board Members, excluding Independent Board Members.

** Includes 1 Board Member as Aksa Energy employee.

Employees By Category	2017*		2018*		2019*		2020**	
	Female	Male	Female	Male	Female	Male	Female	Male
White Collar	65	179	37	190	38	138	35	174
Blue Collar	19	756	50	700	48	683	44	588
Total (By Gender)	84	935	87	890	86	821	79	762
Total	1,019		977		907		841	

* Includes 5 Board Members, excluding Independent Board Members.

** Includes 1 Board Member as Aksa Energy employee.

Employees by Type of Employment	2017*	2018*	2019*	2020**
Full Time	1,019	856	907	841
Part Time	0	121	0	0
Total	1,019	977	907	841

* Includes 5 Board Members, excluding Independent Board Members.

** Includes 1 Board Member as Aksa Energy employee.

Employees by Tenure	2019*		2020**	
	Female	Male	Female	Male
0-5 Years	70	583	61	467
5-10 Years	10	156	10	192
10 Years and More	6	82	8	103
Total (By Gender)	86	821	79	762
Total	907		841	

* Includes 5 Board Members, excluding Independent Board Members.

** Includes 1 Board Member as Aksa Energy employee.

Social Performance

Employees by Gender and Age	2019*		2020**	
	Female	Male	Female	Male
Above 50 Years	5	50	3	60
30-50 Years	54	575	49	542
Below 30 Years	27	196	27	160
Total (By Gender)	86	821	79	762
Total	907		841	

* Includes 5 Board Members, excluding Independent Board Members.

** Includes 1 Board Member as Aksa Energy employee.

Managers*	2017		2018		2019		2020	
	Female	Male	Female	Male	Female	Male	Female	Male
Above 50 Years	1	3	0	5	1	5	1	6
30-50 Years	3	3	2	11	1	10	0	8
Below 30 Years	0	0	0	0	0	0	0	0
Total (By Gender)	4	6	2	16	2	15	1	14
Total	10		18		17		15	

* Includes Members of the Board of Directors (except for Independent Board Members), CFO, COO, Directors and Overseas Country Managers.

Members of the Board of Directors*	2017		2018		2019		2020	
	Female	Male	Female	Male	Female	Male	Female	Male
Above 50 Years	1	2	1	3	1	5	1	4
30-50 Years	0	5	0	4	0	2	0	2
Below 30 Years	0	0	0	0	0	0	0	0
Total (By Gender)	1	7	1	7	1	7	1	6
Total	8		8		8		7	

* Includes independent Board Members.

Newly-Recruited Employees by Gender and Age	2017		2018		2019		2020	
	Female	Male	Female	Male	Female	Male	Female	Male
Above 50 Years	2	5	0	11	0	5	0	3
30-50 Years	13	64	12	93	5	45	6	37
Below 30 Years	24	129	7	78	7	31	5	29
Total (By Gender)	39	198	19	182	12	81	11	69
Total	237		201		93		80	

Employees Who Quit Their Jobs by Gender and Age	2017		2018		2019		2020	
	Female	Male	Female	Male	Female	Male	Female	Male
Above 50 Years	0	20	1	15	0	6	1	8
30-50 Years	20	229	6	151	4	72	8	59
Below 30 Years	3	83	13	99	1	27	4	19
Total (By Gender)	23	332	20	265	5	105	13	86
Total	355		285		110		99	

	2019	2020
Employee Turnover Rate*	10.98%	11.84%

* Calculation method for average number of employees: Total Number of Individuals Employed in the 12 Months of the year in question/12.

Training Hours	2017	2018	2019	2020*
Total Training Hours	21,183	25,817	21,621	19,243
Average Training Hours Per Employee	20.8	26.4	23.8	22.9

* Includes Aksa Academy in-house training events.

Disabled Employees by Gender	2017	2018	2019	2020
Female	2	1	2	2
Male	11	11	10	10
Total	13	12	12	12

Parental Leave	2017		2018		2019		2020	
	Female	Male	Female	Male	Female	Male	Female	Male
Number of Employees Who Took Parental Leave	4	0	4	29	3	46	4	29
Number of Employees Returned to Work after Parental Leave	3	0	4	29	2*	46	2	29
Number of Employees Retained 12 Months after Returning from Parental Leave			3	27	1**	38	2	26

* Excludes one employee who is still on parental leave.

** Excludes 2 employees, as the 12-month period has not elapsed yet after their return to work.

Social Performance

Subcontractors by Gender	2018	2019	2020
Female	19	34	18
Male	749	466	659
Total	768	500	677

Occupational Health and Safety	2018		2019		2020	
	Female	Male	Female	Male	Female	Male
Number of Employees	32	470	86	821	79	762
Number of Accidents	0	16	0	72	0	23
Number of Fatalities	0	0	0	0	0	0
Number of Occupational Diseases	0	0	0	0	0	0
Number of Lost Days Due to Accident	0	201	0	187	0	311
Number of Absentee Days*	-		2,237		3,852	
Accident Frequency Rate (IR)**	5.54		19.57		7.09	
Occupational Disease Rate (ODR)	0		0		0	
Rate of Lost Days Due to Accident***	0.007		0.005		0.010	
Absenteeism Rate***	-		1.56		2.96****	
Total Annual Working Hours	2,888,260		3,678,354		3,244,859	

* Absences other than paid leave, such as annual leave, maternity leave, paternity leave, compassionate leave and training leave. Indicates only domestic employee data.

** Accident Frequency Rate: calculated according to the following formula: $[Total\ Number\ of\ Accidents / Total\ Annual\ Working\ Hours\ (Man*Hour)] * 1,000,000$

*** Rate of Lost Days Due to Accident: calculated according to the following formula: $[Total\ Number\ of\ Days\ Lost\ Due\ to\ Accident / Total\ Annual\ Working\ Hours\ (Man*Hour)] * 100$.

**** Absenteeism Rate: calculated according to the following formula: $[Number\ of\ Absentee\ Days / Total\ Annual\ Working\ Days\ (Man*Day)] * 100$. Indicates only domestic employee data.

***** Calculated according to the following formula: Average Number of Persons*Working Days.

Annex-1: UN Global Compact (UNGC) Communication on Progress (COP)

UN Global Compact (UNGC) Communication on Progress (COP)

	Principles	Section
HUMAN RIGHTS	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	Sustainability Approach Equal Opportunity and Diversity Human Rights Policy
	Principle 2: Businesses should make sure that they are not complicit in human rights abuses	Sustainability Approach Equal Opportunity and Diversity Human Rights Policy
LABOR	Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	GRI Content Index Human Rights Policy
	Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labor	Equal Opportunity and Diversity Human Rights Policy
	Principle 5: Businesses should uphold the effective abolition of child labor	Equal Opportunity and Diversity Human Rights Policy
	Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation	Employees Equal Opportunity and Diversity Human Resources Policy Human Rights Policy
ENVIRONMENT	Principle 7: Businesses should support a precautionary approach to environmental challenges	Environmental Sustainability Environmental Policy Framework Environmental Management System (FEMS) Procedure
	Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	Environmental Sustainability Climate Change and Energy Biodiversity Memberships and Supported Initiatives Contribution to Local Economy and Employment
	Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	Sustainability Approach Climate Change and Energy Air Emissions Waste Management Water and Wastewater Management Environmental Policy
ANTI-CORRUPTION	Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	Code of Ethics and Transparency Combating Bribery and Corruption Policy

Annex-2: GRI Content Index



We developed the content of this Report in accordance with the GRI Standards 'Core' option requirements. The accuracy of the references for the General Disclosures between 102-40 and 102-49 is reviewed and confirmed based on the Turkish version of the Report by GRI within its Materiality Disclosures Service. The service was provided over the Turkish version of the report.

GRI STANDARD	DISCLOSURES	SECTION OR ANSWER	PAGE/URL
GRI 101: Foundation 2016			
General Disclosures			
GRI 102: General Disclosures 2016	Corporate Profile		
	102-1	About This Report	Inside Front Cover
	102-2	About Us	14
		Production Portfolio	18-19
	102-3	Aksa Energy Headquarters	https://www.aksaenerji.com.tr/en/contact-us/
	102-4	About Us	14
		Production Portfolio	18-19
	102-5	Shareholding Structure	17
	102-6	About Us	14
		Shareholding Structure	17
		Production Portfolio	18-19
	102-7	About Us	14
		Shareholding Structure	17
		Production Portfolio	18-19
		Economic Value	22-23
	102-8	Employees	62-63
Social Performance		79-82	
102-9	Contribution to Local Economy and Employment	74-75	
102-10	Aksa Energy Disclosure of Material Events	https://www.aksainvestorrelations.com/public-disclosures/	
102-11	Sustainability Management	30	
	Risk Management	44-45	
	Environmental	46-49	
102-12	Sustainability Approach	28-29	
	Memberships and Supported Initiatives	38	
102-13	Memberships and Supported Initiatives	38	

GRI STANDARD	DISCLOSURES	SECTION OR ANSWER	PAGE/URL
GRI 102: General Disclosures 2016	Strategy		
	102-14	Message from the Chairman and CEO	10-13
	102-15	Message from the Chairman and CEO	10-13
		Economic Value	22-23
		Developments in 2020	24-25
		Sustainability Approach	28-34
		Corporate Governance	40-41
		Risk Management	44-45
	Ethics and Integrity		
	102-16	Vision and Mission	21
	102-17	Code of Ethics and Transparency	42-43
	Governance		
	102-18	Sustainability Management	30
		Corporate Governance Structure	40-41
		2020 Annual Report	https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf
	102-19	Sustainability Management	30
		Corporate Governance Structure	40-41
		Code of Ethics and Transparency	42-43
		2020 Annual Report	https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf
	102-20	Sustainability Management	30
		Corporate Governance Structure	40-41
		2020 Annual Report	https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf
	102-21	Sustainability Approach	26, 28-29
Sustainability Management		30	
Sustainability Material Topics		32-33	
Stakeholder Relations and Communication Channels		34, 36-37	
102-22	2020 Annual Report	https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf	
102-23	Corporate Governance Structure	40-41	
	2020 Annual Report	https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf	

Annex-2: GRI Content Index

GRI STANDARD	DISCLOSURES	SECTION OR ANSWER	PAGE/URL
GRI 102: General Disclosures 2016	102-26	Sustainability Management 2020 Annual Report	30 https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf
	102-27	Sustainability Management 2020 Annual Report	30 https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf
	102-29	Sustainability Management	30
		Corporate Governance Structure	40-41
		Code of Ethics and Transparency 2020 Annual Report	42-43 https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf
	102-30	Risk Management	44-45
	102-31	2020 Annual Report	https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf
	102-32	Sustainability Management	30-31
		Sustainability Material Topics	32-33
	102-33	Sustainability Management	30-31
		Sustainability Material Topics	32-33
		Stakeholder Relations and Communication Channels	34, 36-37
	102-35	Memberships and Supported Initiatives	38
Aksa Energy Remuneration Policy		https://www.aksainvestorrelations.com/en/corporate-governance/remuneration-policy/	
102-36	Remuneration and Benefits Aksa Energy Remuneration Policy	https://www.aksainvestorrelations.com/en/corporate-governance/remuneration-policy/	
102-38	2020 Annual Report	https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf	

GRI STANDARD	DISCLOSURES	SECTION OR ANSWER	PAGE/URL
GRI 102: General Disclosures 2016	Stakeholder Analysis		
	102-40	Stakeholder Relations and Communication Channels	34, 36-37
		Memberships and Supported Initiatives	38
	102-41	No employee is covered by collective bargaining agreement.	87
	102-42	Sustainability Approach	26, 28-29
		Sustainability Material Topics	32-33
		Stakeholder Relations and Communication Channels	34, 36-37
	102-43	Sustainability Approach	26, 28-29
		Sustainability Material Topics	32-33
		Stakeholder Relations and Communication Channels	34, 36-37
	102-44	Sustainability Approach	26, 28-29
		Sustainability Material Topics	32-33
		Stakeholder Relations and Communication Channels	34, 36-37
	Report Profile		
	102-45	2020 Annual Report	https://www.aksainvestorrelations.com/media/8197/aksa-energy-2020-annual-report.pdf#page=123
	102-46	About This Report	Inside Front Cover
		Sustainability Approach	26, 28-29
		Sustainability Material Topics	32-33
	102-47	Sustainability Approach	26, 28-29
		Sustainability Material Topics	32-33
	102-48	The methodology has been differentiated in the calculation of accident statistics within the scope of OHS data.	87
	102-49	Sustainability Material Topics	32-33
	102-50	About This Report	Inside Front Cover
	102-51	Sustainability Report 2019 (January 1 - December 31, 2019)	87
	102-52	Yearly	37
	102-53	About This Report	Inside Front Cover
102-54	About This Report	Inside Front Cover	
102-55	GRI Content Index	84-92	
102-56	No external assurance service was received.	87	

**GRI 102-41,
GRI 102-48**

Annex-2: GRI Content Index

GRI STANDARD	DISCLOSURES	SECTION OR ANSWER	PAGE/URL
GRI 200: Economic Standard Series			
Economic Performance			
GRI 103: Management Approach 2016	103-1	Sustainability Material Topics	32-33
		Economic Value	22-23
		Developments in 2020	24-25
	103-2	Economic Value	22-23
		Developments in 2020	24-25
	103-3	Economic Value	22-23
	Developments in 2020	24-25	
GRI 201: Economic Performance 2016	201-1	Economic Value	22-23
Indirect Economic Impacts			
GRI 103: Management Approach 2016	103-1	About Our Sustainability Material Topics	32-33
		About Us	14-19
		Economic Value	22-23
	103-2	About Us	14-19
		Economic Value	22-23
	103-3	About Us	14-19
	Economic Value	22-23	
GRI 203: Indirect Economic Impacts 2016	203-1	Developments in 2020	24-25
		Environmental Sustainability	46-48, 58-60
		Social Responsibility	73-77
	203-2	Developments in 2020	24-25
		Environmental Sustainability	46-48, 58-60
		Social Responsibility	73-77
Anti-Corruption			
GRI 103: Management Approach 2016	103-1	Sustainability Material Topics	32-33
		Code of Ethics and Transparency	42-43
		Combating Bribery and Corruption Policy	https://www.aksainvestorrelations.com/corporate-governance/combating-bribery-and-corruption-policy/
	103-2	Code of Ethics and Transparency	42-43
		Combating Bribery and Corruption Policy	https://www.aksainvestorrelations.com/en/corporate-governance/combating-bribery-and-corruption-policy/
		Code of Ethics	https://www.aksainvestorrelations.com/en/corporate-governance/ethical-principles
	103-3	Code of Ethics and Transparency	42-43
		Combating Bribery and Corruption Policy	https://www.aksainvestorrelations.com/en/corporate-governance/combating-bribery-and-corruption-policy/

GRI STANDARD	DISCLOSURES	SECTION OR ANSWER	PAGE/URL
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GRI 303: Water and Wastewater Management 2018	303-3	Water and Wastewater Management	56
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GRI 103: Management Approach 2016	103-1	Sustainability Material Topics	32-33
		Biodiversity	58-61
	103-2	Environmental Sustainability	46-47
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GRI 103: Management Approach 2016	103-1	Sustainability Material Topics	32-33
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		Social Performance	79-82
	405-2	Aksa Energy Board of Directors	https://www.aksainvestorrelations.com/about-aksa-energy/board-of-directors/
		There is no gender discrimination in remuneration. Remuneration is based on performance.	70
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GRI 103: Management Approach 2016	103-1	Sustainability Material Topics	32-33
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DISCLOSURE:

The Sustainability Report (Report) was prepared by Akxa Enerji Üretim A.Ş. ("Akxa Energy") in accordance with the "Core" option of GRI (Global Reporting Initiative) Standards, and the Electric Utilities Sector Disclosure was used as a reference guide. The United Nations Sustainable Development Goals (SDG) was also used as guidance. Information and views contained in the Report are not complete and were provided by Akxa Energy. All of the information and data in this Report were not independently verified, and they were prepared only to provide information and do not serve as a basis for any investment decision. Information contained in this Report does not constitute an invitation to buy/sell Akxa Energy shares, and publication of this Report cannot be construed to create such a legal relation. All information and related documents provided are believed to be accurate as of the date the Report, and the information has been provided in good faith and is based on reliable sources.

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