



THE COLORS AND ENERGY OF LIFE



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About the Report

The protection of natural resources and the environment is the most fundamental requirement for the survival of life on earth. On the other hand, the availability of energy supply provides opportunities ranging from basic needs that will enable people to live in health and safety to education, access to technology, science, and development. Therefore, ensuring access to energy is closely related to the basic elements of sustainable development. In line with this awareness and mission, we present our performance in the field of sustainability; our environmental, social, and economic impacts; and our corporate governance practices to our stakeholders through our Sustainability Report.

In this way, we aim to transparently inform all our stakeholders about our sustainability approach and the activities we carry out under the headings of "Environmental Sustainability," "Employees" and "Social Responsibility."

Unless otherwise stated, the scope of the data in the report includes all our operating regions in Türkiye and abroad, and our report covers the period January 1, 2022 - December 31, 2022. In our sustainability report, we have met the principles of the United Nations Global Compact (UNGC), of which we are a signatory. We have also prepared it under the guidance of the United Nations Sustainable Development Goals (SDGs).

You can access our sustainability report on our [website](#) and send your questions, comments and suggestions regarding the report to enerji.surdurulebilirlik@aksa.com.tr.





ENERGY OF NEW BEGINNINGS

We focus on renewable energy via our new investments.

In line with our goals in energy transition, we applied for obtaining solar and wind storage power plant pre-licenses.

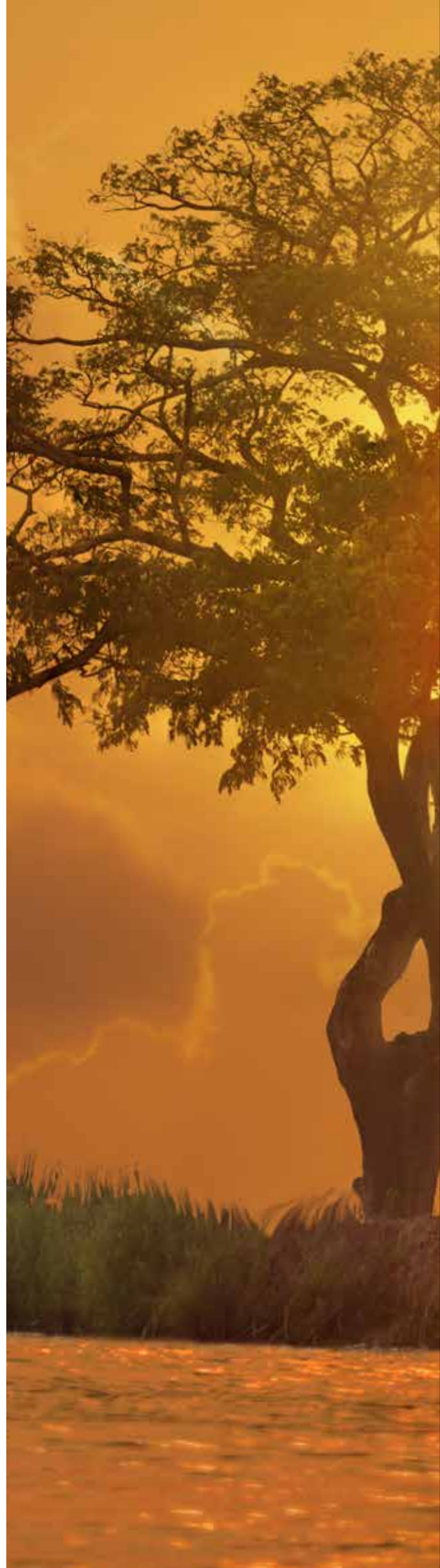




ENERGY OF GROWTH

Our first investment in Central Asia, Uzbekistan Natural Gas Combined Cycle Power Plant, started commercial operations in 2022 with an installed capacity of 740 MW.

We continue our collaborative approach with our stakeholders in order to reach a better future in all of the regions we operate. We have undertaken the first private Natural Gas Combined Cycle power plants project in Uzbekistan that has completed environmental permits.





ENERGY OF IMPROVEMENT

We create economic value with hard currency based revenues thanks to our worldwide investments increasing our geographical diversity.

We sustain our global investments at full pace in accordance with our sustainable growth strategy. In this respect, we distributed dividends for the first time thanks to proceeds of our global investments.

DIVIDENDS DISTRIBUTED

700
TRY MILLION





Message from the Chairman and CEO

With our 13 power plant investments across 8 countries, we contribute to the energy supply security of nations.

Dear Stakeholders,

The Ukraine-Russia marked the year 2022 for sure. Uncertainty created by the war impacted many sectors, making energy supply security a much more critical agenda item for countries. Russia's suspension of gas flow to Europe due to security reasons led to record levels of international natural gas prices and triggered the global inflation environment as a result of energy crisis. In this challenging operating environment, Akso Energy increased its revenues by 229% thanks to resource and geographical diversity in line with our "Sustainable High Growth" strategy. Also, through our efficient balance sheet management, we have managed to reduce our leverage ratio from 1.74x to 1.12x level.

WE BECAME THE LARGEST TURKISH ENERGY INVESTOR IN UZBEKISTAN

We have started commercial operations in the first quarter of 2022 with our three natural gas combined cycle power plants with a total installed capacity of 740 MW in Uzbekistan, the rising star of Central Asia with its economic growth exceeding the world average and rising population trend. These power plants are located in the capital city Tashkent and Bukhara, situated on the ancient trade route of the Silk Road. We have invested USD 450 million for Tashkent A, Tashkent B and Bukhara natural gas combined cycle power plants located in two different cities of the country. Commissioning the power plants in a short period of 12 months opened the doors to Central Asia which is an important geography for our globalization strategy.



63%

Local Employment Rate

Commitment to serving energy supply security of nations and contributing to global energy transition is core to our 2030 strategy.

WE ARE BRINGING A NEW PERSPECTIVE TO ENERGY EFFICIENCY IN KAZAKHSTAN

In the third quarter of the year, we won the tender organized by the Ministry of Energy of the Republic of Kazakhstan for the Qyzylorda combined heat and power plant, which will have an installed capacity of 240 MW when completed. We also signed a 15-year capacity agreement. This project, which we aim to commission in the fourth quarter of 2025, represents a significant step in the natural gas transformation of Kazakhstan as existing base load is dominated by coal-fired power plants. The implementation of our Qyzylorda Combined Heat and Power Plant project will contribute to reducing the country's carbon footprint from energy production. Additionally, the combined heat and power generation technology used in the power plant will increase efficiency.

WE EMPOWER GHANA'S ENERGY TRANSITION

In the Republic of Ghana, the first country where our globalization journey began, we have signed a new USD denominated 15-year power purchase agreement with the country's power company, the Electricity Company of Ghana (ECG). With this new agreement, we will accelerate the gas conversion of our 370 MW installed capacity Ghana HFO power plant, which currently operates with dual-fuel technology, as we gradually initiate the natural gas conversion. With these steps, we not only contribute to the country's energy transition but also reduce the carbon footprint associated with energy production.

WITH OUR SOLAR POWER PLANT INVESTMENT IN BOLU GÖYNÜK, WE WILL BE ONE OF TÜRKİYE'S IMPORTANT HYBRID POWER PLANTS

We have initiated a 35 MW hybrid solar power plant investment within the premises of our Bolu Göynük Thermal Power Plant to reduce the carbon footprint and meet the internal consumption need of our thermal power plant. We aim to commission our solar power plant within the first quarter of 2024. Our power plant will become one of Türkiye's important hybrid power plants upon the completion of the investment.

WE CONTINUE OUR INVESTMENTS FOR SUSTAINABLE EFFICIENCY AT ALİ METİN KAZANCI ANTALYA NATURAL GAS COMBINED CYCLE POWER PLANT

Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant, which is among Türkiye's most efficient power plants and operational since 2008 with an installed capacity of 900 MW, achieved a milestone by becoming Türkiye's first private power plant to reach 100 thousand hours of operation. In order to sustain the efficiency achieved in energy production, we conducted a comprehensive modernization project in the fourth quarter of 2022 to prepare our power plant for its second 100 thousand hours of operation. This modernization project, worth 16 million euros, will not only enhance the efficiency of our power plant by leading to natural gas savings in electricity production but also contribute to reducing our carbon footprint.

WE PRIORITIZE RENEWABLE ENERGY PROJECTS WITH STORAGE SYSTEMS

In line with our country's 2053 net-zero target, we closely monitor renewable energy projects and aim to increase investments in energy production from renewable sources to contribute to the energy source diversity of our generation portfolio. In this context, in the last quarter of 2022, we submitted pre-license applications to the Energy Market Regulatory Authority (EMRA) for a total of 13 different energy projects, including wind and solar storage power plants with a combined installed capacity of 1,813 MWe.

OUR OPERATIONAL AND FINANCIAL SUCCESS IS ALSO REFLECTED IN OUR STOCK PERFORMANCE

Geographical diversification achieved through the global investments in our asset portfolio has brought record-breaking figures in our financials followed by unprecedented success in the capital markets. Financial performance demonstrated in the first half of the year was reflected in our market value, leading to inclusion in the Financial Times Stock Exchange (FTSE) Emerging European Countries Index, which comprises of large-scale companies.

WE PRIORITIZE LOCAL EMPLOYMENT IN ALL THE COUNTRIES WE INVEST

With our 13 power plant investments across 8 countries, we contribute to the energy supply security of nations, empowering local employment and expanding the scope of our support for the development of countries. In this context, 63% of our colleagues working in our overseas power plants are local. We prioritize increasing this ratio over the years and sharing our industrial experience with the local communities is among our key priorities.

COMMITMENT TO SERVING ENERGY SUPPLY SECURITY OF NATIONS AND CONTRIBUTING TO GLOBAL ENERGY TRANSITION IS CORE TO OUR 2030 STRATEGY

In line with our strategic goals that will carry our company into 2030 and beyond, we will continue our investments in Türkiye and overseas in order to enhance the energy source and geographical diversity of our generation portfolio. Our investments will focus on natural gas-based projects, positioned as a transition fuel in the global energy transformation, contributing to countries' energy supply security. Additionally, we will contribute to countries' net-zero goals through investments in renewable energy projects. I extend my sincere thanks to all our stakeholders, especially our employees, who not only played a crucial role in bringing Aksa Energy to such global scale as well as elevating company's financial performance to current record levels but also will be center to achieve greater success in 2030 and beyond.

Sincerely yours,

Cemil Kazancı
Chairman and CEO

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About Us

Aksa Energy, Türkiye's largest publicly traded independent power producer, rapidly proceeds in its globalization path.

Founded in the 1950s, Kazancı Holding, the major shareholder of Aksa Energy, is today a global powerhouse that produces on four continents, operates in 24 countries with more than 10,000 employees and exports to 178 countries. Kazancı Holding is one of the leading groups in the energy sector with its subsidiaries, each of which is a pioneer in its sector, engaged in power generation, electricity distribution and sales, natural gas distribution, and generator production and sales.

In addition to energy, the Group also creates value through its activities in agriculture and tourism. Founded in 1997 as a subsidiary of Kazancı Holding, Aksa Energy is Türkiye's largest publicly traded independent power producer. Today, Aksa Energy is not only Türkiye's largest publicly traded independent power producer, but also a rapidly globalizing energy company with power plants located outside of Türkiye, such as Northern Cyprus, Africa and Central Asia.

As Aksa Energy, we are operating in **7 countries** on **2 continents** with an installed capacity of **2,756 MW** by the end of 2022, thanks to the investments we have realized in line with our globalization target.



Generation in
2
continents

2,756 MW
Installed Capacity

We attach great importance to issues such as the protection of the social structure, social and economic development, human rights, energy conservation and efficiency in the regions where we operate.



30+
Power Plants Built and Operated Since Establishment

To date, we have built and operated more than 30 power plants using various energy sources such as coal, fuel oil, biogas, natural gas, hydroelectricity, and wind. We offer flexible and fast solutions in order to meet the urgent energy needs of countries by taking our deep expertise abroad with power plant installations. We have carried our efficiency and sustainability-oriented approach abroad with our investments in the Northern Cyprus, Ghana, Mali, Madagascar, Republic of Congo and Uzbekistan. We attach great importance to issues such as the protection of the social structure, social and economic development, human rights, energy conservation and efficiency in the regions where we operate. Aksa Energy shares are traded in Borsa Istanbul under the ticker AKSEN since 2010. The Company's shares are included in Borsa Istanbul's Sustainability Index since 2015.

Our Shareholding Structure

79.42%
973,940,160
Kazancı Holding A.Ş.

1,226,338,236
Total Paid-in
Capital

20.58%
252,398,076
Publicly Traded



Our Generation Portfolio

In line with our sustainable high growth strategy, we are rapidly progressing to become one of the leading companies in the energy sector in the global arena with our power plants in **7 countries on 2 continents**. With our efficiency and sustainability-oriented approach, we set a target to grow abroad following our domestic investments and took our first step towards globalization in 2015..

Within the reporting period, we increased our installed capacity with 3 natural gas power plant investments in Uzbekistan, which started commercial operations in 2022.

We continue to grow with our motto “Power Beyond Borders” and we are evaluating new investment opportunities abroad.

By 2022, we continue our operations via 4 fuel oil, 6 natural gas and 1 lignite coal power plant, without compromising operational excellence.

In line with our 2030 strategic targets, we will continue to diversify our generation portfolio in terms of resources and geography.

Aksa Energy Domestic Power Plants

ANTALYA

900 MW



ŞANLIURFA

147 MW



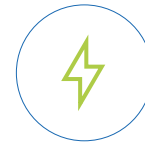
BOLU, GÖYNÜK

270 MW



TRNC

153 MW



**1,470
MW**

**Total Domestic
Installed Capacity**



We initiated our first investment in Central Asia with Uzbekistan, leveraging on our strong track record in Africa. We continue to diversify our generation portfolio in terms of geography with our 740 MW combined cycle natural gas power plants in Tashkent and Bukhara.

Aksa Energy Foreign Power Plants

UZBEKISTAN-TASHKENT A

240 MW



UZBEKISTAN-TASHKENT B

230 MW



UZBEKISTAN-BUKHARA

270 MW



GHANA

370 MW



MALI

60 MW



MADAGASCAR

66 MW



REPUBLIC OF CONGO

50 MW



1,286
MW

Total Installed
Capacity Abroad



OUR VISION

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

OUR MISSION

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



Our Operations

We closely monitor renewable energy and energy transformation-oriented projects on a global scale, in line with our strategy of “Sustainable High Growth”.

At Aksa Energy, we carry out all operations from project design to procurement, construction, installation and operation to maintenance and repair with our competent technical teams.

We generate electricity by utilizing different energy sources in our power plants and sell the energy generated to the state-run electricity utility companies in foreign countries where we operate via long-term contracts.

Since the institutions we sell electricity are usually public institutions affiliated to the energy ministries of the relevant countries, we characterize our operation model as B2G (Business to Government). We provide electricity generated in our power plants through the grid to households and/or industrial organizations in line with the necessities of countries.

As of the end of 2022, we continue our operations in 12 power plants in Antalya, Bolu, Şanlıurfa, Northern Cyprus, Ghana, Mali, Madagascar, Republic of Congo and Uzbekistan (Tashkent and Bukhara).

At the same time, we applied to the Energy Market Regulatory Authority (EMRA) for 13 separate Independent Electricity Storage Facility Projects in the last quarter of 2022.

At Aksa Energy, we have prioritized energy source diversification in our generation portfolio in line with our “Sustainable High Growth” target. In this context, we closely monitor renewable energy and energy transformation-oriented projects on a global scale.



Aksa Energy 2022 Developments

- We started commercial operations in our 3 natural gas combined cycle power plants with a total installed capacity of 740 MW in Tashkent and Bukhara cities of Uzbekistan
- We won the tender for our combined heat and power plant in Kyzylorda, Kazakhstan, which will have an installed capacity of 240 MW upon completion.
- In line with the gas conversion process of our 370 MW fuel oil power plant in Ghana, we started energy generation with dual fuel technology.
- In order to further reduce the carbon footprint of Bolu Göynük Thermal Power Plant and meet the internal consumption during electricity generation, we initiated the investment process for a 35 MWe hybrid Solar Power Plant (SPP) within the power plant site. Upon completion of the investment, the power plant will take its place among **Türkiye’s first hybrid power plants.**



45.6
TRY Billion
Revenues



6.6
TRY Billion
EBITDA



4.6
TRY Billion
Net Income

NORTHERN CYPRUS
KALECİK

TÜRKİYE
ANTALYA,
BOLU,
ŞANLIURFA

MALI
BAMAKO

GHANA
TEMA

**REPUBLIC OF
THE CONGO**
POINTE-NOIRE

UZBEKISTAN
TASHKENT A,
TASHKENT B,
BUKHARA

MADAGASCAR
ANTANANARIVO,
ANTANANARIVO CTA-2



12
Active Power Plants in
7
countries

Our Economic Value Creation

We ensure that local people have access to energy through our operations in developing countries.

At Aksa Energy, we adopt a holistic approach to sustainability as a business model while continuing our investments in line with our global growth target in a world transformed by rapidly developing technology. As the most reliable and successful brand in the energy sector in Türkiye, we reduce our country's dependence on foreign energy through our strategy of becoming an energy hub, and we ensure that local people have access to energy through our operations in developing countries such as African countries.

As the electricity generation subsidiary of Kazancı Holding, which has experience in every aspect of the energy sector's value chain, from generation to distribution and retail sales, we have significant competitive advantages such as cross-selling opportunities, brand recognition, and holistic services through our vertical and horizontal integration with our Group companies. Our innovative business model, which we blend with our corporate values, and our successful change management played a leading role in our transformation into a global company by expanding the areas in which we operate.

In line with our globalization strategy, we have been continuing our investments in Africa since 2015. We have set our economic sustainability and profitability targets by focusing on growth. While our new projects continue in various countries with urgent energy needs, we also aim to utilize our power plant portfolio effectively in Türkiye.

We continued to improve the sustainable and healthy structure of our balance sheet despite the volatile conditions of 2022.



6.6
TRY Billion
EBITDA

At Aksa Energy, the concrete steps we have taken in the field of sustainability were evaluated by the institutions authorized by Borsa Istanbul and our company is entitled to be included in the Borsa Istanbul Sustainability Index since 2015.

With the strength we derive from a balanced generation portfolio diversified across different geographies, our turnover more than tripled to **TRY 45.6 billion** in 2022, while our EBITDA increased by **151%** to **TRY 6.6 billion, the highest in Aksa Energy's history**. In this period, during which our Company continued its domestic and international investments at full pace, the ratio of our net financial debt to EBITDA was realized at 1.12x, well below the sector average. Our foreign sales reached TRY 4.4 billion as of year-end 2022. Through our effective portfolio and financing management and the positive contribution of foreign power plants, our consolidated net profit increased by **172%** annually to **TRY 4.6 billion** in 2022. In addition, gross profitability increased by 162% to TRY 5.4 billion.

At Aksa Energy, we continued to improve the sustainable and healthy structure of our balance sheet despite the volatile conditions of 2022. Our Company's consolidated total assets in 2022 amounted to TRY 33.2 billion, while total shareholders' equity was TRY 19.0 billion.



Economic Value Table

	2022
i. Direct Economic Value Created (TRY)	
Net Sales	45,638,094,433
Income from investing activities	30,273,500
Operating Income	387,127,495
Financial Income	1,792,714,925
Revenues	45,668,367,933
ii. Economic Value Distributed (TRY)	
Cost of sales (including operating expenses)	40,223,677,966
Remuneration and benefits provided to employees	364,735,049
Social investment activities expenses	5,645,951
Financial expenses	1,128,617,264
Tax expenses (Payments to the government)	1,095,910,092
Payments to shareholders (Dividends)	700,000,000
Expenses	42,818,586,322
iii. Economic Value Provided (TRY)	
Revenues	45,668,367,933
Expenses	42,818,586,322
Economic Value Provided (TRY)	2,849,781,611

GRI 3-3; 201-1; GRI 201-2; GRI 201-3; GRI 203-1;
GRI 203-2

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Our Sustainability Management

We evaluate our current business processes within the scope of sustainability and aim to integrate the concept of sustainability into the focus of all our activities.

At Aksa Energy, we are aware of our responsibility towards people and nature. In particular, we contribute to the social and ecological life in the regions where we build power plants, and we implement practices that set an example in the sector. We conduct our operations by taking into account the social impact on our stakeholders, and our primary goal is to contribute to the economic, cultural and social development of the local communities in the regions where we operate.

At Aksa Energy, we approach sustainability under the headings of "Environmental Sustainability," "Employees" and "Social Responsibility."

We focus on creating value in these three main pillars of our sustainability approach, and we conduct effective communication to ensure that the sustainability targets set by senior management in line with our strategies are disseminated to all levels of employees in our Company. In addition, we conduct multi-stakeholder audit practices to monitor our performance against our targets

As a company, we create our business model in line with an integrated vision with economic, social, and environmental aspects. Accordingly, we evaluate our current business processes within the scope of sustainability and aim to integrate the concept of sustainability into the focus of all our activities. In addition, we contribute to the development of regions through our domestic and foreign investments, contribute to the socio-economic development of the people through the employment we create, and generate significant foreign currency inflows to our country. Through our strong organizational structure and dynamic governance model, Aksa



We attach importance to integrate our sustainability approach in all of our operations and evaluate existing business processes accordingly.

Energy continuously increases the value creation in social, environmental, and widespread economic areas with the ability to take swift actions.

We not only implement responsible and sustainable development principles in our current operations, but also develop environmental and social initiatives with a wide range of impact with the aim of becoming an effective stakeholder in the geographies where we operate and creating long-term value for future generations.

With our ability to do business on a global scale and our long-standing and reliable brand perception, we take care to ensure that all business strategies are aligned with our sustainability approach.

Our Approach to Sustainability

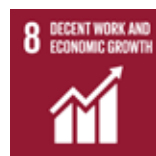
GRI 2-12; GRI 2-13; GRI 2-14; GRI 2-22

We communicate our sustainability goals to all levels of employees in our company with our deep sector experience and effective communication. We ensure that our performance against our targets is continuously monitored through multi-stakeholder audit practices.

As a Company that closely monitors local and global sustainability platforms and voluntarily supports sustainable development in all areas, we integrate our global sustainability goals into our understanding of value creation in parallel with our investments. To make sustainability a part of our way of doing business and our long-term strategic approach, we attach importance to keeping all our Policies up to date and the continuity of our communication with our stakeholders.

As an energy company on the path to globalization, we shape our business and sustainability strategy in line with our goal of becoming a responsible energy company.

In this context, we have been voluntarily disclosing our sustainability performance to the public since 2016 through our sustainability reports. In line with our goal of becoming a responsible energy company, we are among the companies that are sensitive to climate change and demand measures to combat climate change with The Trillion Tonne Communiqué, which we signed in 2015. Since 2017, our Company has been a signatory to the United Nations Global Compact (UNGC). At Aksa Energy, we conduct our operations in compliance with the 10 principles of this agreement and manage all our environmental, social, and economic impacts. Through our operations, we contribute to the following **seven principles** of the Sustainable Development Goals.



Link of our Priority Topics with UN Sustainable Development Goals

Group	Priority Topics	Sustainable Development Goals Contributed to
Environment	Climate Change and Energy	SDG 12, SDG 13
	Waste Management	
	Water and Wastewater Management	
	Air Emissions	
	Biodiversity	
Products and Services	Accessible Energy	SDG 7, SDG 8
	Emergency Management and Business Continuity	
Society	Contribution to Local Economy and Employment	SDG 7, SDG 8
	Occupational Health and Safety (OHS)	
	Economics, Politics and Market Conditions	
	Social Responsibility Projects	
Governance	Corporate Governance	SDG 16 SDG 5, SDG 10
	Information Security	
	Ethics and Transparency	
	Equal Opportunity and Diversity	

Our Sustainability Committee

Our Sustainability Committee, which was established in 2015 with the aim of value creation in social, environmental, and widespread economic areas, sets our strategies, policies and targets required for the management of environmental, social, and managerial risks.

Established in 2015 and reporting directly to the Board of Directors and CEO, our Sustainability Committee contributes to the management of focused topics with a more holistic approach and the reporting of sustainability performance. The Committee regularly updates sustainability priorities, identifies focus areas within the scope of these priorities, evaluates the impact of sustainability activities on company operations and submits its recommendations and suggestions to the CEO..

Our Sustainability Committee members play a key role in the management of important and material sustainability issues that fall under their jurisdiction, while the relevant units evaluate the risks and opportunities related to these issues and consider the actions to be taken holistically on the basis of their environmental, social, and economic impacts. Our Committee consists of representatives from different departments to ensure that all our operations operate in accordance with sustainability principles and necessary guidance is provided.

In order to embed a multi-faceted sustainability approach, our committee members are selected from among senior managers from generation, business management, financial affairs, operations, investment, engineering, investor relations, human resources, supply chain, risk, internal audit,

Our Committee consists of representatives from different departments to ensure that all our operations operate in accordance with sustainability principles.

and HSE-Q units. In addition, when necessary, we invite senior managers from the relevant units to the meetings of our Committee. The Sustainability Coordination and Working Group, established under our Sustainability Committee, assists us in fulfilling these duties.

SUSTAINABILITY COMMITTEE STRUCTURE

Chairperson and CEO

Sustainability Committee

- Vice President of Investment and Operations (COO)
- Chief Financial Officer (CFO)
- Eurasia Power Plants Operation and Maintenance Director
- Human Resources Director
- Supply Chain Director
- Risk and Control Director
- Internal Audit Director
- Investor Relations Manager
- Business Processes and Integrated Management Systems Senior Director

Sustainability Coordination and Working Group

- Environment
- Quality
- Occupational Health and Safety
- Human Resources
- Financial Affairs / Budget and Reporting
- Investor Relations
- Supply Chain
- Risk and Control
- Internal Audit



Our Sustainability Priorities



At Aksa Energy, we thoroughly determine our priorities while implementing our sustainability strategy. Our sustainability priorities, which we update in line with our changing business strategy and the opinions of our stakeholders, are at the heart of our sustainability approach. In addition to stakeholder analysis, we utilize global and sectoral trends, risks and opportunities, the opinions of our executives, and our corporate strategy to establish our sustainability priorities. We also consider international guidance such as the United Nations Global Compact and the United Nations Sustainable Development Goals, of which we are a signatory.

In line with our sustainability approach, we group our material topics in four focus areas: Environment, Society, Products and Services, and Governance.

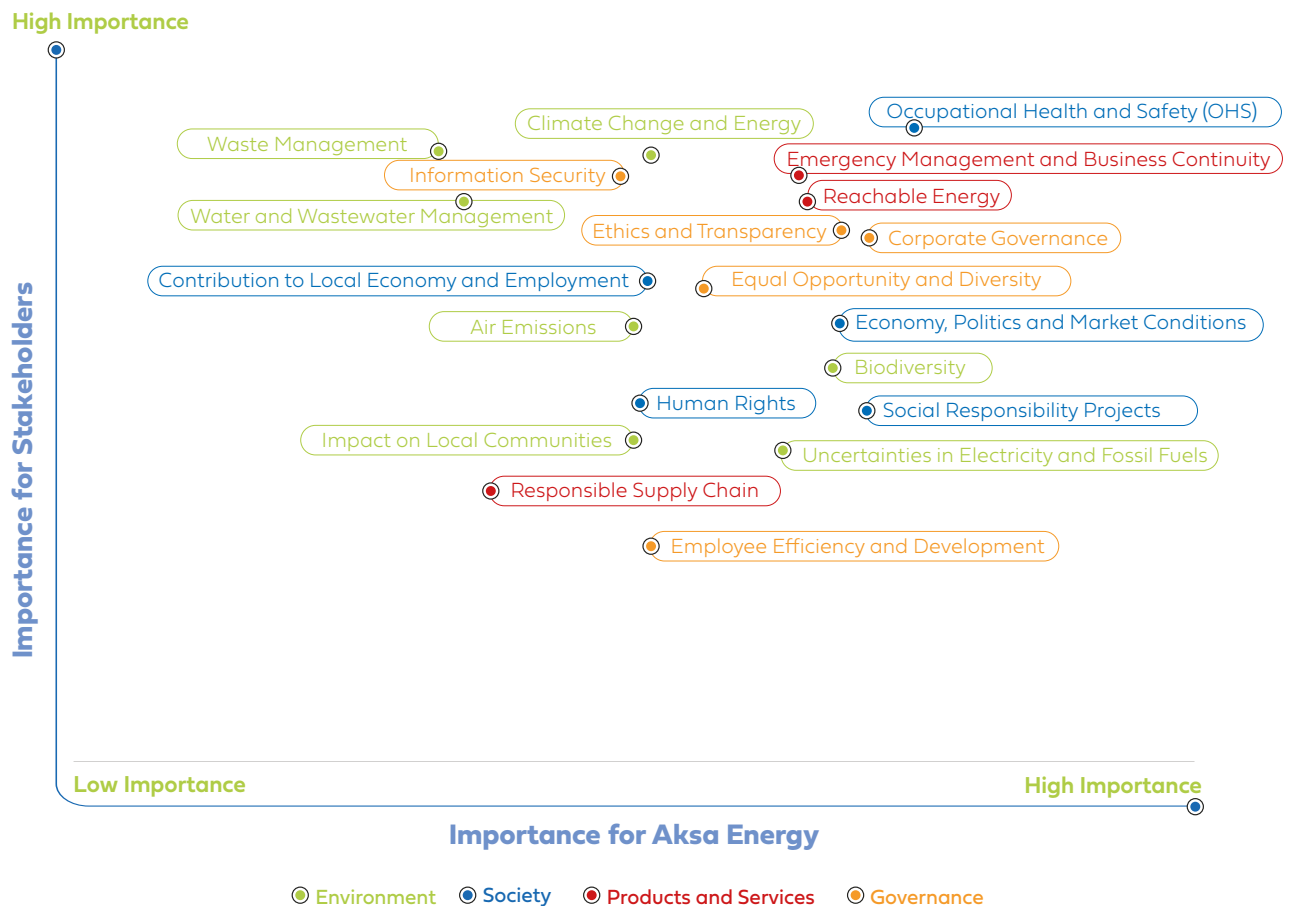
7 Sustainable Development Goals Contributed

At Aksa Energy, we prioritize issues related to climate change, air emissions, water, and waste management; the protection of biodiversity in the regions where we operate; Occupational Health and Safety, another material topic in the energy sector; and social responsibility projects, taking into account our relations with society.

At the same time, in line with our global investments, our material topics include economic and political conditions and market conditions, contribution to the local economy and employment, and accessible energy. As Türkiye's largest publicly traded independent power producer, we also pay utmost attention to corporate governance, ethics, transparency, equal opportunity, and diversity.

Our Approach to Sustainability

GRI 2-14; GRI 3-1; GRI 3-2; GRI 3-3



Memberships, Initiatives We Support



Supply Chain and Stakeholder Engagement

We conduct our business relations with suppliers in line with our principles and guidelines.

As a leading company in the energy sector, we manage and audit our procurement process not only in terms of quality and cost but also in terms of environmental, social and governance aspects, and take necessary actions with our understanding of ensuring quality and sustainability throughout our value chain.

At Aksa Energy, while running our existing operations and entering into new investments, we carry out procurement process via long-term/ short-term, project based contracts

We conduct our business relations with suppliers in line with our principles and guidelines. In this context, we do not collaborate with suppliers and organizations that are known to be associated with bribery and corruption. Within the scope of our supplier agreements, we clearly and unequivocally oppose discrimination based on religion, language, race, gender, verbal, physical and sexual violence, forced or coerced labor practices and child labor.

While implementing our supply chain, we have 4 performance criteria. We have identified these criteria as "Cost Savings, Supplier Evaluation, Supplier Visits, On-Time Delivery."

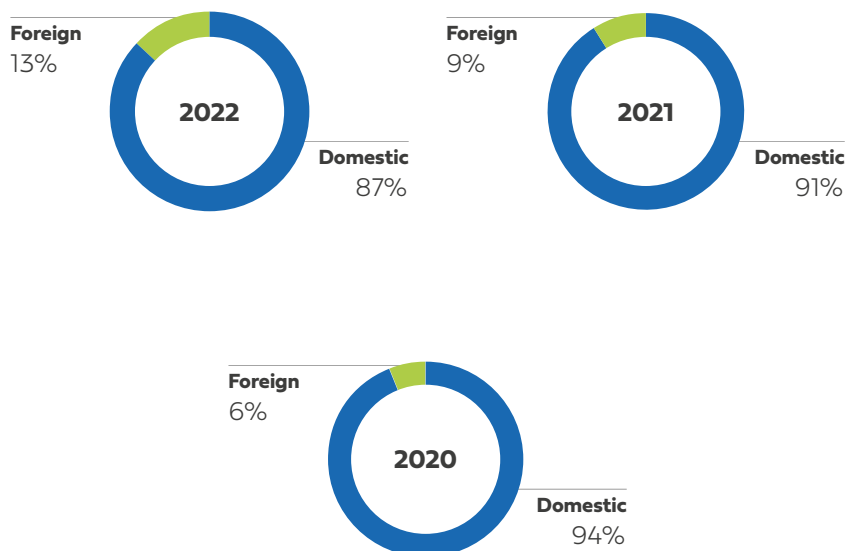
We share our Anti-Bribery and Anti-Corruption & Human Rights Policies with our suppliers and expect them to comply with our working criteria focused on human rights, environment, occupational health and safety, quality standards and ethics.

The countries where our main suppliers are located and the number of suppliers are as follows.

	2022	2021	2020
Number of Countries of Main Suppliers	2	3	4
Number of Main Suppliers	3	3	4

Our total number of suppliers is as follows.

Number of Suppliers	2022	2021	2020
Domestic	894	1,169	774
Foreign	136	113	46
Total	1,030	1,282	820



Our Relations with Our Stakeholders and Communication Channels

We aim to communicate our progress regarding investments in line with our Sustainable High Growth target to our stakeholders through the right communication channels.

At Aksa Energy, we define our stakeholders as individuals and organizations that are affected by our operations.

We aim to communicate our progress regarding investments in line with our Company's "Sustainable High Growth" target to our stakeholders through the right communication channels and take concrete steps in this direction. In order to maintain our relationship with stakeholders, we continuously monitor our production quality in all our power plants.

Within the framework of our sustainability approach, we attach importance to the management of our relations with our stakeholders; understand their expectations and try to incorporate their views into our business processes. We obtain the views of our stakeholders on sustainability through stakeholder surveys. We regularly conduct stakeholder analyses with employees, brokerage house analysts, banks, investors, customers, media members, public employees, and Non-governmental Organizations (NGOs). Our stakeholders convey their expectations regarding sustainability, our priorities in the field of sustainability and their views on our work through the stakeholder survey. According to the results of the analysis, we determined that our stakeholders expect us to set an example for all our stakeholders in the value chain by showing leadership in the field of sustainability.

With our belief in the importance of interacting and collaborating with our stakeholders in all our processes, we take the social impact on our stakeholders into account while conducting our operations and set our primary goal as contributing to the economic and social development of local communities in the regions where we operate.

At Aksa Energy, we attach importance to interactive communication with our customers and use social media channels effectively and actively.

With our Quality Policy, which is available for the information of all our stakeholders on our corporate website, we are committed to observing the expectations and demands of our stakeholders in all locations where we operate, and to continuing our activities by aiming to continuously improve our processes. In order to ensure uninterrupted communication with our investors, one of the most important stakeholders, we adopt the basic principle of responding to investor questions within 24 hours.

Our Communication Channels

Understanding and meeting the needs and expectations of our stakeholders is among our primary objectives. In this context, we establish a dialog mechanism with our stakeholders through various communication mechanisms, including the website, annual reports, sustainability reports and announcements published at the Public Disclosure Platform (PDP) and various meetings.

Communication Methods with Stakeholders

As Aksa Energy, we come together with local governments, public institutions, non-governmental organizations, financial institutions, and sectoral organizations within the framework of project collaborations. We communicate with our employees through trainings, meetings, intranet, website, performance evaluations, feedback systems, email and annual reports.



We communicate with our suppliers through one-on-one meetings, certification trainings, technical and vocational trainings, annual reports, websites, and emails.

At Aksa Energy, we attach importance to interactive communication with our customers and use social media channels effectively and actively.

The table below shows types and frequencies of communication channels utilized:

Communication Channels	Frequency
Annual Reports	Quarterly
Investor Presentations	Quarterly
Wish, Complaint Boxes	Continuous
Stakeholder Surveys	At least every 5 years
Face-to-Face Interviews and Meetings	Continuous
Write to Us Form	Continuous
Investor Relations and Sustainability e-mail addresses	Continuous
Ethics Hotline	Continuous
Press Releases, Interviews	Continuous
Social Media	Continuous
Corporate Websites	Continuous
Public Disclosure Platform (PDP)	Continuous
Announcements	
Sustainability Reports	Annual

We evaluate the wishes and complaints of all our stakeholders through our grievance mechanism and inform our stakeholders. Addresses and contact information for our stakeholders to reach us are given below.

Email addresses:

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

The "Write to Us" form on our company's corporate website:

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

Telephone number:

- Ethics HotLine: 0850 511 11 12

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Our Corporate Governance Structure

We strive to fully comply with the four principles of corporate governance based on transparency, fairness, responsibility, and accountability, as well as the Corporate Governance Principles.

Corporate Governance is a fundamental requirement for the sustainability of companies. At Akso Energy, we strive to fully comply with the four principles of corporate governance based on transparency, fairness, responsibility, and accountability, as well as the Corporate Governance Principles published by the Capital Markets Board (CMB), which entered into force in 2020. In this context, we transparently share the developments aimed at strengthening compliance with these principles via Corporate Governance Information Form and Corporate Governance Compliance Report published at the Public Disclosure Platform. Also, in 2021, **we became the first publicly traded electricity utility company to be included in the Corporate Governance Index with a Corporate Governance Compliance Rating of 9.34 out of 10.**

After providing brief information about our Board of Directors and Committees, which are among the crucial elements of the corporate governance structure, we have provided detailed information in the following sections.



Our Board of Directors, which is the most important and highest-level body of Corporate Governance, consists of a total of eight members, including three independent members appointed by the General Assembly. Our Board Members possess all of the qualifications specified in the regulations regarding the Corporate Governance Communiqué published by the Capital Markets Board.

Our senior management team, who have expertise and professional competencies in their areas of responsibility, performs with an aim to realize the targets set by the Board of Directors in line with the Company's strategies.

Our committees reporting to the Board of Directors consist of the Audit Committee, Corporate Governance Committee and Early Detection of Risk Committee. The duties of the Nomination Committee and the Remuneration Committee are fulfilled by the Corporate Governance Committee. We also have a Sustainability Committee that reports to the Chairperson and CEO. In addition, in January 2021, we established an "Executive Committee" reporting to the Board of Directors.

GRI 2-9; GRI 2-10; GRI 2-11; GRI 2-12; GRI 2-13;
GRI 2-14; GRI 2-18; GRI 3-3

Our Management Approach



Our Board of Directors



Cemil KAZANCI-Chairman and CEO

Cemil Kazancı began his professional career working in Kazancı Group companies (family owned company). His first managerial position was in generator manufacturing and sales. He subsequently played an active role in the formation of Aksa Energy, which was set up to expand the Group's operations in the energy industry and to generate electricity starting from 1997. In addition to his duties as the Chairman of the Board of Directors and CEO of Aksa Energy, he is the Vice Chairman and CEO of Kazancı Holding and a Member of the Board of Directors in Group companies.



Naci AĞBAL-Vice Chairman

Naci Ağbal was born on January 1, 1968 in Bayburt. He graduated from Istanbul University, Faculty of Political Sciences, Department of Public Administration. Mr. Ağbal completed his master's degree in Business Administration General Business Management (MBA) Programme at the University of Exeter, UK. He served as Inspector, Deputy Chairman of the Inspection Board, and Head of Department at the General Directorate of Revenues at the Ministry of Finance. He took office as the General Director of Budget and Financial Control between 2006 and 2009 and as the Undersecretary of the Ministry of Finance between 2009 and 2015. Mr. Ağbal served as a member of the Board of Directors of TÜPRAŞ between 2004-2006, as a member of the Board of Directors of PETKİM A.Ş. in 2006, as a member of the Board of Directors of Turkish Airlines (THY) A.Ş. between 2006-2015, and as a member of the Board of Directors of Vakıf Katılım Bankası A.Ş. between 2018-2021. He was a member of the Council of Higher Education between 2008 and 2015 and then between 2018 and 2020. He was a member of the Board of Trustees of International Ahmed Yesevi University between 2008 and 2015 and a member of the Council of Turkish-Japanese Science and Technology University between 2019 and 2020. Mr. Ağbal, who served as an MP for the 25th and 26th terms in the Turkish Grand National Assembly, also was the Minister of Finance in the 64th and 65th Governments. Working as the Presidential Strategy and Budget Chairman between 2018 and 2020, Mr. Ağbal served as the Governor of the Central Bank between November 2020 and March 2021. Since July 2022, Naci Ağbal has been serving as Vice Chairman of the Board of Directors of Kazancı Holding and Vice Chairman of the Board of Directors of Aksa Energy.

**Serdar Nişli-Vice Chairman**

Serdar Nişli graduated from the Department of Mechanical Engineering, Middle East Technical University, earning Bachelor's and Master's degrees. Subsequently, he began his professional career at TEK Çayırhan Thermal Power Plant and worked in various private sector positions for 18 years prior to joining Kazancı Holding in 1996. Nişli, who previously served as Aksa Energy's General Manager, holds the Vice Chairman of the Board of Directors and Executive Board Member positions at Aksa Energy. Serdar Nişli also acts as the Head of Business Development Group at Kazancı Holding.

**Ömer Muzaffer BAKTIR-Board Member**

Ömer Muzaffer Baktır graduated from Istanbul Technical University, Department of Mining Engineering in 1986. He started his professional career at Pamukbank. He went on to serve in various management roles in the banking sector, including Assistant General Manager in charge of Credits and Marketing at Halkbank; CFO and Executive Board Member of Electricity Distribution Companies at Cengiz Holding; and Assistant General Manager in charge of Marketing and Transformation at Ziraat Bank. He took part in the supervisory and management boards of various foreign companies of the same institution. Mr. Baktır, who has been serving as the Vice Chairman of the Board of Directors of Kazancı Holding since February 5, 2018, also serves as the Executive Board Chairman at Aksa Jeneratör, Board Member at Aksa Energy, and Executive Board Member at Aksa Energy and Kazancı Holding.

Our Board of Directors



Korkut ÖZTÜRKMEN-Board Member

After his high school education at Robert College, Korkut Öztürkmen graduated from Boğaziçi University Mechanical Engineering and Industrial Engineering departments with a double degree. He worked at Koç Holding Strategic Planning and Energy Group as an executive responsible for business development and investments between 1996 and 2007 and took roles in the development, financing, and realization of several projects with international partnerships for production, distribution, and sales value chains in electricity, natural gas, and oil industries, including privatization tenders. Mr. Öztürkmen completed his Executive MBA program at Koç University in 2002 and led OMV Türkiye's structuring and market penetration in Türkiye as the company's Country Manager between 2007 and 2009. He contributed to OMV's global and regional growth strategy in particular by undertaking high-level responsibilities related to the Nabucco natural gas pipeline, wholesale trade of natural gas, natural gas storage, and generation and trade of electricity from natural gas and renewable resources. Between 2009 and 2018, he led the implementation of OMV's electricity trade strategy based on global assets, including the development and operation of the Samsun natural gas power plant project worth over EUR 600 million, as the Board Member and General Manager of OMV Türkiye Electricity Business Unit. Mr. Öztürkmen completed the "Power2Lead" highlevel leadership program at Ashridge Business School in the UK in 2013. He also endeavors to support the healthy development of the Turkish energy industry through his role as the Vice President of the Electricity Producers Association. Mr. Öztürkmen served as "President of the Energy Group" at IC-İçtaş and Board Member at Energy Group companies between May 2019 and January 2021 and was appointed as Board Member and Vice Chairman of the Executive Committee at Akso Energy in January 2021.



Murat YEŞİLYURT-Independent Board Member

Murat Yeşilyurt received his Bachelor's degree from Istanbul University, Faculty of Economics, and completed his MBA at Istanbul Commerce University. He started his career in the banking sector in the Treasury departments and went on to work as a fund manager at finance companies. His role as an educator has come to the forefront, thanks to the experience he has gained in finance over the years. In addition, he has published opinion columns and articles in business magazines. He continues his professional life as an economy and strategy development consultant and trainer in the Turkish banking sector and the real sector. Mr. Yeşilyurt has a training book titled "Gold Banking in Türkiye & the World." Yeşilyurt has been serving as Independent Board Member at Akso Energy since July 2019.



İlhan HELVACI-Independent Board Member

İlhan Helvacı graduated from Galatasaray High School in 1983 and from Istanbul University, Faculty of Law in 1987. Helvacı received his Master's degree from Istanbul University, Social Sciences Institute, Department of Private Law in 1989; he started work as a Research Assistant at Istanbul University, Faculty of Law, Department of Civil Law in the same year. Having received the title of Doctor of Private Law from the same institute in 1997, Prof. Dr. İlhan Helvacı gave lessons as a visiting lecturer at Galatasaray University, Faculty of Law, Social Sciences Institute, and Koç University, Faculty of Law over the years, and carried out several seminars as a visiting lecturer at Oxford University, Faculty of Law. He currently acts as an arbitrator both at the Istanbul Chamber of Commerce and independently regarding disputes in his areas of expertise. Serving as Attorney-at-Law since 1991 under Istanbul Bar Association, Mr. Helvacı is also the Founder and Manager of Att. Prof. Dr. İlhan Helvacı Law Office. Prof. Dr. Helvacı has been serving as Independent Board Member at Aksa Energy since July 2019. He also acts as the Vice President of the Court of Arbitration at the Istanbul Chamber of Commerce, Arbitration and Mediation Center..



Halit Haydar YILDIZ-Independent Board Member

Halit Haydar Yıldız graduated from Marmara University, Faculty of Business Administration in 1984, and received his Master's degree in Business Financing and Business Management from Istanbul University. Starting his career as a Dealer at İktisat Bank in 1987, Mr. Yıldız worked in several positions at Pamukbank between 1987 and 2003 and finally acted as the Head of the Retail Loans and Operations Department. He took office as the Assistant General Manager of Retail Loans at Akbank between 2003 and 2008 and was appointed as General Manager after his role as the Assistant General Manager of Retail Banking at Şekerbank between 2009 and 2020.

Mr. Yıldız was a Board Member at the same bank between March 2016 and May 2020. He still serves as a Board Member and Executive Board Member at the Turkish Finance Executives Foundation and various companies. Mr. Yıldız was appointed as an Independent Board Member at Aksa Energy in June 2021.

Our Committees

Audit Committee

The Committee is responsible for ensuring that the financial and operational activities of our Company are supervised in a healthy manner in accordance with the principles set forth in the capital markets legislation and this regulation. Our Committee, which reports to our Board of Directors, ensures the supervision of the functioning and effectiveness of the Company's accounting system, public disclosure of financial information, independent audit and internal control system, and takes all necessary measures to ensure that any internal or independent audit is conducted in an adequate and transparent manner in accordance with Article 8 of the Company's Articles of Association.

Our Committee is formed and authorized by the Company's Board of Directors. The Committee convenes with the participation of one more than half of its members and takes decisions with the majority of its members. The Committee convenes at least four times a year at the Company headquarters and submits the results of these meetings to the Board of Directors. The Committee shows the necessary sensitivity in examining and finalizing the complaints received by the Company regarding the Company's accounting and internal control system and independent audit and evaluating the notifications of Company employees regarding the Company's accounting and independent audit within the framework of the confidentiality principle.

Corporate Governance Committee

Our Committee supports our Board of Directors by conducting studies on our Company's compliance with the Corporate Governance Principles regulated by the relevant Communiqué of the Capital Markets Board, investigating the reasons for the non-application of these principles (if any) in our Company and taking remedial measures by determining the incompatibilities that develop as a result of incomplete implementation; and also supervises Investor Relations activities. Our Committee reviews and evaluates the systems and processes established or to be established by our Company and makes recommendations accordingly in order to increase our Company's performance. In addition, it fulfills the duties of the Nomination Committee and Remuneration Committee as stipulated by the Corporate Governance Principles.

Our Committee is formed and authorized by the Company's Board of Directors. Our Committee consists of at least two members elected by the Board of Directors in accordance with the Company's Articles of Association. Our Committee convenes with the participation of one more than half of its members and takes decisions with the most of its members. Except for mandatory cases, our Committee convenes at least twice a year and whenever necessary at the Company headquarters upon the invitation of our Committee Chairman. The decisions taken at the meetings of our Committee are documented in writing and signed and kept by the members of the Committee.

Early Detection of Risk Committee

Our Committee is formed and authorized by our Board of Directors.

Our Early Detection of Risk Committee consists of at least two members of our Board of Directors. In the event that our Committee consists of two members, both members, and in the event that there are more than two members, the majority of the members are elected from the non-executive members of our Board of Directors.

The Committee convenes at least six times a year at the Company headquarters. The decisions taken at the meetings of our Committee are documented in writing. They are signed by the members of the Committee and kept in an organized manner. The Committee submits its findings and recommendations regarding its duties and responsibilities to the Board of Directors in a report.

Our Committee carries out activities for the purposes of early detection of risks that may jeopardize the existence, development and continuity of our Company, implementing the necessary measures against the risks identified and managing the risks. In addition, it presents opinions to our Board of Directors for the improvement of internal control systems, including risk management and information systems and processes that can minimize the effects of risks that may affect the stakeholders of our company, especially shareholders.

Our Committee prepares and submits to the Board of Directors an annual risk assessment report, which will contribute to the development of the company and clearly indicate the possible risks to be encountered.

Executive Committee

Our Committee consists of at least 2 members of our Board of Directors. The Chairperson and Vice Chairperson of our Committee are elected among our Board Members. The remaining members are appointed according to the requirements in line with the strategic goals of our Company. In case of need, support is obtained from professional consultant organizations/ individuals.

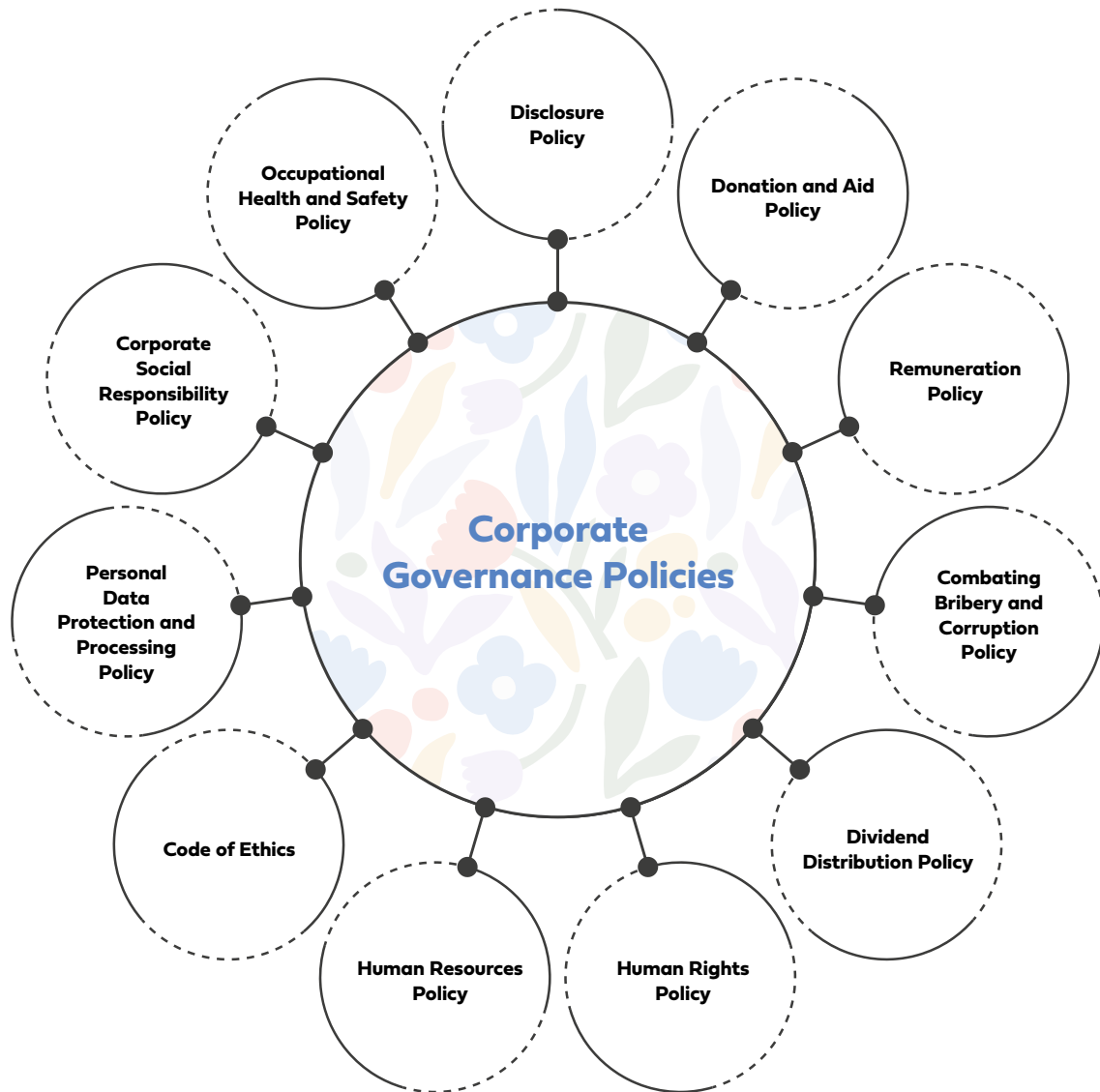
Our Committee monitors and evaluates the developments in the sector in which the Company operates and in the economic, social and political environment, determines strategies to increase competitiveness, monitors the Company's strengths and weaknesses through internal analyses and opportunities and threats through external analysis. It is responsible for analyzing the financial, operational, legal and strategic effects of important issues to be resolved by the Board of Directors, evaluating important legal developments and their effects that may affect the activities, and controlling that the Company's activities are carried out in accordance with the decisions of the Board of Directors and annual business plans, with the authority to supervise the Company's Board of Directors.

The Committee convenes once a month and takes necessary actions when necessary. The Committee records the meeting notes of all its activities and regularly reports to the Board of Directors. The decisions of the Committee are advisory to the Board of Directors and the Board of Directors is the final decision-maker on relevant matters. The meeting and decision quorum is the absolute majority of the total number of members of our committee.

Detailed information on the following policies and principles can be found under the Corporate Governance heading at <https://www.aksainvestorrelations.com/home/>

Our Policies

We internalize our Company's policies as they form the basis of our governance approach.



GRI 2-19; GRI 2-20; GRI 2-21; GRI 2-23; GRI 2-24; GRI 2-25; GRI 2-26; GRI 2-27; GRI 3-3; GRI 405-1; GRI 405-2; GRI 406-1

Our Policies

Occupational Health and Safety Policy

At Aksa Energy, which operates in Türkiye and abroad, we aim to continuously improve by reducing risk so that the workforce we employ can work in healthy and safe environments..

In order to ensure that Occupational Health and Safety practices are adopted and implemented by all employees, including contractor employees, we provide information, conduct monitoring-measurements for improvement and hold regular review meetings by the management.

In line with the vision and policies, we aim for the Occupational Health and Safety Management System to become a continuously developing corporate culture and we aim to become an organization that creates value for all stakeholders.

For this purpose, we are committed to

- Ensuring a safe working environment for employees in all processes,
- Complying with legislation and other relevant obligations,
- Increasing OHS awareness and creating a culture through training activities,
- Taking remedial actions with the goal of zero lost time accidents,
- Improving OHS performance of our subcontractors,
- Assessing the risks inherent in our activities with inclusiveness.

Quality Policy

In line with its vision of becoming a global power, Aksa Energy conducts its operations in compliance with local laws, contractual requirements, while respecting our employees, local communities, and the environment in our domestic and international operations.

We present our environmental management performance to our stakeholders by adhering to the principle of objectivity and transparency.

We increase our sector experience day by day with new investments aligned with our goal of becoming a global power.

All our managers know and embrace the requirements of our management system and take responsibility for its dissemination across all staff.

We adopt a risk management-oriented approach in all our operational and managerial processes. All components of the system are regularly reviewed to determine the road map for realizing our targets and we share this information with our stakeholders based on the principle of transparency. We announce company policies and principles to our suppliers and all other business partners with whom we cooperate in our activities and encourage them to work in accordance with them.

We are aware of our interaction with local communities, employees, local government agencies and all other stakeholders in our locations and we are aware of our responsibilities.

With this awareness, we are committed to meet the expectations and demands of our stakeholders in all locations where we operate and to continue our activities by aiming to continuously improve our processes.

Human Rights Policy

At Aksa Energy, we operate in different geographies with our efficiency and sustainability-oriented approach. We adopt an approach that respects human rights for our employees and all stakeholders with whom we have business relations in the countries where we operate, and we aim to observe fundamental human rights throughout society. As a signatory to the United Nations Global Compact, we comply with the relevant Principles. In this context, Aksa Energy established a Human Rights Policy.

GRI 2-19; GRI 2-20; GRI 2-21; GRI 2-23; GRI 2-24; GRI 2-25; GRI 2-26; GRI 2-27; GRI 3-3; GRI 405-1; GRI 405-2; GRI 406-1

We base our Human Rights Policy on the Universal Declaration of Human Rights and International Labor Organization (ILO) Conventions, the United Nations Global Compact, the United Nations Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

Our policy covers primarily employees, business partners and suppliers. At Aksa Energy, we convey the rules set forth in our Policy to our employees during annual trainings. In addition to our employees, we notify our business partners and suppliers about our Policy and include it in contracts to encourage them to act in compliance with the principles set forth in this Policy.

Within the scope of our policy, Aksa Energy is obliged to comply with, monitor, audit and report on issues such as respect for human rights, equality of opportunity, respect for differences and diversity, the right to collective bargaining and freedom of association, freedom of expression, healthy and safe work, prevention of ill-treatment, forced labor and human trafficking, child labor, criminal acts, and stakeholder feedback.

Environmental Policy

At Aksa Energy, we continue our domestic and international operations in line with our vision of becoming a global power. We continue these activities by setting our strategic goals with the aim of achieving economic, social, and environmental sustainability.

In our fields of activity, we comply with local laws and other relevant obligations, starting from the investment process and continuing throughout the operation, covering all employees, including subcontractor employees, the surrounding community, customers, investors, and all stakeholders.

We present our environmental management performance to our stakeholders by adhering to the principle of objectivity and transparency.



While conducting environmental impact assessment in the prevention of pollution and protection of the environment, we aim to:

- Reduce energy and greenhouse gas emissions to combat climate change,
- Reduce air emissions,
- Reduce water consumption,
- Reduce the amount of waste,
- Recycle waste,
- Improve water quality and reduce wastewater,
- Prevent environmental pollution,
- Protect and enhance biodiversity in our operational areas.

We utilize the best available production techniques and technologies to achieve our goals. We ensure that our performance is regularly audited, monitored and measured in line with our sustainability goals. We are committed to implementing this policy in all our operations.

Energy Policy

At Aksa Energy, we comply with national and international legal regulations and legislations at all our locations, procure the necessary resources and carry out our electricity generation activities within the scope of an energy management system based on continuous improvement.

Through our continuous improvement activities, we reduce the consumption of our energy resources by the targeted amount, increase energy efficiency and reduce energy losses.

In energy efficiency studies in our fields of activity, efficiency related to energy consumption is questioned using SCADA system data. Actual energy consumption is compared with projected values and performance is evaluated. All employees, including subcontracted employees, are informed about the policy through various communication tools and trainings, we ensure that they gain awareness and that the Energy Management System is carried out in accordance with the ISO 50001 Energy Management System standard.

For this purpose,

- We will strive to continuously improve our energy performance,
- We will provide the necessary information and resources to achieve our goals and objectives,
- We will comply with applicable legal terms and requirements regarding energy use, consumption, and efficiency,
- We will document and implement energy management procedures that incorporate best facility management standards and practices to ensure sustainable energy management conditions.

GRI 2-19; GRI 2-20; GRI 2-21; GRI 2-23; GRI 2-24; GRI 2-25; GRI 2-26; GRI 2-27; GRI 3-3; GRI 405-1; GRI 405-2; GRI 406-1

Our Policies

We are committed to fulfill environmental and social responsibilities in our operating regions.

Corporate Social Responsibility Policy

At Aksa Energy, we act in line with the principle of sustainable growth in achieving our goal of becoming a global power, and we conduct our operations by fulfilling our responsibilities in economic, social and environmental dimensions.

We manage our operations in a way that recognizes our responsibilities towards both our internal stakeholders, namely our employees, and all external stakeholders with whom we interact throughout our operations.

Within the scope of Corporate Social Responsibility Management; we are committed to:

- Acting within the framework of financial discipline and accountability, managing our company's resources and assets with efficiency,
- Providing timely, accurate, complete and understandable information to our shareholders, public and related parties about our financial statements, strategies, investments and risks,
- Taking responsibility for social development,
- Establishing good relations with the people in the immediate environment and the region affected by the activities,
- Considering needs and demands of the people of the region in the areas of activity,
- Making feedback channels through which all our stakeholders can provide their feedback functional,
- Implementing the best production and environmental solutions beyond legal obligations, supporting all kinds of initiatives to raise environmental awareness, and fulfilling our social and environmental responsibilities towards the society in all geographies where we operate, in a harmonious cooperation with our stakeholders, public and non-governmental organizations.

Aksa Energy makes donations and grants in the areas of education, culture, arts, environment, sports and similar fields in line with its corporate social responsibility approach, while adhering to the Capital Markets Board regulations and the Company's Code of Ethics.

Donation and Aid Policy

Aksa Energy makes donations and grants in the areas of education, culture, arts, environment, sports and similar fields in line with its corporate social responsibility approach, while adhering to the Capital Markets Board regulations and the Company's Code of Ethics.

We submit the Company's donation and aid policy to the approval of the General Assembly. In line with the policy approved by the General Assembly, the amount and beneficiaries of all donations and grants made during the accounting period are disclosed to the shareholders with a separate agenda item at the General Assembly meeting of the relevant year and disclosed to the public in the annual report. In line with the policy approved by the General Assembly, we submit the amount and beneficiaries of all donations and grants made during the accounting period to the information of the shareholders with a separate agenda item at the General Assembly meeting of the relevant year and disclose them to the public in the annual report.

We provide aid and donations to foundations and associations fulfilling social responsibility projects, non-governmental organizations, social welfare institutions and organizations, clubs, and associations conducting sports activities, educational institutions and organizations.

GRI 2-19; GRI 2-20; GRI 2-21; GRI 2-23; GRI 2-24; GRI 2-25; GRI 2-26; GRI 2-27; GRI 3-3; GRI 405-1; GRI 405-2; GRI 406-1

Anti-Bribery and Anti-Corruption Policy

In order to protect our stakeholders against risks and to enhance our Company's corporate value and reputation, we have prepared an addendum to the Ethical Principles Document and formed "Anti-Bribery and Anti-Corruption Policy."

Our policy has been approved by the Company's Board of Directors.

Members of our Company's Board of Directors, executives, employees, those acting on behalf of our Company (such as intermediaries, consultants, representatives), our business partners (subcontractors, suppliers, agents) are within the scope of our Policy; they must act in accordance with our Policy, relevant laws and regulations.

It is forbidden for our executives, employees and other persons and organizations covered by this Policy to give and receive bribes, to make all kinds of facilitation payments to facilitate and accelerate company affairs, to make political donations under any circumstances and in any way, to make travel and hospitality expenses, to give and accept gifts, except in cases determined by the Board of Directors.

Disclosure Policy

Aksa Energy's Disclosure Policy is based on the principle of sharing the necessary information and disclosures that are not commercial secrets with domestic and foreign shareholders, investors, capital market experts, intermediary institutions and all related parties and stakeholders in a simultaneous, fair, complete, clear, accurate, comprehensible and easily accessible manner, in accordance with the provisions of capital markets legislation and in consideration of the matters set forth in the Communiqué on Material Events No. II-15.1.

We have targeted an effective, active and transparent communication with the investment community based on the Capital Markets Legislation, Turkish Commercial Code and other relevant legislation.

Our Disclosure Policy covers all kinds of information, documents, electronic records, and data related to the activities that are not commercial secrets known by the members of the Board of Directors, senior executives and employees, and which are not legally prohibited to be disclosed.

Dividend Distribution Policy

The Company's net profit for the period as shown in the annual balance sheet determined in accordance with the Turkish Commercial Code, Capital Markets Legislation, and generally accepted accounting principles, less the losses of previous years, if any. The General Assembly of our Company is authorized to decide whether at maximum 50% of the distributable net profit for the period shall be paid in cash or added to the capital and the shares to be issued in this way shall be distributed to the shareholders as bonus shares or both methods shall be used together in certain proportions or left within the Company and the distribution procedures shall be completed within the legal periods stipulated in the legislation.

Remuneration Policy

Our Remuneration Policy has been established with the aim of ensuring compliance with the regulations, obligations, and principles outlined in the Capital Markets Legislation and the Corporate Governance Principles of the Capital Markets Board. It is composed by the Board of Directors to ensure adherence to corporate governance principles, maintain trust and transparency, and to formalize, implement, and supervise the written compensation policy regarding the principles of compensation for members of the board of directors and senior executives. Aksa Energy's "Corporate Governance Committee" is responsible for the remuneration policy and its implementation on behalf of the Board of Directors. Kazancı Holding Human Resources Directorate is responsible for day-to-day practices within the framework of the Company's remuneration policies. Remuneration at our Company is primarily based on performance. In addition to performance, general macroeconomic conditions, the current inflation rate in Türkiye and industry trends are carefully monitored to ensure fair and accurate implementation of the remuneration policy for employees.



GRI 2-19; GRI 2-20; GRI 2-21; GRI 2-23; GRI 2-24; GRI 2-25; GRI 2-26; GRI 2-27; GRI 3-3; GRI 405-1; GRI 405-2; GRI 406-1

Our Ethical Principles, Anti-Bribery and Anti-Corruption

We embrace a human rights sensitive approach for our employees and all stakeholders with whom we have business relationship, and we prioritize the supervision of these rights.

We prioritize ethical principles that are embraced and diligently applied throughout all departments and the management team of our company with a strong corporate identity, reflecting our corporate governance philosophy.

With the awareness that effective corporate governance can only be realized through a well-founded corporate identity, we make ethical behavior and high corporate standards as a part of our corporate culture in line with our Code of Ethics. Aksa Energy's Code of Ethics is managed through the coordination of all relevant departments (Audit Directorate, Legal Department and HR Department). We pay utmost attention to the implementation of our Code of Ethics, which is accessible to all employees throughout the organization.

We ensure that each of our employees sign the Ethical Principles Commitment Form, stating that they have read, adopted, and understood the Ethical Principles document of the organization. Our employees can access the relevant documents whenever they want through the in-house document sharing system. Our Code of Ethics is available for public access on the Aksa Energy website.

Aksa Energy's Code of Ethics is based on the principles of preventing risks related to business ethics, creating an environment of open communication, ensuring that all employees adopt the Company's values and norms, ensuring that employees behave honestly and consistently, using the Company's resources properly, protecting the Company's financial and commercial interests, guiding employees, monitoring the healthy and continuous operation of reporting mechanisms for unethical behavior, and ensuring the continuity of a corporate culture strengthened by ethical values.

We adopt a "zero tolerance" principle against any potential act of corruption.

Our Code of Ethics applies to the Board of Directors, managers, and all employees. Our Ethics Team consists of an Aksa Energy Board Member, Group President / Group Vice President, Internal Audit Director, Chief Legal Counsel and Human Resources Director, and operates under the authority of the Chairperson of the Board.

At Aksa Energy, we set goals and strategies to further improve compliance with laws and regulations and the ethical structure of our organization.

In this context, the Compliance Directorate has been established. In addition, our efforts to align our corporate policies and procedures with international best practices are still ongoing and once completed, these policies will be shared with the public and become accessible for all our stakeholders.

In addition to our Ethical Principles, we also form the basis for our principles with our existing Human Rights Policy. We adopt an approach that respects human rights for our employees in the countries where we operate and all stakeholders with whom we have business relation, and we attach importance to the supervision of these rights. In this context, we ensure compliance with our Human Rights Policy.

GRI 2-11; GRI 2-15; GRI 2-16; GRI 2-23; GRI 2-24; GRI 2-25; GRI 2-26; GRI 3-3; GRI 406-1

Our Management Approach

In addition to our Human Rights Policy, the Company's Anti-Bribery and Anti-Corruption Policy, which is open to employees and the public and which is effectively implemented, is a separate basis for our Code of Ethics. As Aksa Energy, we aim to protect our stakeholders against risks and increase our Company's corporate value and reputation with our Anti-Bribery and Anti-Corruption Policy, which we have organized in addition to our Code of Ethics and which requires us to be sensitive to the needs and interests of all our stakeholders during our operations. In this regard, in 2022, an Anti-Bribery and Anti-Corruption clause has been added to the contracts with suppliers, who are business partners of our Company.

Within the framework of our policy, we embrace the principle of "zero tolerance" against any potential act of corruption. In this context, violating the principle of bribery leads to termination of employment contracts for our employees and termination of cooperation with our suppliers.

At Aksa Energy, we have organized trainings in recent years within the scope of the Anti-Bribery and Anti-Corruption Policy. In 2023, we aim to offer trainings on sustainability, anti-corruption, ethics, and human rights again under Aksa Academy, Kazancı Holding's in-house training platform.

Within the scope of the Protection of Ethical Principles and the Anti-Bribery and Anti-Corruption Policy Program, the Audit Directorate extensively evaluated our suppliers during procurement-related audits conducted in 2022. Accordingly, no discrepancies related to suppliers were reported to the Ethics Committee or senior management. Additionally, the Ethics Line channels did not receive any complaints about bribery and corruption via e-mail or telephone, and no legal cases were filed against our company on bribery and corruption issues.

You can report any issues or violations of both the Code of Ethics and the Anti-Bribery and Anti-Corruption Policy via **etik@aksa.com.tr** e-mail address or **0 850 511 11 12-Ethics Line**.



Our Risk Management

We attach a great importance to the effective and efficient management of our risk management processes, which we cover together with our Corporate Risk Management philosophy.

Risk Management is an increasingly important need for companies and an issue that needs to be handled in a multifunctional manner. The globalization of competition in the energy sector, which is among the sectors most rapidly affected by global and local conditions, increases the need for risk management.

While the scope of Risk Management is diversifying with issues such as sustainable growth, income stability, cost reduction, combating climate change and compliance with legal regulations, it is becoming more and more important to ensure financial, environmental, and social sustainability by correctly assessing the current and future risks of the sector.

At Aksa Energy, our Corporate Risk Management approach consists of the process of identifying, analyzing, and evaluating risks in order to create and protect corporate values. With this perspective, we prioritize managing our risk management processes effectively and efficiently.

At Aksa Energy, we implement an effective risk management policy to prevent and mitigate all risks within the framework of our risk management philosophy based on the protection of asset values, operational safety, and sustainability. We regularly review our risk management policies and systems to identify and analyze the risks to be encountered, set appropriate risk limits, and establish

Our Board of Directors has established the Early Detection of Risk Committee to develop and monitor our risk management policies.

risk controls, and monitor risks in comparison with the relevant limits. We also aim to develop a disciplined and constructive control environment where all employees understand their roles and responsibilities through trainings, management standards and procedures.

We address the risks faced by our company with a centralized management approach; we effectively manage the financial risks and opportunities encountered through policy changes when necessary. Within the framework of the policies determined by the senior management, we evaluate hedging instruments and try to limit the risk levels to which we are exposed.

Since we operate in an investment-intensive sector and finance our investments mostly with bank loans, we regularly monitor liquidity, currency and interest rate risks, our positions and market developments. We also carry out field and organizational controls for all facilities in operation and group the risks we identify in this context into three categories: operational risks, strategic risks and compliance risks. We regularly monitor the actions that we have identified through technical studies and report the eliminated risks. With regular follow-ups, we ensure that new risks are systematically included in the studies.

At Aksa Energy, we regularly monitor our non-financial risks as well as financial risks. In this context, we define a Key Risk Indicator (KRI) for each identified risk and collect data from relevant units at regular intervals to report to senior management. We take care to address the environmental, social, and economic impacts of the actions taken in a holistic manner, and we carry out our activities together with environmental risk analyses from the investment decision stage. In order to ensure the monitoring of legal obligations regarding environmental matters, we identify potential risks through site visits, plan actions to prevent the occurrence of these risks, and minimize the risks by following the actions taken at regular intervals.

We also operate and certify ISO 27001, a risk-based Information Security Management System, in a wider scope than the requirements of legal frameworks. In this context, we implement standard controls without excluding any of them from the scope.

In addition to our Risk Management activities, there are also activities carried out within Kazancı Holding, which also covers Aksa Energy Headquarters and our domestic power plants. Kazancı Holding's Board of Directors is responsible for monitoring all risks related to Kazancı Holding group companies on a consolidated basis and making group-wide decisions regarding these risks.

Our Group companies adapt this model to their own companies, monitor the risks of their companies and take actions to address risks. Accordingly, our Board of Directors, which is generally responsible for determining and overseeing the risk management framework of our Company, has established the Early Detection of Risk Committee to develop and monitor our risk management policies.

Our Early Detection of Risk Committee, which convenes 6 times a year, carries out its activities to identify risks and take necessary actions. The Committee, which carries out activities related to taking and implementing the necessary measures regarding all kinds of potential risks and managing and reviewing them within the risk management system, regularly reports the results to our Board of Directors.

In this context, during the reporting period, we have completed the analysis and testing services in accordance with the "EMRA Regulation on Information Security in Industrial Control Systems Used in the Energy Sector." In addition, we have implemented the administrative and technical measures required to be implemented within the framework of the Law on the Protection of Personal Data (KVKK) by matching them with existing controls. We have continued our efforts within the scope of the Presidential Digital Transformation Office Information and Communication Security Guide (CB DDO BİGR), initiated in 2020, during this period as well.

Our risk-oriented Internal Audit unit, which operates in a risk-focused manner to assess and enhance the effectiveness of control and governance processes, conducts regular audits on the reliability of the financial reporting system, the compliance of our Company's investment and operation activities with legal and internal regulations, the effectiveness and efficiency of its operations, and the security and reliability of information systems.

As with all strategic issues within the company, we approach OHS from a risk perspective, identifying, assessing, and categorizing prominent hazards and risks. With this approach, we take measures to reduce risks to an acceptable level. We implement the OHS Management System notification instruction to record data on the health and safety of employees. We evaluate and conduct improvement efforts by comparing the obtained data with both nationwide and European statistics.

We identify, assess, and categorize the prominent hazards and risks in the field of OHS. Similar to other strategic issues for the company, we approach the management of OHS-related issues from a risk perspective, and thus take measures to reduce risks to an acceptable level. In this context, we map our OHS risks based on the facility and production model, using hazard identification and risk assessment procedures to prioritize our action plans. Electric shock, electric arc, fire, flare, explosion, fall from height, limb injuries, high pressure, etc. are among the prioritized risks, and we address them in various categories such as death, severe disability, day-loss injuries.

In accordance with the OHS Management System notification instructions, we meticulously record data related to the health and safety of our employees. We carry out evaluation and development studies by comparing the data we obtain with nationwide and European statistics. We commit to taking OHS measures in all our facilities across Türkiye, in the subcontractor companies we collaborate with and in all organizations we engage with. Within this framework, we collect OHS data on a monthly basis, and manage the process according to the accident incident investigation procedure in a case of a workplace accident.

Our Digitalization and Information Security Management

We emphasize the importance of developing processes and methods in line with rapidly evolving technology, which is a requirement of sustainability.

We invest heavily in information technology, which not only increases efficiency but also improves all our processes, enabling our employees to do their jobs faster and more easily. In this way, we accelerate Akso Energy's innovation activities in various fields.

At Akso Energy, we attach importance to developing processes and methods in line with rapidly developing technology, which is one of the requirements of sustainability. We enable all our employees to contribute to the holistic development of our Company by adopting this innovative approach and culture. While we provide social benefit through the transfer of technology and know-how capital to the regions where we operate, we also observe that improvements and developments in our processes have a positive impact on our sustainability performance.

As we enhance our Information Security Management System (ISMS) in line with regulations and continuous improvement perspective, we develop our technological investments and services accordingly.

Akso Energy's ISMS consists of Corporate Information Systems and Industrial Control Systems that support energy generation processes. We are advancing our policy in accordance with the Information and Communication Security Guidelines published by the Presidential Digital Transformation Office, and in line with compliance and continuous improvement objectives.

With our Information Security Management System Policy, we aim to convey Kazancı Holding's and related Group Companies' understanding of ISMS in line with company strategies for the companies, locations, assets,

We not only increase efficiency but also improve all our processes, enabling our employees to perform their jobs more quickly and easily with the high amount of investment we make in information technologies.

processes and personnel specified in the "ISMS Scope Document," to record the goals and objectives of ISMS, and to convey what needs to be done to implement this understanding.

In our organization, we take access controls in accordance with the principle of knowing as much as necessary within the framework of legal compliance and security measures in accordance with the developing technology. Considering information security threats, we implement an Information Security Risk Management System that provides an appropriate balance between risks and measures in terms of organizational information assets and services.

Akso Energy ensures Information Security via:

- ensuring information security and business standardization in managing processes,
- maximizing the confidentiality, integrity and accessibility of the data processed in the organization,
- complying with legal requirements and contracts.

As Senior Management, we commit to complying with 'Information Security Management System' that is defined and executed in order to meet information security targets and requirements stated in TS ISO/IEC 27001.

We declare that we will allocate the necessary resources for the efficient operation of the system, evaluate its effectiveness, continuously improve it and ensure that it is understood by all relevant parties.

Our Management Systems and Certificates

We ensure the continuity of the certificates we are entitled to receive.

At Aksa Energy, we make the utmost effort to achieve our medium and long-term goals, aiming to be effective and efficient.

At Aksa Energy, we continue to ensure the continuity of the certificates we are entitled to receive and successfully internalize the systems in the required areas.



**Acquired within Kazancı Holding. Aksa Energy General Directorate, Bolu Göynük Thermal Power Plant and Şanlıurfa Natural Gas Combined Cycle Power Plant are also within the scope.*

Environmental Sustainability

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Environmental Sustainability

Within the framework of the principle of “efficient use of resources,” we conduct our activities in an environmentally conscious manner for a sustainable future.

Within the scope of our environmental sustainability approach, we prioritize identifying the significant environmental impacts of the sector and managing these impacts, respecting human rights and employee rights in the regions where we operate, and supporting social development. We have built our business model in line with an integrated vision encompassing economic, social, and environmental aspects.

While conducting our activities in an environmentally sensitive manner for a sustainable future within the framework of the principle of “efficient use of resources,” we consider “environmental sustainability” as one of the three basic elements of our sustainability approach. In this direction, we continue our efforts to reduce our environmental impact arising from energy production activities with the aim of continuously improving our environmental performance. We strive to make a difference in the sector with our Environmental Management practices covering all stages of the value chain.

The Company established an Environmental Policy to institutionalize this approach and ensure that it is adopted and implemented by all stakeholders. Akso Energy’s Environmental Policy is based on four pillars: **climate change, natural resource management, waste management and preservation of biodiversity**. Our Environmental Policy ensures that our performance towards our sustainability goals is regularly audited, monitored, and shared, and is based on efficiency, transparency, stakeholder participation and cooperation.



We continue our efforts to reduce the environmental impacts arising from electricity generation activities with the goal of continuously improving our environmental performance.

As Akso Energy, we have continued our environmental investments in 2022 to minimize the environmental impact of our energy generation activities and improve their performance.

We have established a Framework Environmental Management System (EMS) in order to determine the goals and objectives related to the Environmental Policy, manage, monitor, and audit activities in accordance with this policy. We have also transferred the documentation and action management of all management systems to an online document management system.

In addition to the coordination of this system implemented at the head office, we continue our efforts under the leadership of the HSE-Q (Health, Education, Environment-Quality) Department at domestic power plants. In 2022, the HSE-Q team continued its efforts to implement this system in foreign power plants.

We utilize the best available production techniques and technologies to achieve our goals. We ensure that our performance is regularly audited, monitored, and measured in line with our sustainability goals. In addition, we encourage responsible environmental management processes among all stakeholders, especially our employees, organize employee trainings and raise awareness among our suppliers.

While conducting our activities, we pay attention to the most efficient use of natural resources, reducing greenhouse gas and air emissions, minimizing waste generation, and preserving biodiversity. In this context, while we continue to work on our environmental impact in our existing production units, we also conduct environmental impact assessments for our new production facilities before the project starts. During the relevant reporting period, our domestic power plants have fully complied with environmental legislation, and we have not received any environmental fines from legal authorities since they started operations.

At Aksa Energy, we prioritize making investments to minimize our environmental impact and enhance our performance. With this perspective, we increased our environmental investments to a significant level of €522,292.63 (TRY 10.4 million) in 2022.

We are striving to make a difference in the industry with our Environmental Management practices that cover all stages of the value chain.

The Bolu Göynük Thermal Power Plant is the first power plant in Türkiye with a flue gas purification system using fluidized bed boiler technology.

We Maintain Our Environmentalist Approach in Our New Power Plants

We continue our activities with consideration for all environmental impacts in the Uzbekistan power plants with a total installed capacity of 740 MW, which started operations in 2022. With these power plants, our Company, which introduced Uzbekistan an efficient and clean energy such as natural gas, has taken all environmental measures by evaluating its ecological impacts before construction and operation. Maintaining its sensitivity to soil, water and air in Uzbekistan, our Company continuously monitors the effectiveness of the environmental measures taken. Accordingly, Aksa Energy obtained all necessary legal environmental permits and has become the first private natural gas power plant project in Uzbekistan to receive environmental permits.

As an indication of the importance we attach to environmental investments, we can cite Bolu Göynük Thermal Power Plant as **Türkiye's first power plant with a wet flue gas purification system using fluidized bed boiler technology.**

Environmental Management

We monitor and evaluate the environmental impact of our operational processes, reduce waste at its source, develop and promote recycling, and improve our environmental performance by collecting and disposing of waste.

Accordingly, we strive to make a difference in the sector with our Environmental Management practices covering all stages of the value chain. Through our Environmental Management System (EMS), we ensure that our activities are managed, monitored, and audited in accordance with the policy.

At Aksa Energy, power plant manager, OHS specialist, environmental engineer and central HSE-Q unit are responsible for an effective Environmental Management. The activities in our power plants are carried out in harmony with the legal processes.

As a result of Environmental Management, our power plants utilize systems for temporary waste storage, water treatment, emission reduction system (FGD flue gas treatment system). Additionally, our Göynük plant has an ash landfill area for regulated ash disposal. 3 lots with different capacities are used for ash landfill purposes. Monthly "Ambient Air Quality Measurement," "Oily Water Treatment System" inlet water, outlet water (discharge point) and concentrate water samples are taken and sent for analysis. Analysis results are reported to the relevant legal authorities on a monthly basis.

We monitor and evaluate the environmental impact of our operational processes, reduce waste at the source, develop recycling, and achieve improvement in our environmental performance.

In 2022, we include our new investments in air quality, water/wastewater, noise and vibration, emission measurements in the relevant headings below to improve our Environmental Management practices. In addition, we share the environmental expenditures of all our power plants in 2022 in the tables below.

Our total expenditures for Environmental Consultancy Services for Aksa Energy Power Plants are presented in the table below.

Spending on the Environment	Amount (Euro)
Environmental Consultancy Service	13,295

Our total expenditures for Water Services at Aksa Energy Power Plants are shown in the table below.

Spending on the Environment	Amount (Euro)
Ministry Water Measurements	26,105

Our total expenditures for Waste Disposal of Aksa Energy Power Plants are presented in the table below.

Spending on the Environment	Amount (Euro)
Waste Disposal	62,296

Our total expenditure for Greenhouse Gas Verification for Aksa Energy Power Plants is shown in the table below.

Spending on the Environment	Amount (Euro)
Greenhouse Gas Verification	9,888

Our total expenditures for Aksa Energy Power Plants for which Environmental Impact Reports are presented in the table below.

Spending on the Environment	Amount (Euro)
Environmental Impact Reporting	9,955

Our other total expenditures at Aksa Energy Power Plants are presented in the table below.

Spending on the Environment	Amount (Euro)
Ambient Air Quality Measurement	
Oily Water Treatment System Water/Wastewater Measurements	15,913
Vibration and Noise Measurements	
Sludge Treatment Tower Revision	1,940
Barrier Mounting	365,154
Waste Area Manufacturing	350
Total	383,357



Combating Climate Change and Emission Management

We regularly monitor and measure all air emissions generated during our generation processes and their effects on air quality.

Climate change is one of the most critical global issues of our time. Reducing greenhouse gas emissions is crucial on a global scale to combat climate crisis. In order to control emissions, protect natural carbon sinks and offset unavoidable emissions, it is aimed to keep the global temperature increase below 2.0°C by 2030 with the improvements made in line with the commitments of the parties under the Paris Agreement. Recently, there have been talks of the need to focus on 1.5°C for the limit of increase in order to prevent climate change.

We actively continue our efforts to reduce our greenhouse gas emissions in order to mitigate the negative impacts of climate change, provide competitive advantage and contribute to Türkiye's 41% reduction target in greenhouse gas emission increases by 2030 under the Paris Agreement.

As a company, we act with awareness of our responsibilities regarding human driven climate change due to the impact of our sector on people and the environment.

While conducting our activities, we work on more efficient technologies and practices in energy generation and aim to improve our performance in climate change and energy issues within the framework of environmental sustainability.

We are continuing our efforts at full pace to reduce our greenhouse gas emissions with the aim of contributing to Türkiye's commitment under the Paris Agreement to achieve a reduction of emission increases by less than 41% by the year 2030.

In line with our sustainability approach and our vision of being a responsible energy company, we have gained international recognition in the fight against climate change by signing The Trillion Tonne Communique, a declaration prepared by companies sensitive to climate change and demanding measures to combat climate change.

As Aksa Energy, we plan to invest in renewable energy in the medium and long-term in order to contribute to the global fight against climate change. A significant portion of these investments are related to emission management, and the details of these investments are presented in the Environmental Management section of this report.

We continuously and regularly monitor and measure all air emissions generated during our generation processes and their impact on air quality.

In our Ghana power plant, as of April 2022, we have implemented the Continuous Emission Monitoring System (CEMS) and are actively monitoring real-time flue gas emissions through this system as of the reporting period. In this way, at the end of each month, we calculate monthly average emission values through CEMS and report them to the Environmental Protection Agency (EPA). Additionally, as requested by the EPA under environmental permits,

GRI 3-3; GRI 305-1; GRI 305-4; GRI 305-5; GRI 305-7

we conduct vibration measurements and noise mapping/monitoring measurements twice a year.

In addition, we continuously monitor our emissions in real time through measurement systems at our domestic power plants and ensure that greenhouse gas emissions at domestic power plants are monitored online by the Republic of Türkiye Ministry of Environment, Urbanization and Climate Change.

At the same time, we have been regularly preparing Greenhouse Gas Emission Reports since 2015 to monitor greenhouse gas emissions from our power plants. After having our reports verified by an authorized validating organization approved by the relevant Ministry, we submit them to the Ministry. As a company, we also inform our stakeholders about our environmental performance data, including energy consumption and greenhouse gas emissions, through sustainability reports.

We share our Greenhouse Gas Emission values in the table below:

Greenhouse Gas Emissions (tons CO ₂ e)	2022	2021	2020
Scope 1	3,266,804	4,026,325	3,160,368
Total	3,266,804	4,026,325	3,160,368
Greenhouse Gas Emissions per MWh Production (kg CO ₂ e/MWh)	678	592	664

*Greenhouse gas calculation methodology is based on "greenhouse gas activity data multiplied by greenhouse gas emission or removal factors." Greenhouse gas emissions are calculated in accordance with the Greenhouse Gas Protocol methodology. Global Warming Potential (GWP) coefficients are obtained from the 5th Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

We present our air emissions data in kg/h below.

Urfa	Air Emissions (kg/h)	2022	2021	2020
	NO _x	85.32	-	63.18
	SO _x	0.85	-	1.17
	CO	31.57	-	27.73
Antalya	Air Emissions (kg/h)	2022	2021	2020
	NO _x	75.58	297.43	292.65
	SO _x	0	0	0
	CO	14.6	12.14	8.79
Göynük	Air Emissions (kg/h)	2022	2021	2020
	NO _x	150.02	-	93.18
	SO _x	0.0376	-	6.683
	CO	1.32	-	2.39



Energy Management

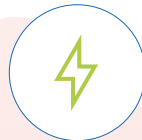
We have identified the systematic management of energy consumption as the primary framework of our energy management policy, aiming to ensure the efficient utilization of resources.

Focusing on energy efficiency and increasing productivity is a crucial step in combating climate change for a sustainable world. In this regard, energy management practices ensure the utilization of energy waste and increase energy efficiency, prevent energy loss, minimize costs without compromising economic development.

At Aksa Energy, we have set the main framework of our energy management policy as ensuring the efficient use of resources by managing energy consumption with a systematic approach in all our operations and reducing energy costs accordingly. With our energy policy prepared in this direction, we ensure that our energy management is carried out in accordance with the ISO 50001 Energy Management System standard.

In 2022, as Aksa Energy, we aim to contribute to the global fight against climate change in the energy management process and plan to invest in renewable energy in the medium long-term. Among the practices we carry out to minimize the environmental impact of our operations, technological investments, and efforts to reduce our costs and greenhouse gas emissions are among our most significant investments.

We are increasing thermal efficiency in our power plants through the combined cycle power plant technology we have developed to reduce fuel costs.



10%
Average Reduction in Energy Usage per Unit

We would like to highlight some of the energy management best practices in 2022 which we implemented in our Northern Cyprus Power Plant:

- The environmental lighting used throughout our power plant has been converted to LED, ensuring both energy savings and longer life of the lamps.
- The defective ones in the Auto-Manual buttons of the UVA and UVB motors in the engine room are replaced and the revision process is carried out. This allowed the fans to start and stop in sync with the machinery, preventing idle operation and resulting in energy savings from internal consumption.
- By reducing the operating hours of the evaporators, savings are achieved from the energy spent in water production.

In our power plants, we increase thermal efficiency with the combined cycle power plant technology we have developed to reduce our fuel costs. This allows us to generate energy by utilizing the heat of the waste gas generated during production processes, reducing energy use per unit by an average of 10%. As of 2022, we have included Northern Cyprus Kalecik Fuel Oil Power Plant and all our existing natural gas power plants in the process of energy generation from waste heat. In addition, we use Oxicat filters in our natural gas power plants to reduce greenhouse gas emissions.

We aim to achieve high production rates in renewable energy generation by going for hybrid transformation in our power plants. As of 2021, we have won the Mini Renewable Energy Resource Areas (Mini YEKA SPP3) tenders in Bingöl, Yozgat and Kırşehir and have started to work on a total of 35 MW SPP portfolio. In 2022, we focused on establishing a solar power plant with an installed capacity of 35 MW in Bolu in order to reduce carbon emissions within the power plant site and focused on the hybrid transformation of the power plant. Recognizing our significant role in the fight against climate change, we prioritize reducing the direct and indirect impacts of the energy we consume in our operations. In this perspective, we strive to build a conscious infrastructure for responsible energy consumption. We comply with national and international legal regulations and legislations at all our locations, carry out the necessary reporting, undergo regular audits, and adopt an approach based on providing the necessary resources and continuous improvement.



We present Aksa Energy's energy production data below:

Energy Generation (GJ)	2022	2021	2020
Total Electricity Generated	37,321,160.8	25,974,921.6	18,594,219.6
Electricity Generated and Sold (Outside the organization)	32,603,995.7	24,602,474.2	17,392,086.4
Electricity Generated and Used Within the Organization	4,702,888.7	1,321,590.2	1,169,481.2
Purchased Electricity (purchased from outside the organization)	33,523.3	11,932.5	27,022.1
Total	74,661,568.5	51,910,918.5	37,182,809.3
Steam Generated (ton)	55,621,269.8	62,554,491.4	62,250,230.3
Steam Used (ton)	55,310,898.5	62,263,512.3	61,983,838.0

We share Aksa Energy's energy consumption data below:

Energy Consumption (GJ)	2022	2021	2020
Natural Gas	46,741,623	28,936,477	17,279,346
Light Fuel Oil	16,830	-	-
Lignite Coal	23,741,654	25,052,749	24,084,612
Propane	6,068,437	-	-
Heavy Fuel Oil	2,982,774	-	-
Diesel (STATIONARY COMBUSTION-Generator, Boiler, etc.)	40,975	26,792	27,496
Cylinder-LPG	46	-	-
Gasoline (MOVING COMBUSTION-Vehicles)	880	-	-
Diesel (MOVING COMBUSTION-Vehicles)	3,754	-	-
Electricity Consumed from Grid	20,393,647	7,902,434	11,926,790
Total Electricity Consumed	99,990,619	61,918,451	53,318,244

While carrying out electricity generation activities, we question the efficiency of energy consumption by using SCADA system data in energy efficiency studies. We compare the actual energy consumption with the projected values and evaluate our performance. We inform all employees, including subcontractors, about the policy through various communication tools and training sessions, and ensure that they gain awareness.

We hold the Power Plant Operation and Maintenance Unit and the Central HSE-Q Unit responsible for the Energy Management of our power plants.

As Aksa Energy; we commit to:

- Continuously improve our energy performance,
- Provide necessary information and resources to achieve our goals and objectives,
- Comply with applicable legal requirements and obligations regarding energy use, consumption, and efficiency,
- Document and implement energy management procedures that incorporate best facility management standards and practices to ensure sustainable energy management conditions.

Waste Management

In Waste Management, we aim to continuously improve our performance through efforts to reduce waste production and efficiently utilize resources.

We manage the waste generated as a result of our operations in line with our Environmental Policy and in compliance with the relevant legislation. We recycle both hazardous and non-hazardous wastes arising from Aksa Energy's production processes at the periods specified in the Waste Management Regulation. We store hazardous wastes generated during the processes in temporary waste storage areas located at the facility sites, preventing the contact of substances that may harm human and environmental health with the external environment, and send them to recycle or disposal facilities with licensed vehicles at certain intervals. We send the packaging waste to the recycling companies contracted by the municipalities in the regions where the facilities are located by our responsible personnel.

Our Waste Management, which we carry out in line with our Environmental Policy and in compliance with the relevant legislation, is one of the significant components of our environmental sustainability approach. We ensure the recycling of hazardous and non-hazardous wastes arising from our operations within the time intervals specified in the Waste Management Regulation, while improving our processes with innovative technologies to reduce resource utilization and waste generation.

We store hazardous wastes such as waste oil, contaminated packaging, contaminated cloth, absorbent filters, sludge from oil-water separators, etc. that are generated during our operations in temporary waste storage areas in our facility sites. We store substances that may harm human and environmental health in a way that they do not come into contact with the external environment and send them to recycling or disposal facilities with licensed vehicles

We are pleased to announce that Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant, Bolu Göynük Thermal Power Plant, and Şanlıurfa Natural Gas Power Plant have been awarded the "Zero Waste" Certificate.

in certain periods. Packaging wastes, which are considered as non-hazardous wastes such as scrap materials, is sent to recycling companies contracted by the municipalities in the regions where our facilities are located.

As Aksa Energy, we aim to improve our performance in waste management every year through efforts to produce less waste, use resources effectively and make processes more efficient. In our Waste Management process, we continuously monitor water use, wastewater discharge and other water analyzes with contracted companies.

At Aksa Energy, power plant manager, OHS specialist, plant environmental engineer and central HSE-Q units are responsible for plant waste management at all our power plants. We carry out our Waste Management through the efforts of the plant manager, OHS Specialist, plant environmental engineer and central HSE-Q unit on issues such as legal processes, certification and treatment, analysis, and waste disposal.

Bolu Göynük Thermal Power Plant and Şanlıurfa Natural Gas Power Plant, which have met all legal requirements within the scope of Environmental Legislation since 2015 when they became operational have "Environmental Permit and License Certificate" on Air Emission, Wastewater Discharge and Landfill, thanks to incineration and treatment technologies used. As an output of the importance our Company attaches to Waste Management and studies carried out in this context, in January 2021, we were entitled to receive the "Zero Waste" Certificate with our Antalya Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant as well as our Şanlıurfa Natural Gas Power Plant.

GRI 3-3; GRI 306-1; GRI 306-2; GRI 306-3; GRI 306-4; GRI 306-5

The details of Aksa Energy's waste oil are presented in the table below.

	2022			2021	2020
WASTE INFORMATION (Tons)	Waste Generated	Waste Not Going to Disposal	Waste Diverted to Disposal	Waste Generated	Waste Generated
Waste Oil	127.62	-	-	4.6	1.75
Total	127.62	-	-	4.6	1.75

Details of Aksa Energy's hazardous waste is given in the table below.

	2022			2021	2020
WASTE INFORMATION (Tons)	Waste Generated	Waste Not Going to Disposal	Waste Diverted to Disposal	Waste Generated	Waste Generated
Packages containing residues of hazardous substances or contaminated with hazardous substances	1.78	1.78	-	1.84	0.87
Absorbents contaminated with hazardous substances, oil filters, cleaning cloths, protective clothing, if filter materials are not otherwise specified	4.09	4.09	-	1.35	0.43
Hazardous Waste	6.85	6.85	-	-	-
Total	12.72	12.72		3.19	1.3

The details of Aksa Energy's chemical wastes are given in the table below.

	2022			2021	2020
WASTE INFORMATION (Tons)	Waste Generated	Waste Not Going to Disposal	Waste Diverted to Disposal	Waste Generated	Waste Generated
Waste paint containing organic solvents or other hazardous substances	0.1	0.1	-	-	-
Discarded inorganic chemicals containing or consisting of hazardous substances	4.36	4.36	-	-	-
Other Chemicals	2.01	2.01	-	-	-
Total	6.47	6.47	-	-	-

Details of Aksa Energy's metal waste are given in the table below.

	2022			2021	2020
WASTE INFORMATION (Tons)	Waste Generated	Waste Not Going to Disposal	Waste Diverted to Disposal	Waste Generated	Waste Generated
Metal	195.61	195.61	-	51.27	
Metallic Packaging	0.1	0.1	-	-	-
Aluminum	1.58	1.58	-	-	-
Total	197.29	197.29	-	51.27	-

GRI 3-3; GRI 306-1; GRI 306-2; GRI 306-3; GRI 306-4; GRI 306-5

Waste Management

We are developing our processes with innovative technologies to reduce resource usage and waste generation resulting from our activities.

Details of Aksa Energy's metal waste is given in the table below.

	2022		2021		2020
WASTE INFORMATION (Tons)	Waste Generated	Waste Not Going to Disposal	Waste Diverted to Disposal	Waste Generated	Waste Generated
Industrial Sewage Sludge	35,632.06	-	35,632.06	-	-
Other sludge waste	1,367.62	-	1,367.62	686.24	559.3
Total	36,999.68	-	36,999.68	686.24	559.3

Details of Aksa Energy's other wastes are presented in the table below.

	2022		2021		2020
WASTE INFORMATION (Tons)	Waste Generated	Waste Not Going to Disposal	Waste Diverted to Disposal	Waste Generated	Waste Generated
Paper	5.31	5.31	-	-	-
Electronics	358.46	358.46	-	-	-
Plastic	7.54	7.54	-	-	-
Glass	0.25	0.25	-	-	-
Food	294.75	-	294.75	-	-
Other (Ion Exchange Resin)	2.74	2.74	-	-	-
Other (Cable)	40.2	40.2	-	-	-
Other (Volatile Coal Ash)	589,417.24	-	589,417.24	-	-
Other (Slag)	251,806.37	-	251,806.37	-	-
Other (Leaded batteries and accumulators)	1.02	1.02	-	-	-
Total	841,933.9	415.52	841,518.36	-	-

In addition to having environmental permits for all our international power plants, the table below provides the names of certificates and the start and end dates of certifications for our power plants located in different locations in Türkiye.

Location Name	Country of Location	Name of Certification	Certification Start-End Dates
Antalya	Türkiye	Zero Waste Certificate	5.01.2021 – 05.01.2026
Antalya	Türkiye	Environmental Permit	8.06.2022 – 8.06.2027
Göynük	Türkiye	Zero Waste Certificate	30.12.2020 – 30.12.2025
Göynük	Türkiye	Environmental Permit	20.12.2022 – 20.12.2027
Şanlıurfa	Türkiye	Zero Waste Certificate	10.12.2021 – 10.12.2026
Şanlıurfa	Türkiye	Environmental Permit	22.04.2019 – 22.04.2024

GRI 3-3; GRI 306-1; GRI 306-2; GRI 306-3; GRI 306-4; GRI 306-5

Environmental Sustainability

Water and Wastewater Management

We prioritize the efficient use of water resources, which is crucial for our production processes.

Water is of critical importance among the diminishing natural resources due to many factors affecting the entire world, such as climate change and migration. At Aksa Energy, we attach high importance to the efficient use of water resources, which are also significant for our production processes. We adopt a water management approach based on compliance with local and international regulations, aiming to enhance our performance and preparing for the future.

In this context, we shape our operations and processes with the goal of minimizing our water use through effective management. We carry out our efforts to use water efficiently with an innovative approach. Through our effective water management performance, Aksa Energy's water discharge amounted to 14,069,736.6 m³ and water withdrawal to 20,751,567 m³ in 2022. Water saving is ensured by revising the water lines in our power plants.

Among the main practices carried out at Aksa Energy in order to protect natural resources, which are gradually diminishing, are innovation-focused efforts to use water efficiently.



Water-saving measures are implemented by revising the water lines in our power plants.

Shaping its operations with the goal of minimizing water consumption through effective management, our Company obtains water from various sources such as mains, surface, and groundwater at its power plants, depending on their location. In this context, we have achieved water savings in production processes through decarbonization systems at Ali Metin Kazancı Antalya Natural Gas Combined Cycle and Bolu Göynük Thermal Power Plants. In this way, domestic water is rendered suitable for its intended use after decarbonization and subsequent demineralization processes.

Water and Wastewater Management

Regarding wastewater and emission measurements, we conduct our analyses periodically in accredited laboratories.

As a result of our Natural Resource Management, we established decarbonization facilities in these power plants with an investment of EUR 5.3 million. With these facilities, we will save 325,312 m³ of water at the Antalya power plant and 1,382,544 m³ of water at the Bolu power plant in 2022. In addition, we created Çatak Pond at Bolu Göynük Thermal Power Plant with an investment of TRY 17.5 million. At Northern Cyprus Kalcik Heavy Fuel Oil Power Plant, we meet 100% of the power plant's water needs with a pure water production system from seawater.

We meet 100% of the water need of the North Cyprus Kalcik Fuel Energy Power Plant using a system that produces pure water from seawater.

Depending on the location of our operations, we utilize water from various sources such as mains, surface, and groundwater, and discharge the wastewater generated by our operations within the scope of the Water Pollution Control Regulation. We periodically conduct analyses in accredited laboratories regarding wastewater and emission measurements.

We share water withdrawal and discharge amounts in the table below.

Activity	Source	2022
Water Withdrawal Amount	Mains Water	134,761
	Groundwater	5,000
	Other (Surface Waters)	9,682,210
	Other (Water transferred by water tankers)	26,414
	Other (Sea Water)	10,903,182
	Total	20,751,567
Water Discharge Amount	Sea Water	10,882,088
	Sewerage	79,440
	Other (Surface Water)	3,106,648.60
	Other (Vacuum Truck)	1,560
	Total	14,069,736.6

In 2022, regarding our water and wastewater management practices, we installed measuring devices to monitor water consumption at Ghana Fuel Oil Power Plant in Africa, where water resources are more limited. We also utilize the wastewater from the plant's water softening unit for garden irrigation. We are also investing in the supply of water and water trucks at the mentioned power plant. We discharge the wastewater generated at the power plant (from domestic water and process water) to the Organized Industrial Zone (OIZ) sewage line.

We use domestic water and cooling water as process water in our Ghana Power Plant. We draw water from the water network and water tankers. In the long-term, we regularly monitor water leaks and fix problems to prevent water losses in our power plants. In our Northern Cyprus Power Plant, the condensers used for different purposes in the interior is collected in 2 stages and directed to the fire tank and LP Feed Water (Low Pressure Feed Water) tank. Thus, the need for internal water production within the power plant is reduced.

Biodiversity

We operate with a responsible approach, considering potential effects on the wildlife species in the geographies where we are active.

We operate with an approach that considers potential impacts on the species in the geographies where we are active. Starting from the investment decision stage, we implement biodiversity activities in line with our environmental risk analysis.

We regularly monitor, evaluate, and report the impact of our operations on biodiversity. We act with an approach that considers the potential impacts on species in the geographies where we operate, and we conduct environmental risk analysis from the investment decision stage. Through the collaborations we have established, we support various projects to minimize and monitor potential negative impacts in our areas of operation.

In this context, between 2015 and 2020, we worked with Hatay Nature Conservation Association (TAKODER) to develop projects to monitor endangered species and mitigate negative impacts on their habitats. As a result of this cooperation, 12,000 decares of land in Hassa district of Hatay province was registered as a Natural Monument by the Ministry of Agriculture and Forestry of the Republic of Türkiye.

In 2015, we supported the conservation of the mountain gazelle population and habitat in Türkiye with our first biodiversity project, the Hatay Mountain Gazelle Conservation Project. As part of this project, a separate Gazelle Observation Event was organized on World Environment Day. Students selected from village schools in the region had the opportunity to observe mountain gazelles on the land where the gazelle observation tower was built. Another project we supported in 2016 and 2017 focused on the striped hyenas (*hyaena hyaena*), a species whose numbers are declining in the region, living around Kırıkhan Gölbaşı village in Hatay. Within the scope of the project, we conducted interviews with local people to determine current status of striped hyenas, to obtain information on their habitat and ecology, and to place photo-traps in the field. During the works carried out within the scope of the project, the rock gerbil (*Gerbillus dasyurus*), which had not been seen in the region for 22 years and was thought to be extinct in Türkiye, was re-recorded. Thus, although not a target species within the scope of the project, this situation, which is an important output in terms of initiating studies for the conservation of the species, was also included in the Report on Preliminary Studies to Determine the Distribution and Ecology of the Striped Hyena in the Kırıkhan-Reyhanlı Region published at the end of the project. The report, which emphasized the need to meticulously protect habitats with a rich mammalian diversity in the region, was covered in the regional and national press and raised awareness in this field.



Biodiversity

Within the framework of our commitment to managing our impacts on biodiversity, we have been involved in numerous projects related to biodiversity.

In 2018, we continued our projects on biodiversity in cooperation with TAKODER. We conducted a project to determine the presence and ecology of red deer (*Cervus elaphus*), a symbol species in terms of biodiversity, around Yedigöller National Park. In this context, factors such as altitude, slope, vegetation cover, water resources, road network, agricultural activities, water resources, water resources, road network, road network and agricultural activities that affect the distribution of the population of red deer, which is on the International Union for Conservation of Species (IUCN) Red List, which refers to endangered species, and whose number is gradually decreasing, were determined. Visual records of the red deer species monitored through photo traps were collected and thus, precise information on the size of the population was obtained. As a result of the project, the population density, distribution, habitat, diet and food sources, social behavior, relationships with humans and threats to the species were also determined. In line with these factors, notes were created to raise public awareness for the continuity of the population along with the measures taken to protect the species.

In 2019, we carried out activities in Bolu province to protect the grizzly bear (*Ursus arctos*), the largest predator and the only bear species living in Türkiye. The project was aimed at protecting the species in the Yedigöller region of Bolu province and raising public awareness. For this purpose, we carried out studies to determine the threat factors in the areas where the species is distributed and to formulate protection recommendations. In this context, informative signs were hung on road networks and areas where tourism activities are carried out, ecological bridge crossing points were

In 2022, we continued our project aimed at identifying the breeding, sheltering, and roaming areas of Mediterranean seals.

identified and the measures to be taken for the protection of the species were reported to the Bolu Branch of Nature Conservation and National Parks.

As Akso Energy, in line with the importance we attach to managing our impacts on biodiversity, we carried out a project in 2020, in Bolu province where we operate, to reveal the presence of Lynx, identify the factors that threaten the species and formulate protection recommendations. Within the scope of the project, we focused on the lynx species, which is "endangered" according to the International Union for Conservation of Nature (IUCN) Mediterranean Biodiversity assessment and contributed to the analysis to ensure the continuation of the extinction. In the project, which was carried out to contribute to the sustainability of the lives of lynxes, which are rare in Türkiye and are generally encountered in Bolu province, different species were identified along with lynxes and various ecological data were collected.

In 2021, we initiated a project focusing on studying the habitats of Mediterranean Monk Seals in the coastal area of the Northern Cyprus and started mapping the breeding, sheltering, and roaming areas of the seals. We aimed to secure the habitats of Mediterranean Monk Seals by sharing the data we created with the relevant authorities in the Northern Cyprus.

In 2022, we continued our project to determine the breeding, sheltering and roaming areas of seals. For this purpose, we carried out 4 separate dives in different parts of the Northern Cyprus. We share the view of the dive locations on the map below.

GRI 3-3; GRI 304-1; GRI 304-2; GRI 304-3; GRI 304-4



As Aksa Energy, we are proud to share with you the names and locations of the projects we have been carrying out for the past 8 years in line with our responsibility for the continuity of endangered animal species in Türkiye, and we proudly announce that we will continue to support biodiversity efforts in the future.

Aksa Energy Biodiversity Projects		
Years	Project Name	Project Location
2015	Mountain Gazelles	Hatay
2016	Striped Hyena I	Hatay
2017	Striped Hyena II	Hatay
2018	Red deer	Bolu
2019	Grizzly Bear	Bolu
2020	Lynx	Bolu
2021	Mediterranean Seals	TRNC
2022	Mediterranean Seals	TRNC



GRI 3-3; GRI 304-1; GRI 304-2; GRI 304-3; GRI 304-4

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Our Human Resources Approach

We have built our human resources approach on values such as the right person, diversity management, equal opportunities, and personal and professional development.

At Aksa Energy, we value the well-being of our employees, our most valuable capital, and strive to recruit the competent and necessary workforce for our services. In line with our recruitment policy, we act with the philosophy of “the right person for the right job.” Because we are aware that the way to create a strong organization by developing our business strategies towards our goals is through the happiness and success of our employees. We define the mission of the Human Resources Department as establishing a creative, dynamic, knowledgeable, highly motivated, effective, and efficient company team, supporting all company management and employees to ensure the continuity of the team, and establishing human resources systems in coordination with the relevant units. In this way, human resources management enables the Company to establish a work environment that is sensitive to employee rights and open to training and development, to build a competent team consisting of the best in the sector, and to continue its journey of sustainable growth. At Aksa Energy, we have built our human resources perspective on values such as the right person for the right job, diversity management, equal opportunity, and personal and professional development.

With the mission of being the most attractive company in the energy sector for our employees, we focus on the effective use of modern human resources systems and practices in line with the Company’s strategic goals.

We are aware that the path to developing strong organizational structures in line with our business strategies and goals lies in the happiness and success of our employees.



1,234
Total

Number of Employees

Thanks to our working environment that is sensitive to employee rights and supports training and development, we contribute to sustainable growth with our competent teams consisting of the best in the sector.

Looking at the human resources composition of the Company; Aksa Energy employs a total of 1,234 people as of December 31, 2022. 23% of the employees are white-collar and 77% are blue-collar. While 5% of the Company’s employees work at the Head Office, 95% work at power plants and enterprises. Aksa Energy has 414 employees in Türkiye, 73 in Northern Cyprus, 156 in Ghana, 103 in Mali, 130 in Madagascar, 317 in Uzbekistan, 38 in Congo and 3 in Kazakhstan. Our company employs 63% of its employees abroad from the local community.

The total number of employees in our company in 2022 is as follows:

Total Number of Employees

● Domestic
● Foreign

Male 405

Female 40

Male 725

Female 64

Our Social Performance

GRI 2-7; GRI 2-8; GRI 2-30; GRI 3-3; GRI 201-3;
GRI 401-1; GRI 401-3

In the table below, the number of people working in our organization between 2020-2022 is broken down by gender and location.

Number of Employees by Year	MALE			FEMALE			TOTAL		
	2022	2021	2020	2022	2021	2020	2022	2021	2020
Domestic	405	488	423	40	43	34	445	531	457
Foreign	725	490	339	64	57	45	789	547	384
Total	1,130	978	762	104	100	79	1,234	1,078	841

We act with the awareness that managing and developing our employees in the most efficient way will create sustainable progress and value in the business world. We take steps to support the development, health, and safety of our employees in every aspect and organize different training courses every year in this field. In this context, we ensure that all necessary measures are taken to provide our employees with a healthy and safe working environment.

In order to provide our employees with opportunities for advancement and to support them in their career journeys, we evaluate internal and external resources within the framework of the job description and the qualifications required by the job when the need for recruitment for a new position arises. However, in the recruitment process, we consider not only the need to fill vacant positions, but also our long-term Company goals. We support our employees who meet certain criteria for internal appointments and promotions to positions that may be suitable for them according to the needs or goals of the company. As an example, in 2022, we increased internal rotation to 100% by placing 19 of our employees in suitable positions for 19 positions opened within the company.

"Our most valuable capital is our human resources" motto forms the basis of our Human Resources Policy. We continuously take steps to improve the conditions we provide to our employees and aim to be the most preferred company in the industry. In line with our mission to be the most attractive company in the sector for our employees, we focus on effectively



using modern human resources systems and practices in line with our strategic goals. We continue to develop the necessary policies and practices to increase the loyalty of our employees with the importance we attach to employee satisfaction and belonging, which are the constant elements of our human resources vision.

In 2022, we focused on candidate search, interviews, and recruitment to build the necessary teams for ongoing investments. In addition, we recruited new talents to the Company as part of the "enerjiMAXa" new graduate program under Kazancı Holding. We provide monthly fuel subsidies

to people working as managers at our Company. Traditional, fast food, vegetarian and dietary options are offered in 2 different restaurants for employees. Other prominent Human Resources activities in 2022 include profile studies conducted at Kazancı Holding's headquarters and power plants, as well as the revision of recruitment processes and related documents. Our Company has started support activities for each new step to be taken within the scope of investments, operations, and future activities towards the 2030 strategy targets and these efforts will continue in 2023.

Our Safe Working Environment

We are a pioneer in terms of occupational health and safety practices to ensure healthy and safe working conditions for our workforce.

At Aksa Energy, the health and safety of our employees is one of our top priorities. Therefore, we base all our Occupational Health and Safety (OHS) activities on Aksa Energy's OHS Policy. Through our OHS Policy, we implement leading occupational health and safety practices and ensure the continuous improvement of our performance in this area.

At the same time, we implement the OHS Policy with the participation of all our employees. Within the scope of our policy, we act beyond national legislation and obligations, closely monitor current developments, and constantly inform our field managers about changes. We identify hazards and assess risks in all sites and locations where we operate; we take measures accordingly. If incidents and accidents occur, we create reports to prevent recurrence and improve our performance.

At Aksa Energy, we have internalized effective management processes for occupational health and safety with the ISO 45001 OHS Management System Certificate. As a Company operating in a wide geography, we adopt an OHS management approach that is committed to complying with local and international legislation and other relevant obligations to ensure that the workforce we employ works in healthy and safe environments. As with all strategic issues within the Company, we approach OHS from a risk perspective, identifying, evaluating, and classifying prominent hazards and risks. With this approach, we take measures to reduce risks to an acceptable level. We implement the OHS Management System notification instruction in recording the data on the

In 2022, we reduced the accident frequency rate to 3.06 (2021: 4.83).

health and safety of our employees in full, and we carry out evaluation and development studies by comparing the data obtained with nationwide and European statistics.

At Aksa Energy, we carry out our OHS assessment and improvement activities through the OHS Board. Unless otherwise stated, one employee representative from each of our holding companies attends our monthly board meeting. Accordingly, the decisions taken at the meeting, where occupational safety issues on the companies' own agenda and general OHS, issues are discussed, are binding for both the companies and the holding. After being signed by the employer's representative, the decisions of the Board meetings are directly reported to the OHS Board Chairman, Vice President of Investment and Operations (COO) and recorded. We carry out Occupational Health and Safety activities through the HSE-Q department. Aksa Energy Head Office HSE-Q department is divided into two branches: Environment-Energy-Quality and Occupational Health and Safety, while the Occupational Health and Safety Group consists of one manager and two specialists. Our Health, Safety, Environment and Quality (HSE-Q) Department shares OHS data of our power plants on a monthly basis, and summarizes the general OHS situation on a semi-annual basis.

Through Aksa Energy ISO 45001 OHS Management System certificate, we create certification and conduct internal audits. We aim to complete the process by conducting external audits with international certification bodies within the year of 2023.

GRI 3-3; GRI 403-1; GRI 403-2; GRI 403-3; GRI 403-4; GRI 403-5; GRI 403-6; GRI 403-7; GRI 403-9; GRI 403-10

Our Social Performance

In 2022, we continued our efforts to reduce occupational accidents and occupational diseases by improving the health and safety conditions of our employees at our domestic and foreign power plants. We carry out studies on OHS to ensure these conditions. We operate with the goal of "zero occupational accidents" in all our activities, take all necessary safety precautions and carry out activities to prevent occupational diseases.

In 2022, as a result of the best practices developed in our OHS Management, we can cite monthly safety walks in all our power plants, development of high purchasing capability in the supply of OHS and Environmental equipment, internal and external training support in OHS and Environmental trainings, effective implementation of Lockout & Tagout (EKED) practices in work permits, quality in the selection of Personal Protective Equipment (PPE) being above the sector average, accident frequency rates decreasing every year with the measures we take in OHS and all other practices, as examples that reflect positively on our OHS performance.

We carry out studies to prevent occupational diseases. With Corrective and Preventive Action Reports, we make evaluations to prevent situations that may cause injuries to our employees, to increase our OHS performance and ultimately to reach the zero-accident target, and we keep emergency plans for all scenarios ready in order to be prepared for possible accidents and emergencies.

We receive OHS data from our enterprises as monthly KPIs (Key Performance Indicators). In our monthly data; person*hour trainings given, toolbox training records, number of occupational accidents, number of lost days, field walks, findings and actions taken are reported according to the "Accident / Incident Investigation Procedure" prepared within the framework of management systems after occupational accidents, and our records are kept in the Quality Document Integrated Management System (QDMS-Quality Document Management System). Corrective Preventive Actions (CPA) initiated after the accident are also monitored through the QDMS system.

In 2022, Aksa Energy continued its efforts to improve the health and safety conditions of our employees and reduce occupational accidents and occupational diseases at our domestic and foreign power plants. In 2022, 5 accidents and 22 lost days occurred at domestic power plants, with no fatal work accidents. On the other hand, there were 3 work accidents with minor injuries and a total of 68 lost days at overseas power plants. While our Accident Frequency Rate within our company was 4.83 in 2021, we ensured that it decreased to 3.06 in 2022. Our total working hours amounted to 3,692,428 (person x hours).

Our indicators regarding Aksa Energy OHS data are as follows.

OHS Performance Indicators	Total Annual Working Hours (person x hours)	Work-related injuries			Ratio of Total
		Employee	Subcontractor	Total	
Domestic	1,494,360	5	3	8	5.35%
Foreign	2,198,068	3	1	4	1.82%
Total	3,692,428	8	4	12	3.25%

At Aksa Energy, we prioritize the personal and professional development of our employees. To this end, we support our employees with regularly organized trainings. Through these training courses, we support our employees in acquiring new skills, keeping them informed about innovations in the energy sector, where constantly evolving technology is at the forefront, and improving their performance and competencies. In this context, we provided OHS Training to more employees in 2022 and ensured that 19,325 employees received OHS Training. For 2023, we have set our OHS targets as increasing the number of people receiving OHS training by 10%, reducing the accident frequency rate by 10%, and reducing the number of lost days due to accidents by 10%.



GRI 3-3; GRI 403-1; GRI 403-2; GRI 403-3; GRI 403-4; GRI 403-5; GRI 403-6; GRI 403-7; GRI 403-9; GRI 403-10

Employee Productivity and Development

We are committed to assisting our employees in enhancing their skills and development in both personal and professional aspects.

We operate with the awareness that managing and developing our employees in the most efficient way will create sustainable progress and value in the business world. We take steps to support the development, health, and safety of our employees in every aspect and organize different trainings every year in this field. In this context, we offer our employees a healthy and safe working environment by ensuring that all necessary measures are taken.

While creating the necessary career paths for both the talent development of our employees and the achievement of our Company's goals, we consider the common benefits for both our employees and the Company. In this context, we take care to provide our employees with all kinds of career development opportunities. We focus on recruiting talented people who will embrace the Company's vision and work to realize this vision, and we strive to meet our personnel needs primarily from our existing workforce.

While creating the necessary career paths for both the talent development of our employees and the achievement of our Company's goals, we also consider the mutual benefits for both employees and the Company.

In this process, we have set the job descriptions of our employees in written rules within the framework of the ISO 9001 Quality Management System and informed all our employees on the subject. We also carry out career and performance management of our employees within the framework of our goal-oriented approach. In 2019, we launched the Performance Management System (PMS) for Aksa Energy Employee Profile for manager and above positions, and in 2021 for employees in supervisor and above positions.

In addition, we aim to develop ERP (Enterprise Resource Planning) systems, an integrated system for more effective and efficient human resources management, and in this context, we continue to work on determining career maps and talent pools.

In 2022, we provided our employees with 21,273 person-hours of training through the Kazancı Holding in-house training platform Aksa Academy.

Personal and Professional Development

We particularly emphasize the personal and professional development of our employees and support them in this regard by organizing trainings at regular intervals. We provide different training opportunities to all our employees in parallel with their career and personal development needs, their requirements that arise over time, and our Company's goals and strategies. With these trainings, we aim to ensure that our employees acquire new skills and are informed about innovations in the energy sector, where constantly developing technology is at the forefront. Thus, we aim to improve the performance of our employees and ensure that they have access to all the technical and professional knowledge and develop their personal skills in order to become more competent in their roles in the units they work.

We support our employees in every aspect and strive to help them develop themselves in every field. We care that they become conscious individuals in every field by providing trainings not only in the field of education but also in character development, healthy living, and awareness. A total of 2,697 employees participated in the 86 trainings we provided. With the Aksa Academy online training platform, we offered our employees various areas from which they can benefit. We have created a space for employees to benefit from rich content in hobbies and entertainment areas through book summaries, podcasts, articles, and online training.

In this regard, in 2022, we provided our employees with 19,543 person-hours of occupational health and safety (OHS), technical, and professional training. Additionally, through the Kazancı Holding in-house training platform Aksa Academy, we delivered 21,273 person-hours of training to our employees.

Our Social Performance

GRI 3-3; GRI 404-1; GRI 404-2; GRI 404-3

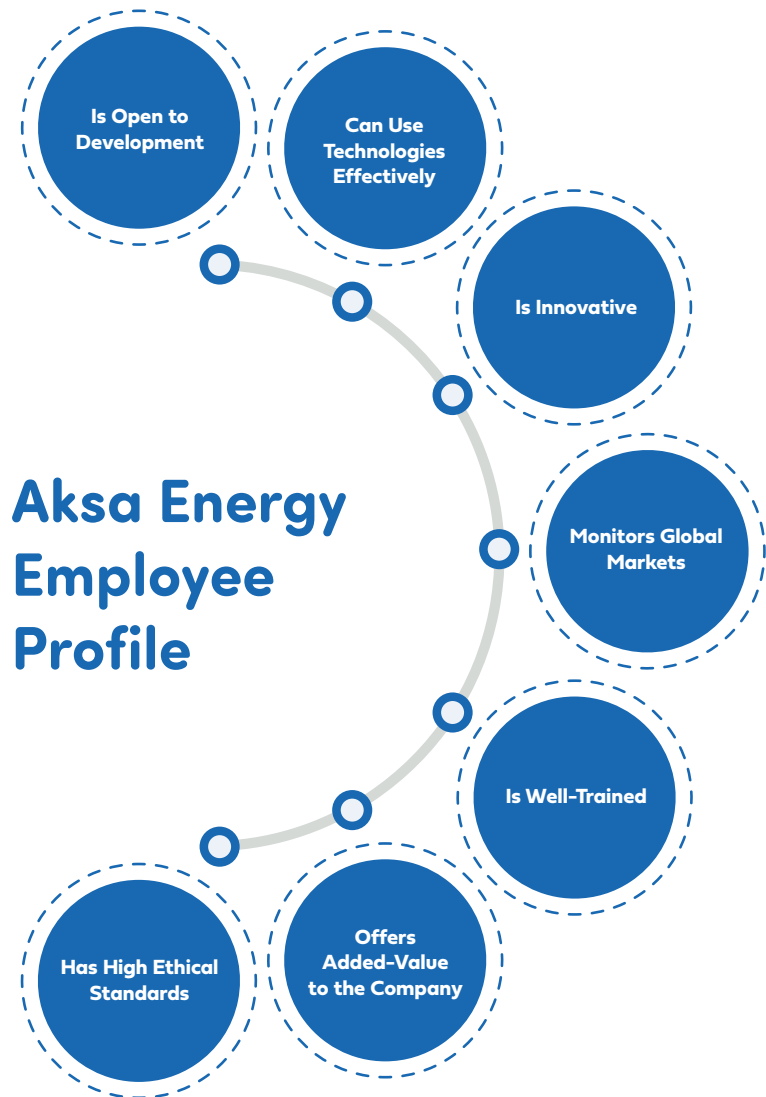
Employee Satisfaction

We are aware that we can only achieve our long-term goals via support of our employees.

Recognizing that we can achieve our long-term goals with the support of our employees, we strive to retain employees who are open to innovation and change, dynamic and aware of their potential to develop themselves and their work. We continue to invest in human resources to make our employees feel that they are members of a team where development and creativity are sustained, efforts are rewarded, and achievements are recognized. Additionally, we engage in donation activities for special occasions and contribute to charitable foundations.

We prioritize recruiting talented people who will embrace the Company's vision and work to realize this vision, and we try to meet our staff needs primarily with our existing workforce. At the point where we are unable to meet our internal needs through promotions and transfers, we turn to external sources to fill open positions. We discover our existing and potential human resources through talent management activities. In this process, we have defined the job descriptions of our employees in written rules within the framework of the ISO 9001 Quality Management System and informed all our employees on the subject. We also carry out career and performance management of our employees within the framework of our goal-oriented approach.

The requests and complaints of our employees are handled through systematic activity methods and the issues are resolved by the management of our organization. In 2022, 66 of the 69 complaints received from employees were resolved.



	2022	2021	2020
Number of Employee Complaints	69	54	54
Number of Resolved Complaints	66	52	16

GRI 2-16; GRI 2-18; GRI 2-19; GRI 2-20; GRI 2-21;
GRI 2-25; GRI 2-26; GRI 3-3; GRI 401-2; GRI
401-3; GRI 405-1; GRI 405-2

Employee Satisfaction

As part of our policy, we embrace the principle of providing equal compensation for equal performance, emphasizing performance and efficiency.

Remuneration and Benefits

As in all areas, our focus on wages and benefits is to provide the most favorable conditions that are meaningful for our employees and sustainable for our Company. In parallel with our goal of becoming the most preferred employer in our sector, we implement a competitive, market-sensitive remuneration policy that aims to improve the quality of our employees' lives.

Our Corporate Governance Committee is responsible on behalf of the Board of Directors for the Remuneration Policy for the Board of Directors and Senior Executives, which is also available on our corporate website.

Within the framework of our policy, we adopt the principle of equal pay for equal performance, and we take performance and efficiency as a basis in determining salaries and other benefits. In addition, we carefully monitor macroeconomic conditions and trends in the sector to ensure that a fair and accurate remuneration policy is applied to employees.

We adhere a compensation policy that is competitive, market-sensitive, and aims to improve the quality of our employees' lives, aligning with our goal of being the most preferred employer in the industry.

We care that our remuneration system is fair, transparent, measurable and based on balanced performance targets, encourages sustainable success and is in line with our Company's risk management principles.

In addition to the wages and fringe benefits provided to our employees, we are providing private health and personal accident insurance to a total of 786 employees in 2021, covering those working at our power plants and full-time employees who frequently visit the power plants as part of their job description.

Our female employees who give birth and our male employees who become fathers are granted maternity leave within the framework of legal regulations. We also provide 1.5 hours of milk leave per day to working mothers until their babies turn 1 year old.

Equal Opportunity and Diversity

When setting our goals, we believe that respecting diverse beliefs and opinions and fostering diversity enrich our corporate culture.

At Aksa Energy, we adopt an approach that respects human rights for our employees in the countries where we operate and for all stakeholders with whom we have business relations, and we aim to observe fundamental human rights throughout the society with our efficiency and sustainability approach. In this context, we always strive to create a business environment where respect for differences, diversity and universally recognized human rights prevails. We adopt an approach that respects human rights for our employees in different geographies where we operate and for all stakeholders with whom we have business relations. To this end, as a signatory of the United Nations Global Compact, we have established Aksa Energy's Human Rights Policy in compliance with the Global Compact Principles. We also regularly prepare the United Nations Global Compact Communication on Progress Report every year. In 2016, we prepared and translated our "Aksa Energy Human Rights Policy" into the official languages of all countries in which we operate. The Universal Declaration of Human Rights and International Labor Organization (ILO) Conventions, the United Nations Global Compact, the United Nations Principles on Business and Human Rights, and the OECD Guiding Principles for Multinational Enterprises form the basis of our Human Rights Policy, which we have made publicly available on our corporate website. We also state that we are against child labor and forced labor in our Policy, which is implemented under the responsibility of the Ethics Committee and covers our business partners and suppliers, especially our employees.

As an institution that embraces universally recognized human rights principles and has a Human Rights Policy within this framework, we oppose child labor and forced labor.

As a company that believes that respect for different beliefs and opinions and diversity enrich the corporate culture, we provide our employees with regular opportunities to strengthen their competencies.

In this context, we do not discriminate on the basis of religion, language, race, or gender in any process of internal working life at Aksa Energy and its affiliated subsidiaries, including candidate selection, placement, and promotion processes. As an organization that embraces universally accepted human rights principles and has a Human Rights Policy in this context, we oppose child labor and forced labor.

We observe positive discrimination for disabled individuals in our company and have gradually increased the number of disabled employees to 15.

Number of Disabled Employees by Gender			
	2022	2021	2020
Female	12	10	10
Male	3	3	2
Total	15	13	12

We value the participation of women in the workforce for achieving gender equality in the workplace.

We value the participation of women in the workforce to ensure gender equality in the workplace. The fact that the ratio of female employees among all employees at our Head Office is 50% is the biggest indicator of this. We consider women continuing to work after becoming mothers as a part of gender equality in business life, and we support our female employees in this regard. In 2022, the rate of our female employees returning to work after maternity leave was realized as 100%. This is an important indicator of employee loyalty.

We have collaborative initiatives with the Target Gender Equality* program, which is offered by the United Nations Global Compact to implement the Women's Empowerment Principles (UNWEPs) more effectively and increase their contribution to sub-goal 5.5 of the Sustainable Development Goal, which supports women's equal representation and leadership at all levels of the business world.



Target Gender Equality is also an accelerator program that empowers business success and sustainability. Through performance analysis, capacity-building workshops, peer and learning opportunities, and country-level stakeholder dialogue, supported by a variety of tools, it challenges the business community to set ambitious corporate goals for women's representation and leadership, and to take action to achieve them, in a range of areas from the number of women leaders in management positions to the share of corporate expenditures held by women business owners.

Contribution to Local Employment and Economy

We maintain our relationships with the companies and suppliers we are in business with based on sustainability.

With the awareness that energy production is a fundamental requirement for the growth of national economies and social development, we reduce our country's dependence on foreign energy and meet the urgent energy needs of developing countries such as Africa and Uzbekistan. Thus, we increase the access of local communities to energy, contribute to the socio-economic development of these communities through the employment opportunities we create and indirectly support the development of these countries.

In addition, we carry out infrastructure works and repair projects to support local economic development and create lasting value in the regions where we operate. We evaluate the complaints and requests received through our feedback mechanisms, which are customized to enable our stakeholders and local communities to communicate their different needs and demands.

As in previous years, in 2022, we continued to recruit the human resources we need from the region in order to create job opportunities for the people in our operating regions. As of year-end 2022, the ratio of our Company's local employees was 66.7% in Ghana, 63% in Madagascar, 64% in Mali, 76.7% in Cyprus, 59.2% in Uzbekistan and 73.7% in Congo.

We carry out infrastructure projects and repair initiatives to contribute to local economic development and create sustainable value in the regions where we operate.

We strive to demonstrate the value we place on our employees and our workforce through the initiatives and recruitments we undertake. As a result of the evaluations made in this context, we were deemed worthy of the "Respect for People" award by Kariyer.net. We will always maintain the value we attach to people and our employees, sustaining our efforts within the framework of these values.

As a company that attaches utmost importance to establishing open and effective communication channels with all its stakeholders, we also conduct our relations with companies and suppliers with whom we have business relations based on sustainability.

Apart from the employment provided at the power plants, we collaborate with local subcontractor companies in the region for additional services required. Thus, we contribute to the revitalization of the local labor market and create sources of income for local community. As of the end of 2022, out of a total 1,080 suppliers, including subcontractors, intermediary institutions and consulting companies operating in the fields of energy production and mining from 16 different countries across 5 continents, 894 of them are local.

Social Responsibility





Social Responsibility

With a sense of social responsibility, our aim is to continually increase the value created for a broad range of stakeholders.

At Aksa Energy, we embrace the idea of generating ever-increasing value for our broad stakeholder base with a sense of social responsibility. Accordingly, we carry out efforts to contribute to the economic, social, and cultural development of the local community in our operational impact area. We employ the required workforce from the local communities in our operational areas, thereby creating job opportunities for the local population.

As a company, we aim to create an ever-increasing positive social impact on a wide range of stakeholders with a sense of social responsibility, and in this direction, we contribute to the economic, social, and cultural development of the local people in our area of influence. We develop solutions to meet the basic needs of stakeholders and local communities through infrastructure works and repair projects that support local economic development in the regions where we operate. In this context, we evaluate complaints and requests received through feedback mechanisms and continue to support our stakeholders through various donations. In this context, we donated a total of TRY 5.6 million in 2022.

Through these projects, we focus on children, the guarantee of our future, and support education and culture. In addition, we support the preservation of local cultures in all regions where we operate and take care to protect nature and natural life.

We are conducting initiatives to contribute to the economic, social, and cultural development of the local communities within our operational impact.

Aksa Fotofest

As Aksa Energy Kalecik Power Plant, we regularly organize photography competitions under the name Aksa Fotofest to contribute to the world of culture and arts in Cyprus and to support photography.

Through the contest Within the scope of 2022 Aksa Fotofest, the themes of the 7th contest, which enabled Cypriot art lovers to meet many artists and works, were determined as "Cyprus Traditional Cuisine" and "Cyprus Traditional Handicrafts." This year, 6 people were awarded in 2 different categories and 39 works were exhibited.

Mediterranean Monk Seal Protection Project

At Aksa Energy, we are conducting the Mediterranean Monk Seal Project in line with our Corporate Social Responsibility approach that considers potential environmental impacts.

Since 2021, the project has been reporting on the identification of the breeding areas and observation of the behavior of seals on the coasts of the Turkish Republic of Northern Cyprus (TRNC), which is one of the breeding points of the Mediterranean monk seals, which are among the endangered species in the world and whose population is estimated to be approximately 700 in the world. The project also identifies possible dangers that Mediterranean monk seals may encounter in these areas. This project is a part of our biodiversity-focused projects that we have been conducting every year since 2015 and you can find detailed information about our biodiversity projects in the Biodiversity section.

GRI 3-3; GRI 203-1; GRI 203-2; GRI 413-1; GRI 413-2

Our Social Performance



Our Social Aid Campaigns

With our global organization, we work for the economic, social, and cultural development of local people living in the regions where we operate. At Aksa Energy, we helped many people, especially children and women, with our social aid campaigns organized in 2022.

• Orphanage Aid in Madagascar and Mali

In addition to our food and water aid campaign in Madagascar in previous years, with the voluntary support of employees of other Kazancı Group companies, we delivered donations of clothes, toys, kitchen utensils, curtains, etc. to an orphanage near the Madagascar Power Plant. We also supported the basic food needs of the orphanage.

Aksa Energy regularly provides social support to the "Cris Des Mères" Orphanage in the southwest of Bamako, located approximately 21

kilometers from the Mali Power Plant. Beyond providing basic food, cleaning, stationery, clothing, and clothing aid to the Orphanage, we also support hobby activities that contribute to social development. In addition, we also undertake the restoration works of the orphanage.

• Education Support to Ghana

In Ghana, which has a tropical climate, there is a danger of loss of life and property due to land degradation and flooding in Kpone Kokompe village, which is located near the region where our power plant is located, due to sudden and intense rainfall in certain periods. In this context, in cooperation with the South Haana Development Association in the region, we constructed a rain channel and two culverts in the settlement near our power plant. In addition, we donated 2.5 million Ghana Cedis to the Covid-19 fund in Ghana, and made in-kind

donations in the form of generators and empty containers to the hospital in the Kpone Municipality compound. Aksa Energy also took initiatives to support social life in Ghana this year. As a company, we provided much-needed furniture and stationery to schools affiliated with the Ghanaian Ministry of Education. We also provided support for traditional festivals organized in the settlement where the power plant is located.

GRI 3-3; GRI 203-1; GRI 203-2; GRI 413-1; GRI 413-2

Annexes

- 91 Annex 1: United Nations Global Compact (UNGC) Communication on Progress





Legal Notice

The Sustainability Report (Report) benefited from the guidance of the United Nations Sustainable Development Goals (SDGs). All the data and information contained in this Report have not been independently verified and have been prepared for informational purposes only and are not intended to form the basis for any investment decision. The information contained in this Report does not constitute an invitation to purchase/sell shares of AKSA Energy, its subsidiaries, and the publication of this Report does not constitute the establishment of such a legal relationship. As of the date of preparation of this Report, all information and documents provided are believed to be accurate and the information is disclosed in good faith and based on reliable sources. AKSA Energy and ESG Turkey® Consulting make no representations or warranties regarding the accuracy or completeness of the information contained in this Report. AKSA Energy and ESG Turkey® Consulting do not accept any responsibility or liability whatsoever for any express or implied statement or statements contained in this Report, including any forward-looking statements, or for any incomplete information or any other written or oral communications shared or made available. In no event shall AKSA Energy and ESG Turkey® Consulting or its directors, managers, employees or third parties be held liable for any damages that may arise from the use of this Report.

Annex 1: United Nations Global Compact (UNGC) Communication on Progress

UN Global Compact (UNGC) Communication on Progress		
Principles		Related Title
HUMAN RIGHTS	Principle 1: Businesses should uphold, and respect proclaimed human rights	Our Approach to Sustainability Equal Opportunity and Diversity Human Rights Policy
	Principle 2: Businesses should not be complicit in human rights violations	Our Approach to Sustainability Equal Opportunity and Diversity Human Rights Policy
WORKING STANDARDS	Principle 3: Businesses should support workers' freedom of association and collective bargaining	Equal Opportunity and Diversity Human Rights Policy
	Principle 4: End the use of forced and compulsory labor	Equal Opportunity and Diversity Human Rights Policy
	Principle 5: All forms of child labor must be abolished	Equal Opportunity and Diversity Human Rights Policy
	Principle 6: End discrimination in recruitment and placement	Our Employees Equal Opportunity and Diversity Human Resources Policy Human Rights Policy
ENVIRONMENT	Principle 7: Businesses should support precautionary approaches to environmental challenges	Environmental Sustainability Environmental Policy Framework Environmental Management System (EMS) Procedure
	Principle 8: Support all activities and organizations that promote environmental responsibility	Environmental Sustainability Climate Change and Energy Biodiversity Memberships and Initiatives We Support Contribution to Local Economy and Employment
	Principle 9: Support the development and diffusion of environmentally friendly technologies	Our Approach to Sustainability Climate Change and Energy Air Emissions Waste Management Water and Wastewater Management Environmental Policy
FIGHT AGAINST CORRUPTION	Principle 10: Businesses should fight corruption in all its forms, including bribery and extortion	Ethical Principles and Transparency Anti-Bribery and Anti-Corruption Policy

Annex 2: GRI Content Index

Statement of Use	For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report. Akso Energy has reported the information cited in this GRI content index for the period January 1, 2022 and December 31, 2022 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report, p.0 About Us, p.12 Our Generation Portfolio, p.14-15 Contact, p.97	
	2-2 Entities included in the organization's sustainability reporting	About the Report, p.0	
	2-3 Reporting period, frequency and contact point	About the Report, p.0	
	2-4 Restatements of information	About the Report, p.0	
	2-5 External assurance	The sustainability report hasn't been externally assured.	
	2-6 Activities, value chain and other business relationships	About Us, p.12 Our Generation Portfolio, p.14-15 Our Operations, p.18-19 Supply Chain and Stakeholder Engagement, p.31 Our Relations with Our Stakeholders and Communication Channels, p.32-33	
	2-7 Employees	Our Human Resources Approach, p.74-75	
	2-8 Workers who are not employees	Our Human Resources Approach, p.74-75	
	2-9 Governance structure and composition	Our Shareholding Structure, p.13 Our Sustainability Committee, p.26 Our Corporate Governance Structure, p.36 Our Board of Directors, p.38-41 Our Committees, p.42	
	2-10 Nomination and selection of the highest governance body	Our Shareholding Structure, p.13 Our Corporate Governance Structure, p.36 Our Board of Directors, p.38-41 Our Committees, p.42	
	2-11 Chair of the highest governance body	Our Shareholding Structure, p.13 Our Corporate Governance Structure, p.36 Our Board of Directors, p.38-41 Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49	
	2-12 Role of the highest governance body in overseeing the management of impacts	Message from the Chairman and CEO, p.8-9 Our Sustainability Management, p.24-25 Our Corporate Governance Structure, p.36	
	2-13 Delegation of responsibility for managing impacts	Message from the Chairman and CEO, p.8-9 Our Sustainability Management, p.24-25 Our Sustainability Committee, p.26 Our Corporate Governance Structure, p.36	
	2-14 Role of the highest governance body in sustainability reporting	Our Sustainability Management, p.24-25 Our Sustainability Committee, p.26 Our Sustainability Priorities, p.28-29 Our Corporate Governance Structure, p.36	
	2-15 Conflicts of interest	Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49	
	2-16 Communication of critical concerns	Our Relations with Our Stakeholders and Communication Channels, p.32-33 Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49 Employee Satisfaction, p.79-80	
	2-17 Collective knowledge of the highest governance body	Message from the Chairman and CEO, p.8-9 Our Board of Directors, p.38-41	
	2-18 Evaluation of the performance of the highest governance body	Our Corporate Governance Structure, p.36 Employee Satisfaction, p.79-80	
	2-19 Remuneration policies	Our Policies, p.43-47 Employee Satisfaction, p.79-80	
	2-20 Process to determine remuneration	Our Policies, p.43-47 Employee Satisfaction, p.79-80	
	2-21 Annual total compensation ratio	Our Policies, p.43-47 Employee Satisfaction, p.79-80	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Our Sustainability Management, p.24-25 Our Sustainability Committee, p.26	
	2-23 Policy commitments	Our Policies, p.43-47 Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49	
	2-24 Embedding policy commitments	Our Policies, p.43-47 Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49	
	2-25 Processes to remediate negative impacts	Our Policies, p.43-47 Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49 Employee Satisfaction, p.79-80	
	2-26 Mechanisms for seeking advice and raising concerns	Our Policies, p.43-47 Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49 Employee Satisfaction, p.79-80	
	2-27 Compliance with laws and regulations	Our Policies, p.43-47	
	2-28 Membership associations	Memberships, Initiatives We Support, p.30	
	2-29 Approach to stakeholder engagement	Supply Chain and Stakeholder Engagement, p.31 Our Relations with Our Stakeholders and Communication Channels, p.32-33	
	2-30 Collective bargaining agreements	Our Human Resources Approach, p.74-75	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Our Sustainability Priorities, p.28-29	
	3-2 List of material topics	Our Sustainability Priorities, p.28-29	
Economy, Politics and Market Conditions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Economic Value Creation, p.20-21 Our Sustainability Priorities, p.28-29	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Our Economic Value Creation, p.20-21	
	201-2 Financial implications and other risks and opportunities due to climate change	Our Economic Value Creation, p.20-21	
	201-3 Defined benefit plan obligations and other retirement plans	Our Sustainability Priorities, p.28-29 Our Human Resources Approach, p.74-75	
Contribution to Local Economy and Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Economic Value Creation, p.20-21 Contribution to Local Employment and Economy, p.83 Social Responsibility, p.86-87	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Our Economic Value Creation, p.20-21 Contribution to Local Employment and Economy, p.83 Social Responsibility, p.86-87	
	203-2 Significant indirect economic impacts	Our Economic Value Creation, p.20-21 Contribution to Local Employment and Economy, p.83 Social Responsibility, p.86-87	
Responsible Supply Chain			
GRI 3: Material Topics 2021	3-3 Management of material topics	Supply Chain and Stakeholder Engagement, p.31	
GRI 204 Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain and Stakeholder Engagement, p.31	

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GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION
Climate Change and Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy Management, p.62-63	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management, p.62-63	
	302-3 Energy intensity	Energy Management, p.62-63	
	302-4 Reduction of energy consumption	Energy Management, p.62-63	
Water and Wastewater Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Water and Wastewater Management, p.67-68	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water and Wastewater Management, p.67-68	
	303-2 Management of water discharge-related impacts	Water and Wastewater Management, p.67-68	
	303-3 Water withdrawal	Water and Wastewater Management, p.67-68	
	303-4 Water discharge	Water and Wastewater Management, p.67-68	
	303-5 Water consumption	Water and Wastewater Management, p.67-68	
Biodiversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Biodiversity, p.69-71	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity, p.69-71	
	304-2 Significant impacts of activities, products and services on biodiversity	Biodiversity, p.69-71	
	304-3 Habitats protected or restored	Biodiversity, p.69-71	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity, p.69-71	
Air Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Combating Climate Change and Emission Management, p.60-61	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Combating Climate Change and Emission Management, p.60-61	
	305-4 GHG emissions intensity	Combating Climate Change and Emission Management, p.60-61	
	305-5 Reduction of GHG emissions	Combating Climate Change and Emission Management, p.60-61	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Combating Climate Change and Emission Management, p.60-61	
Waste Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste Management, p.64-66	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, p.64-66	
	306-2 Management of significant waste-related impacts	Waste Management, p.64-66	
	306-3 Waste generated	Waste Management, p.64-66	
	306-4 Waste diverted from disposal	Waste Management, p.64-66	
	306-5 Waste directed to disposal	Waste Management, p.64-66	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION
Human Rights			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Human Resources Approach, p.74-75 Employee Satisfaction, p.79-80	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our Human Resources Approach, p.74-75	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Satisfaction, p.79-80	
	401-3 Parental leave	Our Human Resources Approach, p.74-75 Employee Satisfaction, p.79-80	
Occupational Health and Safety (OHS)			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Safe Working Environment, p.76-77	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Our Safe Working Environment, p.76-77	
	403-2 Hazard identification, risk assessment, and incident investigation	Our Safe Working Environment, p.76-77	
	403-3 Occupational health services	Our Safe Working Environment, p.76-77	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Our Safe Working Environment, p.76-77	
	403-5 Worker training on occupational health and safety	Our Safe Working Environment, p.76-77	
	403-6 Promotion of worker health	Our Safe Working Environment, p.76-77	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our Safe Working Environment, p.76-77	
	403-9 Work-related injuries	Our Safe Working Environment, p.76-77	
	403-10 Work-related ill health	Our Safe Working Environment, p.76-77	
Employee Efficiency and Development			
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee Productivity and Development, p.78	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Productivity and Development, p.78	
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Productivity and Development, p.78	
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee Productivity and Development, p.78	
Equal Opportunity and Diversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Policies, p.43-47 Employee Satisfaction, p.79-80 Equal Opportunity and Diversity, p.81-82	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our Policies, p.43-47 Employee Satisfaction, p.79-80 Equal Opportunity and Diversity, p.81-82	
	405-2 Ratio of basic salary and remuneration of women to men	Our Policies, p.43-47 Employee Satisfaction, p.79-80 Equal Opportunity and Diversity, p.81-82	
Ethics and Transparency			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Policies, p.43-47 Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Our Policies, p.43-47 Our Ethical Principles, Anti-Bribery and Anti-Corruption, p.48-49	
Impact on Local Communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Contribution to Local Employment and Economy, p.83 Social Responsibility, p.86-87	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Contribution to Local Employment and Economy, p.83 Social Responsibility, p.86-87	
	413-2 Operations with significant actual and potential negative impacts on local communities	Contribution to Local Employment and Economy, p.83 Social Responsibility, p.86-87	

Annex 2: GRI Content Index

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION
Information Security			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Digitalization and Information Security Management, p.52	
Aksa's own disclosure	As Aksa, we attach importance to digitalization by developing processes and methods in line with evolving technology. Therefore, information security is one of the key topics for Aksa.	Our Digitalization and Information Security Management, p.52	
Emergency Management and Business Continuity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Risk Management, p.50-51 Our Digitalization and Information Security Management, p.52	
Aksa's own disclosure	Uninterrupted electricity supply is crucial therefore, emergency management and business continuity are one of the key topics for Aksa.	Our Risk Management, p.50-51 Our Digitalization and Information Security Management, p.52	
Reachable Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Sustainability, p.56-57 Environmental Management, p.58-59 Energy Management, p.62-63	
Aksa's own disclosure	Energy is essential for development of a community; therefore, reachable energy is one of the key topics for Aksa.	Environmental Sustainability, p.56-57 Environmental Management, p.58-59 Energy Management, p.62-63	
Corporate Governance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Corporate Governance Structure, p.36	
Aksa's own disclosure	Aksa has different plants in different country. To governing them efficiently, we emphasize the importance of corporate governance.	Our Corporate Governance Structure, p.36	
Social Responsibility Projects			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Responsibility, p.86-87	
Aksa's own disclosure	Aksa aim at creating positive social impact, therefore social responsibility projects are important for Aksa.	Social Responsibility, p.86-87	
Uncertainties in Electricity and Fossil Fuels			
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Sustainability, p.56-57 Environmental Management, p.58-59 Energy Management, p.62-63	
Aksa's own disclosure	Analyzing risks requires a predicting the future. Uncertainties in electricity and fossil fuels are very important for sustainability	Environmental Sustainability, p.56-57 Environmental Management, p.58-59 Energy Management, p.62-63	

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