



aksa ENERGY

Sustainability Report 2023

**Growing and deepening
our roots, we transform
our strength into
contribution**

Contents

About the Report

14 Message from the Chairman and CEO

16 Corporate Profile

- 18 About Us
- 20 Shareholding Structure
- 22 Generation Portfolio
- 27 Vision and Mission
- 28 Operations
- 30 The Economic Value We Generate
- 34 Highlights from 2023

36 Management Approach

- 38 Corporate Governance Structure
- 40 Board of Directors
- 44 Management Committees
- 45 Policies
- 50 Code of Ethics, Transparency and Anti-Corruption
- 52 Risk Management Approach
- 54 Digitalization and Information Security Management
- 56 Management Systems and Certificates

58 Sustainability Approach

- 60 Sustainability Management
- 62 Sustainability Committee
- 64 Sustainability Priorities
- 66 Memberships, Initiatives We Support
- 67 Sustainable Supply Chain Management
- 68 Stakeholder Relations Management and Communication Channels

70 Environmental Performance

- 72 Environmental Management
- 76 Combating Climate Change and Emissions Management
- 79 Energy Management
- 83 Waste Management
- 86 Water and Wastewater Management
- 90 Biodiversity

92 Social Performance

- 94 Human Resources Approach
- 96 Safe Working Environment
- 98 Employee Productivity and Development
- 100 Employee Satisfaction
- 102 Equal Opportunities and Diversity
- 104 Contribution to Local Economy and Employment
- 105 Social Responsibility

106 Appendices

- 106 GRI Content Index

About the Report

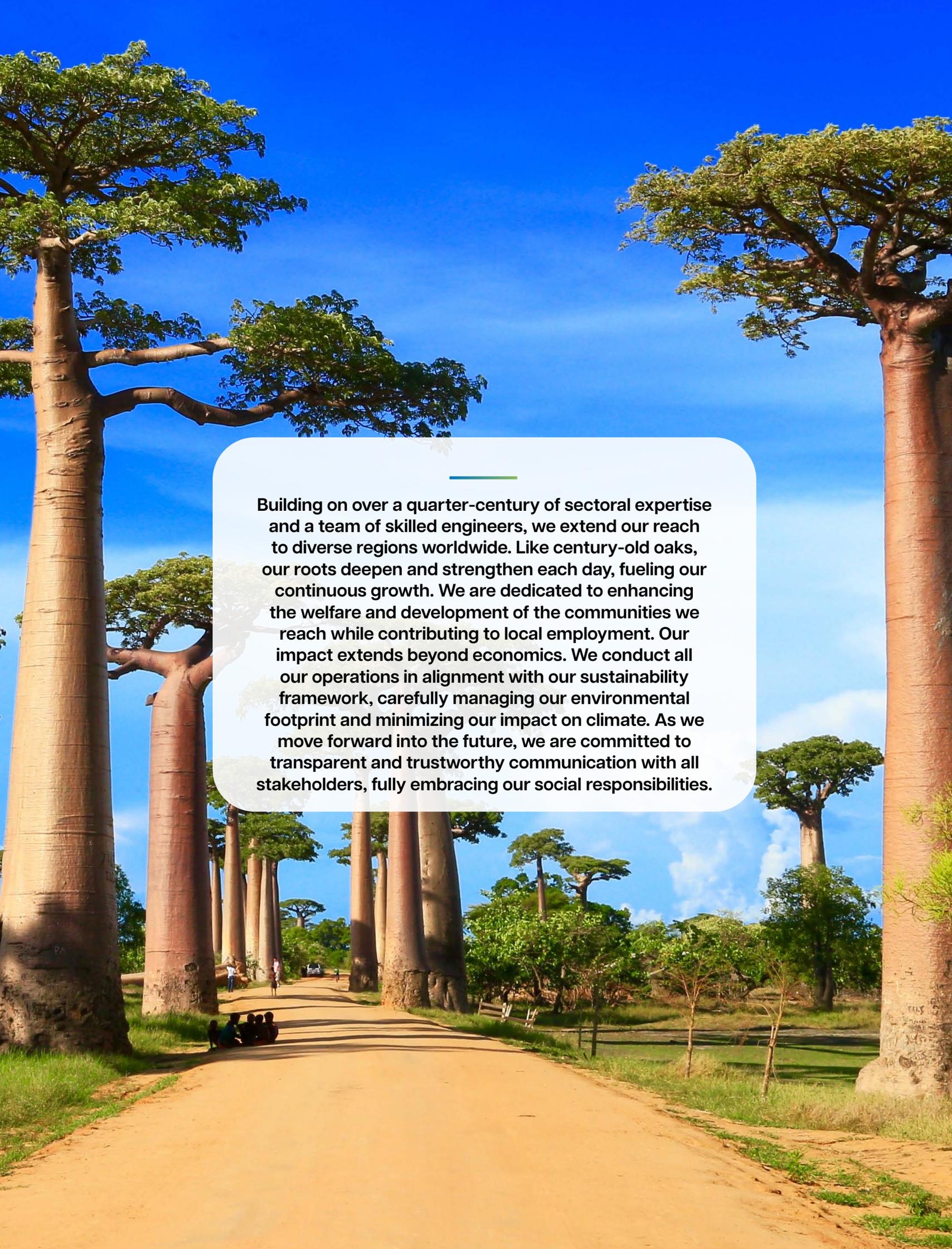
Aksa Energy is Türkiye's largest publicly traded independent power producer with a global reach, boasting more than 25 years of sectoral experience and a team of engineers specialized in their respective fields. Aksa Energy continues to flourish like a centuries-old plane tree with roots that grow stronger every day. Today, Aksa Energy directly contributes to the energy supply security of countries with 11 power plants in 7 countries. Aksa Energy increases the welfare and development levels of the regions it reaches and also contributes to local employment.

In line with its 'Sustainable High Growth' strategy, Aksa Energy will continue to strengthen its roots with its stakeholders in a win-win ecosystem and build on its strong roots.

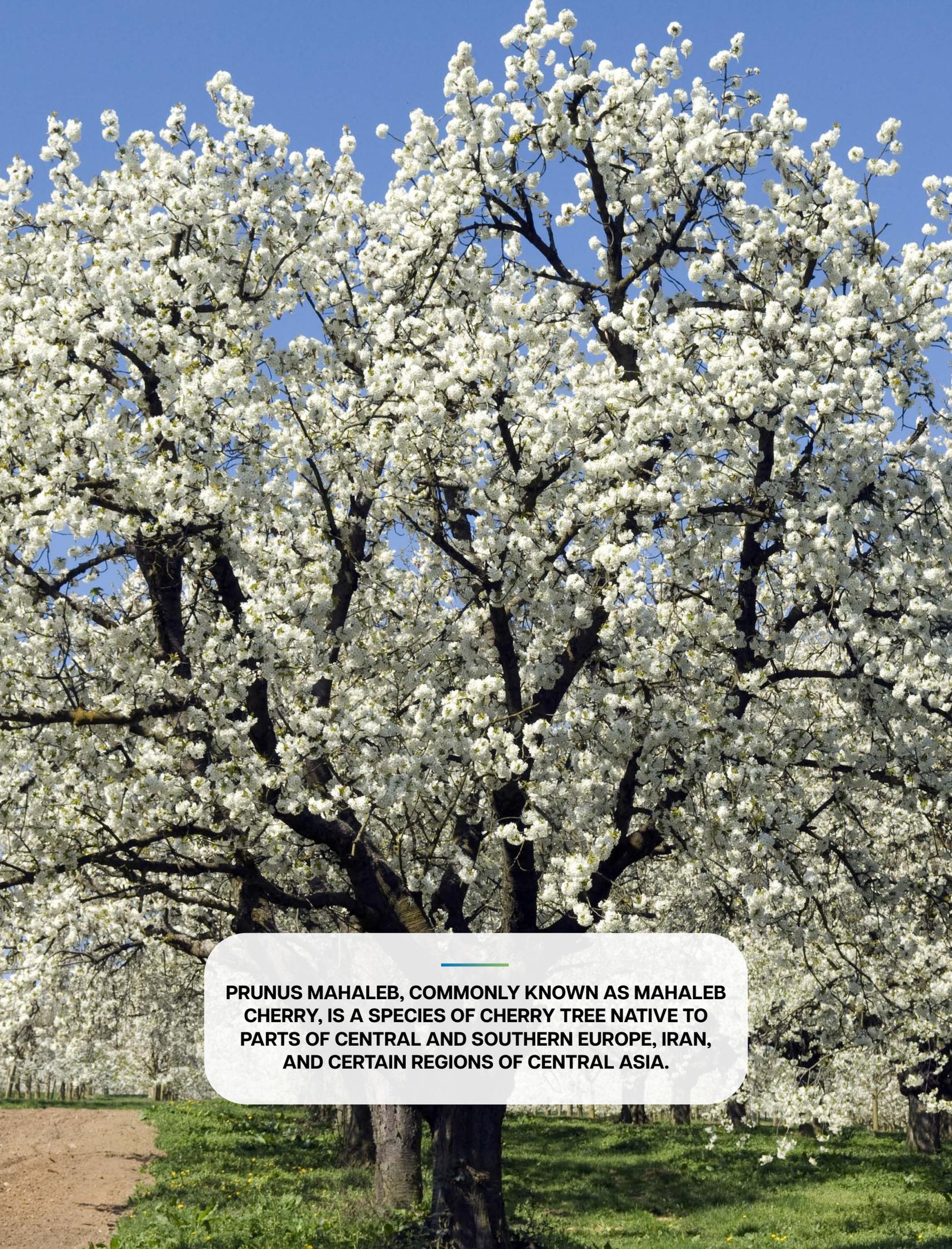
This report is drafted in accordance with GRI Standards and presents our environmental, social and governance efforts to you, our valuable stakeholders. The report includes not only our activities in 2023 but also our goals we have set in line with our priorities as well as the progress we have made. The environmental, social and economic information presented in the report covers all our regions of operation in Türkiye and abroad for the 12-month operating period between January 1, 2023 and December 31, 2023.

In this report, prepared on a voluntary basis, we share Aksa Energy's sustainability-themed practices, future goals and participation in various initiatives in a detailed and transparent manner. This report also discloses our activities contributing to the United Nations Global Compact (UNGC), to which we are a signatory since 2017 and to the Sustainable Development Goals (SDGs).

We recognize that comments and suggestions on our sustainability report are vital in our sustainability journey. You can access all our public reports on our **website** and send your queries, comments and suggestions regarding the report to enerji.surdurulebilirlik@aksa.com.tr.

A dirt road lined with baobab trees under a blue sky. The trees are tall and have thick, textured trunks. The road is sandy and leads into the distance. There are some people sitting on the ground near the road. The sky is bright blue with some light clouds.

Building on over a quarter-century of sectoral expertise and a team of skilled engineers, we extend our reach to diverse regions worldwide. Like century-old oaks, our roots deepen and strengthen each day, fueling our continuous growth. We are dedicated to enhancing the welfare and development of the communities we reach while contributing to local employment. Our impact extends beyond economics. We conduct all our operations in alignment with our sustainability framework, carefully managing our environmental footprint and minimizing our impact on climate. As we move forward into the future, we are committed to transparent and trustworthy communication with all stakeholders, fully embracing our social responsibilities.



PRUNUS MAHALEB, COMMONLY KNOWN AS MAHALEB CHERRY, IS A SPECIES OF CHERRY TREE NATIVE TO PARTS OF CENTRAL AND SOUTHERN EUROPE, IRAN, AND CERTAIN REGIONS OF CENTRAL ASIA.

Transforming our strength into growth

As a signatory to the United Nations Global Compact (UNGC) since 2017, we have embraced sustainability as a business model through a holistic approach, continuing our investments in line with our global growth objectives.

With the addition of our new power plant in Tallimarjon, we will increase our installed capacity in Uzbekistan to 1,170 MW.

TARGETED INSTALLED
CAPACITY IN UZBEKISTAN

1,170
MW

Transforming our strength into impact

At Aksa Energy, we are committed to fulfilling our responsibilities with an acute awareness of the energy sector's impact on the environment and climate change.

In 2023, for the first time, we are publicly disclosing our Scope 1, 2, and 3 emission figures. Additionally, we have joined the UNGC Climate Ambition Accelerator program to set science-based targets for emission reduction.



CLIMATE
AMBITION
ACCELERATOR





**POPULUS ALBA, COMMONLY KNOWN AS
THE WHITE POPLAR, IS NATIVE TO A REGION
EXTENDING ACROSS MUCH OF CENTRAL EUROPE
AND INTO CENTRAL ASIA.**



**THE BAOBAB IS A DECIDUOUS TREE SPECIES
NATIVE TO THE TROPICAL REGIONS OF
AFRICA.**

Transforming our strength into trust

We regard all individuals and institutions directly or indirectly impacted by our operations as our stakeholders, and nurture our business relationships on a foundation of enduring trust.

As a global company, we actively contribute to the economic, social, and cultural development of the communities we engage with. Through four power plants in Ghana, Mali, Madagascar, and Congo, we support growth and development across Africa. In recognition of our contributions, we were honored with an award at the Türkiye-Africa 4th Business and Economic Forum, held under the theme of “Paving the Way for Opportunities and Stronger Economic Cooperation.”

TOTAL INSTALLED CAPACITY

IN AFRICA

496

MW

Transforming our strength into value

We distinguish ourselves apart in our sector with comprehensive environmental management practices that span every stage of our value chain.

Our goal is to embed environmental management deeply within our corporate framework and to cultivate it as a practice embraced by all our stakeholders. Our Environmental Policy, addressing climate change, natural resource management, waste management, and biodiversity conservation, reflects the value we place on our planet. In our pursuit of sustainability, we prioritize efficiency, transparency, stakeholder engagement, and collaboration.

SUSTAINABILITY TRAINING

1,344
HOURS



**THEOBROMA CACAO (THE CACAO TREE)
IS A SMALL, EVERGREEN TREE FROM THE
MALVACEAE FAMILY.**



**OLEA EUROPAEA (THE EUROPEAN OLIVE TREE) IS A
FRUIT-BEARING TREE FROM THE OLEACEAE FAMILY,
TRADITIONALLY PART OF THE MEDITERRANEAN
FLORA.**

Transforming our strength into efficiency

We implement high-efficiency projects driven by our sensitivity to technological developments and our dynamic, continually evolving team of skilled professionals.

Leveraging our extensive experience in the energy sector, we conduct R&D and modernization efforts across our existing plants, closely monitoring technological developments within the industry. This enables us to fully capitalize on the latest technological opportunities in both our current and future power plants, achieving maximum efficiency throughout all our processes with state-of-the-art equipment.

**EFFICIENCY INCREASE THROUGH
WASTE GAS HEAT RECOVERY**

10%

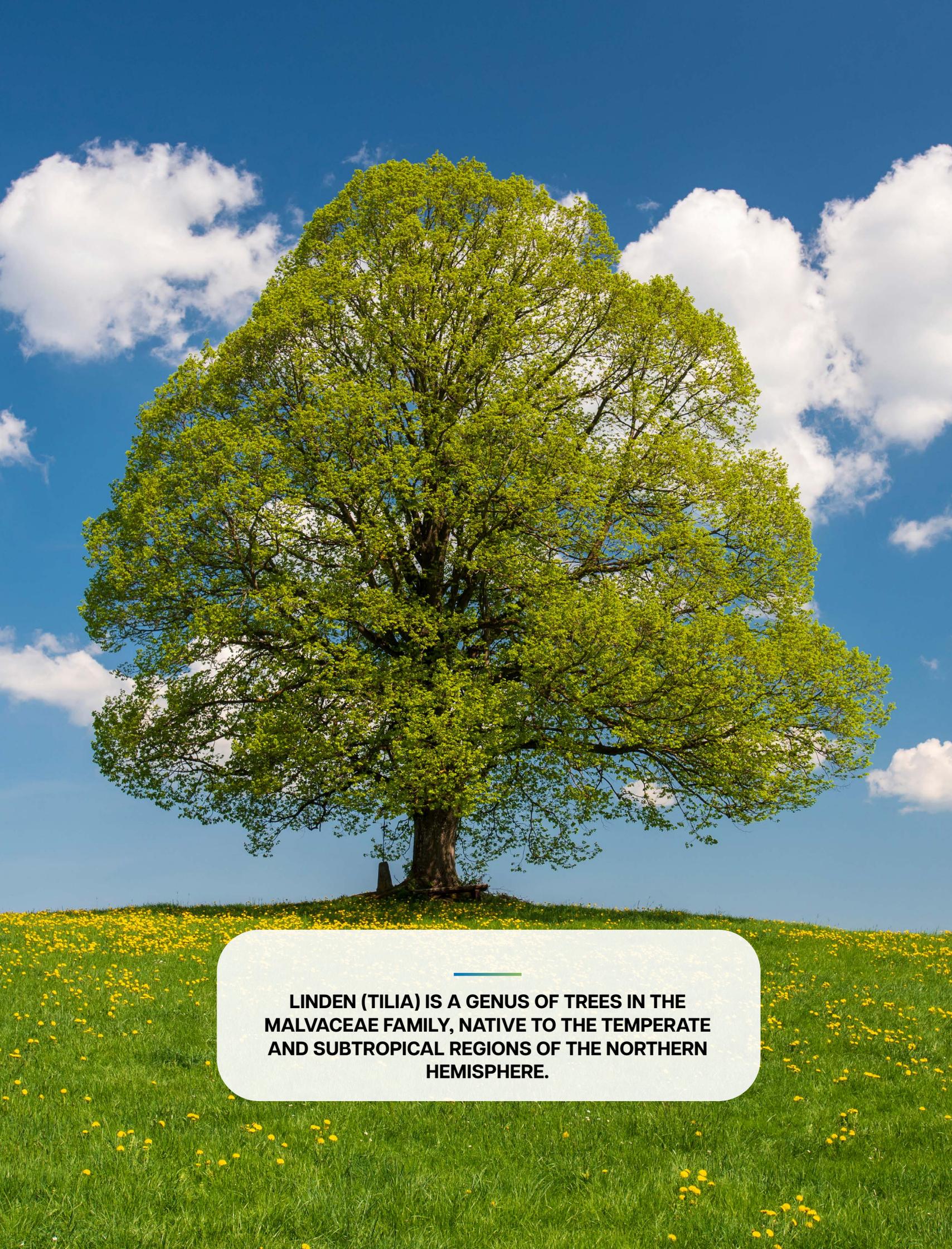
Transforming our strength into innovation

We apply our innovative perspective to foster responsible and sustainable growth, not only in our current operations but also in our long-term investments.

We have obtained preliminary licenses for a wind and solar energy power plants with storage totaling 891 MW across 10 cities in Türkiye. We aim to have these projects operational between 2025 and 2028.

RENEWABLE ENERGY
INVESTMENTS

891
MW



LINDEN (TILIA) IS A GENUS OF TREES IN THE MALVACEAE FAMILY, NATIVE TO THE TEMPERATE AND SUBTROPICAL REGIONS OF THE NORTHERN HEMISPHERE.

Message from the Chairman and CEO

In our regions of operation, we attach great importance to issues such as protection of the social structure, contribution to social and economic growth, human rights, energy saving and resource efficiency.



REVENUES

35.2

TRY billion

INSTALLED CAPACITY

2,756

MW

Dear Stakeholders,

At Aksa Energy, our main goal is to become a global energy company that contributes to the global energy transition by providing reliable energy solutions adding value to its regions of operation. While aiming to be a pioneer in our sector, one of our goals is to leave a livable world to future generations. In order to survive not only today but also in the future, we are aware of the risks posed by global climate change, limited natural resources and social problems.

As of the end of 2023, Aksa Energy has an installed capacity of 2,756 MW at 11 power plants operated in 7 countries, playing an important role in energy supply security through our domestic and international operations.

2023 was a year when we enhanced our focus on renewable energy and energy transformation and had the chance to launch many projects. In line with our 'Sustainable High Growth' strategy, we accelerated our investments in renewable energy technology. Accordingly, with our 'Diversify the Core' approach, we obtained the preliminary licenses for renewable energy projects with storage facilities, comprising of wind power plants (WPP) and a solar power plants (SPP) with a total installed capacity of 891,41 MW in 10 cities in the Central Anatolia and Aegean regions. We aim to realize these investments between 2025 and 2028.

As a pioneering energy group with a global reach from Türkiye, we will support the energy supply security of countries through our investments in natural gas-based projects in Central Asia and Africa. We will continue to take key steps towards becoming a well-established energy company by diversifying our portfolio in terms of resources and supporting the combat against climate change through renewable energy investments.

Leveraging on our key principle of operational excellence, we will maintain a steady growth and a strong expansion domestically and globally in the coming period.

As we leave behind 2023, when our overseas investments accelerated and we achieved steady growth in line with our 2030 Global Strategic Plan goals, we have included new technologies and business models in our investment plans for the period ahead.

Focusing on our goals, we aim to contribute to portfolio and revenue diversification and to benefit all components of the global energy ecosystem through new investments, particularly in renewable energy. We analyze our business models on environmental, social and corporate governance axes and improve our corporate governance performance every day for the welfare of our stakeholders and society. We adopt a functional and perfectionist approach in line with corporate transformation goals and take the necessary steps to create a lean, agile and strong organizational structure.

In our regions of operation, we attach great importance to issues such as protection of the social structure, contribution to social and economic growth, human rights, energy saving and resource efficiency.

We strive to create a positive impact in combating climate change, management of emissions, protection of biodiversity in regions of operation, and the health and safety of our employees. In addition, we are strongly motivated to implement social responsibility projects to ensure Aksa Energy is sustainable in the public eye. As we continue our journey in the second century of our Republic, we will continue to take firm and strong steps towards the future, using our people-oriented approach to create local employment in our regions of operation and to add value for all our stakeholders, particularly our shareholders.

Cemil KAZANCI
Chairman and CEO

Corporate Profile

As Aksa Energy, we operate in two continents and seven countries with an installed capacity of 2,756 MW as of the end of 2023, thanks to the investments we made in line with our goal of globalization.

- 18 About Us
- 20 Shareholding Structure
- 22 Generation Portfolio
- 27 Vision and Mission
- 28 Operations
- 30 The Economic Value We Generate
- 34 Highlights from 2023





About Us

As Turkey’s largest publicly traded independent power producer, we are aware of our responsibilities towards people, nature and the land we exist in, and we continue to build a global reputation as one of the leading energy sector players through our investments in different locations around the world.

Since the very first day we embarked on our globalization journey, Aksa Energy’s strategy has been focused on people, assessing the risks and opportunities resulting from climate change, and taking into account the increasing demand for energy. As Aksa Energy, we are Türkiye’s largest publicly traded independent power producer with our investments and experienced employees. We are aware of our responsibilities towards people, nature and the land we exist in, and we continue to build a global reputation as the sector leader through our investments in different locations around the world.

Kazancı Holding, our parent company, is a pioneer in its sectors of operation and has become a global powerhouse exporting to 178 countries with over 10,000 employees in 24 countries on 4 continents. It is one of the leading energy groups thanks to its electricity production, electricity distribution and sales, natural gas distribution, power generator production and sales operations. Furthermore, it also operates in agriculture and tourism industries.

FAMILIAR ENERGY IN DISTANT LANDS

As Aksa Energy, we operate in two continents and seven countries with an installed capacity of 2,756 MW as of the end of 2023, thanks to the investments we made in line with our goal of globalization.

Founded in 1997 and continuously growing ever since, Aksa Energy, Türkiye’s largest publicly traded independent power producer, continues to add value to the regions in which it invests. We run all power plant installation stages such as project design, procurement, construction and assembly in-house with our experienced technical staff. We are involved in

the construction and operation of over 30 power plants fueled by distinct energy sources such as coal, fuel oil, biogas, natural gas, wind and hydroelectricity. In 2015, we decided to share our sectoral experience with countries in need of energy and took our overseas investments to Africa after Türkiye and the Turkish Republic of Northern Cyprus (TRNC). Thanks to the power plants we completed and commissioned in Ghana, Madagascar and Mali in a short time, we started to add value to distant lands with the energy we produce. We secured our financial resilience through hard currency based electricity sales contracts. In 2022, we completed and commissioned a power plant project with an installed capacity of 740 MW in Uzbekistan. In the Central Asian market, we have decided to make new investments both in Tallimarjon, Uzbekistan and in Kazakhstan as a second country. Our presence in the Asian market will be further strengthened with our natural gas power plant in Tallimarjon, Uzbekistan, planned for commissioning in early 2025 with an installed capacity of 430 MW, and our natural gas-fired combined heat and power plant in Kyzylorda, Kazakhstan, planned for commissioning in 2026 with an installed capacity of 240 MW.

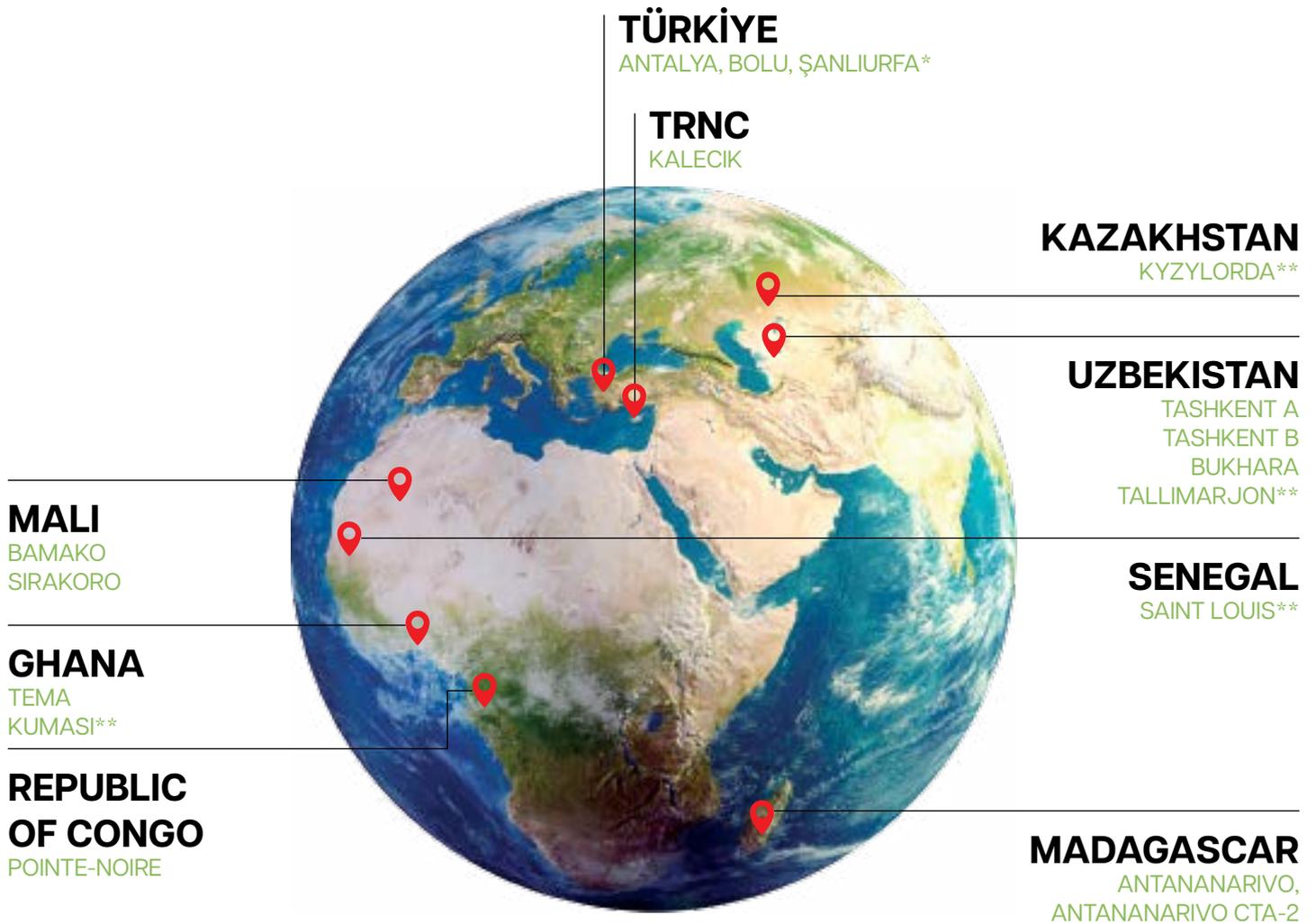
As in Central Asia, we are making steady progress in Africa through our deep-rooted experience. We signed the agreement for our new natural gas power plant with an installed capacity of 350 MW to be located in Kumasi, Republic of Ghana, and we have started work at full pace. When completed, this power plant will increase our total installed capacity in Ghana to 720 MW. In addition, in January 2024, we started to work for the construction of a new natural gas combined cycle power plant with an installed capacity of 255 MW in Saint Louis, Senegal. This power plant will generate electricity from Senegal’s own natural gas and is planned to be operational within 2026.

**NUMBER OF COUNTRIES
AKSA ENERGY
OPERATES IN**

7

AKSA ENERGY IN FIGURES

7 Countries, 11 Power Plants

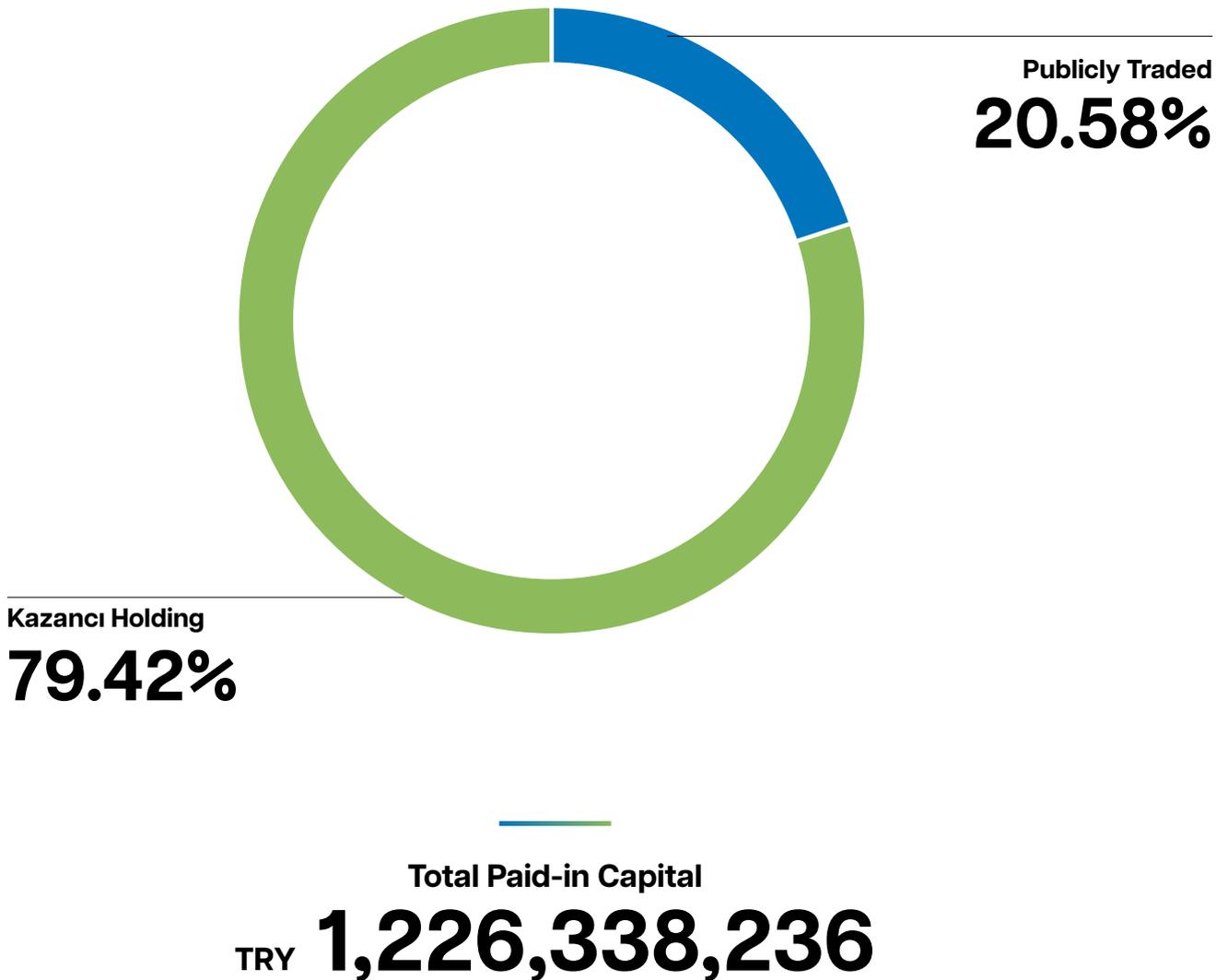


* As of 25.02.2024, electricity generation license of Şanlıurfa power plant is cancelled and power plant equipments are relocated to new investment location in Uzbekistan, Tallimarjon.

** Investment ongoing.

Shareholding Structure

Aksa Energy is publicly listed in Borsa Istanbul stock exchange under the ticker AKSEN since 2010, and traded in BIST 100, BIST Electricity, BIST Sustainability, BIST Dividend, BIST Corporate Governance, BIST Participation, Morgan Stanley Capital International (MSCI) Small Cap and Financial Times Stock Exchange (FTSE) Emerging Mid-Cap Indices.





Generation Portfolio

We are moving forward to become one of the leading companies in the energy sector, leveraging on our sectoral experience through our power plants in 7 countries and 2 continents in line with our ‘Sustainable High Growth’ strategy.

Aksa Energy Domestic Power Plants



Antalya
900
MW

Energy Source:
Natural Gas



**Bolu,
Göynük**
270
MW

Energy Source: Local
Lignite Coal



Şanlıurfa
147
MW

Energy Source:
Natural Gas



**Northern
Cyprus**
153
MW

Energy Source:
Heavy Fuel Oil



We continue our growth story under the motto ‘Power Beyond Borders’, seeking new investment opportunities abroad.

“As of end of 2023, we have an installed capacity of 2,756 MW at 11 power plants in 7 countries, and we continue to build new power plants.”

In line with our strategic goals for 2030, we will continue to diversify and develop our generation portfolio on a resource and geographical distribution basis, just like the branches of the plane tree with roots deeply nourished in Türkiye.

We signed a 15-year contract with the Cyprus Turkish Electricity Authority (KIB-TEK). Accordingly, 17.5 MW of the additional 35 MW capacity was commissioned in February 2024, and the remaining 17.5 MW was commissioned in May 2024, raising our installed capacity from 153 MW to 188 MW as of end of May 2024.

Aksa Energy signed a 15-year, USD-denominated contract for the lease and operation of the Kalecik Heavy Fuel Oil Combined Cycle Power Plant of the Cyprus Turkish Electricity Authority (KIB-TEK). The contract includes an installed capacity increase of 35 MW from 153 MW to 170.5 MW. We completed the first 17.5 MW expansion in February 2024 and the remaining 17.5 MW in May 2024.

On April 6, 2023, we signed the agreement for our new natural gas power plant with an installed capacity of 350 MW to be located in Kumasi, Republic of Ghana, and we have started to work for the new investment at full pace. When completed, this power plant will increase our total installed capacity in Ghana to 720 MW. USD-denominated 20-year contract signed between Aksa Energy Company Ghana Limited, a subsidiary of Aksa Energy, and Electricity Company of Ghana includes power plant installation and power generation at the Kumasi Combined Cycle Natural Gas Power Plant as well as guaranteed energy sale. We expect the first phase of the Kumasi CCGT Plant (125 MW) to be commissioned in the second quarter of 2025.

Based on our know-how in different global regions, we also seek and undertake opportunities for the rehabilitation and operation of national power plants in various countries in our regions of operation.

In 2018, we used our extensive experience to complete the rehabilitation and commissioning of a 24-MW fuel oil power plant in Madagascar. After obtaining the operating rights, we generated energy at the power plant until the end of 2023. In 2022, we also signed a concession agreement for the capacity increase and 30-year operation rights of a 50-MW natural gas power plant in the Republic of Congo.

**TARGETED INSTALLED
CAPACITY IN UZBEKISTAN**

1,170
MW

**TARGETED INSTALLED
CAPACITY IN GHANA**

720
MW

Generation Portfolio

At Akxa Energy, in line with our geographical diversification strategy, we continue our investments in all overseas regions with an energy demand. Our investments not only meet energy needs but also create economic value.

The branches of the plane tree we planted in Türkiye extends to Asia through 3 natural gas power plant investments in Uzbekistan.

At Akxa Energy, in line with our geographical diversification strategy, we continue our investments in all overseas regions with an energy demand. Our investments not only meet energy needs but also create economic value.

Our new power plant investment in Senegal will utilize local natural gas for power generation for the first time. NDAR Energies SA, a subsidiary of Akxa Global Investments B.V., one of our Group companies, started investing in a natural gas combined cycle power plant with an installed capacity of 255 MW in Saint Louis, Senegal. We plan to commence operating the power plant in 2026. Following our successful investment projects in Africa, we started our first Asian investment in Uzbekistan in 2022.

In line with our 'Sustainable High Growth' strategy, as the largest Turkish investor in the energy sector in Uzbekistan, we signed an agreement with the National Electric Grid of Uzbekistan (NEGU) under the Ministry of Energy of Uzbekistan to build and operate a 430 MW natural gas combined cycle power plant in the city of Tallimarjon, following successful completion of 740 MW natural gas combined cycle power plants in Tashkent and Bukhara. Pursuant to our agreement, the natural gas required for the electricity to be generated at the power plant will be provided free of charge, and the electricity sales price will be determined according to a 25-year, USD-denominated, guaranteed capacity fee. We believe this power plant is of vital importance for Uzbekistan's resource saving strategy focused on distributed power generation and efficiency.

As of 2022, we added a new country to our portfolio in Central Asia and started working on the power plant investment in Kyzylorda, Kazakhstan. The 240 MW natural gas-fired combined heat and power plant is expected to commence operations in 2026. Our Kyzylorda Combined Heat and Power Plant project will contribute to both our Sustainable High Growth strategy and our profitability strategy.

TARGETED INSTALLED CAPACITY IN SENEGAL

255
MW

TARGETED INSTALLED CAPACITY IN KAZAKHSTAN

240
MW

Aksa Energy Foreign Power Plants



Uzbekistan-Tashkent A
240 MW
Energy Source: Natural Gas



Uzbekistan-Tashkent B
230 MW
Energy Source: Natural Gas



Uzbekistan-Bukhara
270 MW
Energy Source: Natural Gas



Ghana-Tema
370 MW
Energy Source: Dual Fuel – Natural Gas and Heavy Fuel Oil



Mali-Bamako Sirakoro
60 MW
Energy Source: Heavy Fuel Oil



Madagascar
66 MW
Energy Source: Heavy Fuel Oil



Republic of Congo-Pointe-Noire
50 MW
Energy Source: Natural Gas

TOTAL INSTALLED CAPACITY
2,756 MW



Vision



To become one of the leading energy solution partners globally.

Mission

To provide reliable, sustainable and value added energy solutions.

Operations

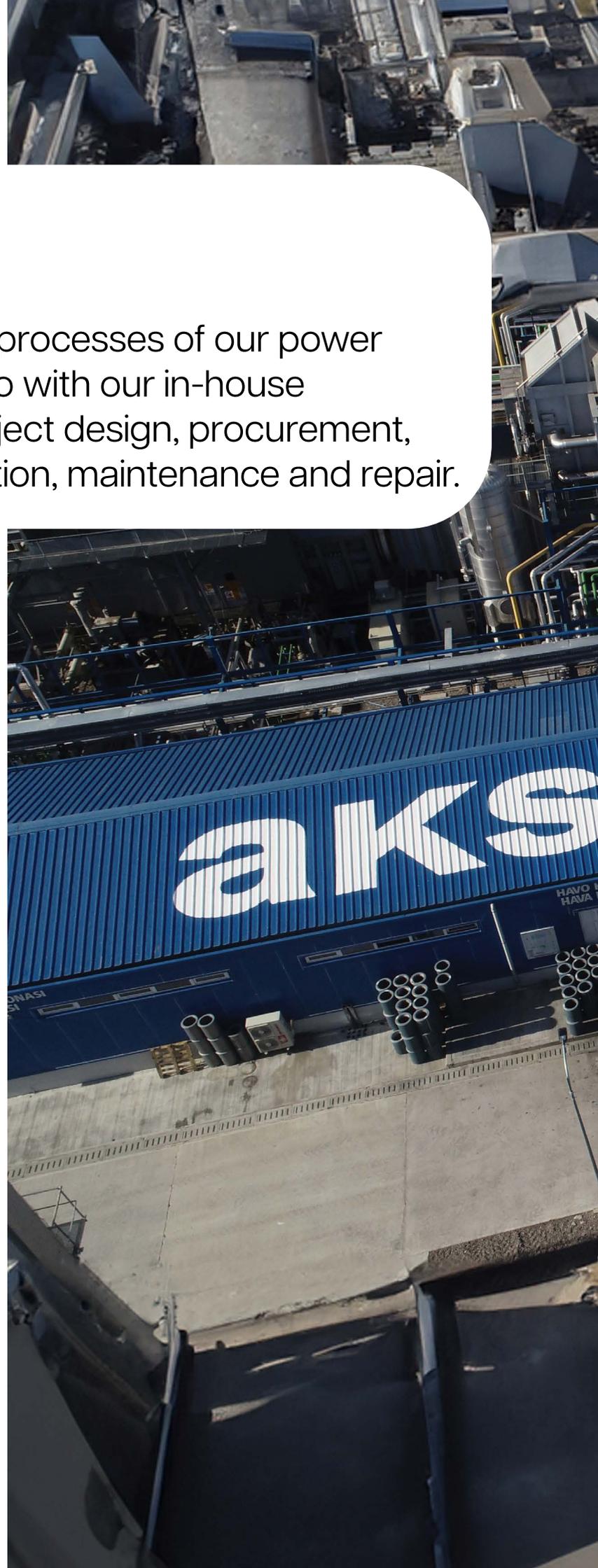
At Akxa Energy, we manage all processes of our power plants in our generation portfolio with our in-house experienced staff, including project design, procurement, construction, installation, operation, maintenance and repair.

At Akxa Energy, we manage all processes of our power plants in our generation portfolio with our in-house experienced staff, including project design, procurement, construction, installation, operation, maintenance and repair.

We generate electricity at our power plants in our portfolio using various energy sources such as coal, fuel oil, biogas, natural gas, hydroelectricity and wind. In the countries where we operate abroad, we sell the generated electricity to the electricity institutions of the respective countries. Since these institutions are public institutions affiliated to the Ministries of Energy in the relevant countries, our business model can be identified as Business to Government (B2G). Through our long-term contracts, we provide electricity to households or industrial organizations over the grid via public institutions.

As of the end of 2023, we operate 11 power plants in Antalya, Bolu, Şanlıurfa, Northern Cyprus, Ghana, Mali, Madagascar, Republic of Congo and Uzbekistan.

In line with our 'Sustainable High Growth' strategy, we closely follow projects that focus on renewable energy and energy transformation on a global scale.





The Economic Value We Generate

At Akxa Energy, we bring in our know-how and technological experience to invest in developing countries and provide energy to local communities.

At Akxa Energy, we bring in our know-how and technological experience to invest in developing countries and provide energy to local communities. To that end, we see both the financial value we generate in our field of activity and our contribution to communities' access to energy as an integral part of our 'Sustainable High Growth' strategy. As the most reliable and successful brand in the Turkish energy industry, we reduce our country's dependence on foreign energy and add value to the economy in the regions where we operate.

We believe that our innovative business model and successful change management are the key factors in our transformation into a global company by expanding our fields of operation.

Since 2015, we have been investing abroad in line with our globalization strategy. We set our economic sustainability and profitability goals with sustainable growth at the core. As our new foreign projects continue, we aim to utilize our domestic power plant portfolio effectively.

In 2023, we increased our revenues to TRY 35.2 billion and our Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) to TRY 7.9 billion as a result of the balanced generation portfolio diversified in different geographical regions via strategies leveraging on our investment and operation expertise. In the same period, during which our company continued investments in Türkiye and abroad at full pace, net debt / EBITDA was realized at 1.60 x, well below the sector average. The share of our foreign power plants in EBITDA increased to 58% from 49% in 2022. Despite ongoing investments, our consolidated net income was realized at approximately TRY 5.5 billion in 2023, thanks to the positive contribution from both domestic and foreign power plants.

Strong Economic Value Generation

Turnover
35.2
TRY billion

EBITDA
7.9
TRY billion

Net Income
5.5
TRY billion



The Economic Value We Generate

Sustainable Profitability Focused Approach

Financial Indicators

	2022	2023
Revenue (TRY Million)	87,102	35,172*
EBITDA (TRY Million)	12,655	7,901
Net Profit (TRY Million)	5,582	5,497
Net Financial Liabilities	649	430
Net Debt/EBITDA	0.96	1.60

*A 60% decrease resulted from the strategy of scaling back electricity trading activities.



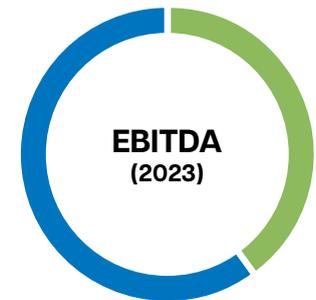
At Aksa Energy, we continued our strong financial performance in 2023 thanks to our experience in investment and financial management. With revenues of approximately TRY 35.2 billion and a total installed capacity of 2,756 MW, we realized a profitability of TRY 5.5 billion. Our financial income of TRY 4.21 billion almost doubled year on year. Consequently, we generated an economic value of TRY 35.2 billion. Out of this value, we spent

TRY 872.8 million and TRY 20.1 million respectively on employee compensation & investments and on social investment activities. The taxes paid amounted to TRY 619 million while the dividends distributed to our shareholders stood at around TRY 1.4 billion. In terms of revenues and expenditures, the economic value generated by our plane tree having deep roots in Türkiye has exceeded TRY 2.5 billion.

Direct economic value generated (TRY)	2022	2023
Net sales	87,101,671,476	35,172,257,432
Dividends from investments revalued by equity method	-	-
Income from investing activities	49,251,012	77,098,380
Operating Income	744,899,354	475,239,889
Financial Income	2,801,087,320	4,212,069,965
REVENUES	87,150,922,488	35,249,355,812
Economic value distributed		
Cost of sales (including operating expenses)	79,366,411,883	28,519,289,552
Remuneration and benefits to employees	616,239,243	872,858,971
Expenses for social investment activities	10,184,907	20,136,988
Financial expenses	2,091,959,106	2,530,345,563
Tax expenses (Payments to public institutions)	1,095,910,093	618,545,804
Payments to Shareholders (dividends)	1,300,167,488	1,429,632,477
EXPENSES	83,180,705,232	32,561,176,878
REVENUES	87,150,922,488	35,249,355,812
EXPENSES	83,180,705,232	32,561,176,878
ECONOMIC VALUE PROVIDED	3,970,217,256	2,688,178,934



22% FOREIGN **78% DOMESTIC**



58% FOREIGN **42% DOMESTIC**

Highlights from 2023

Through new global investments, we are generating familiar energy in distant lands.

We are ranked 31st among Türkiye's top 500 companies, up by 16 places year on year.

- On April 6, 2023, Akxa Energy Company Ghana Limited, a subsidiary of Akxa Enerji Üretim A.Ş., signed a 20-year, USD-denominated energy sales agreement with the Electricity Company of Ghana for the establishment of a 350 MW combined cycle natural gas power plant in Kumasi in addition to electricity generation in Kumasi and the guaranteed sales of the generated electricity. We plan to commission the first phase of the Kumasi Combined Cycle Natural Gas Power Plant in the second quarter of 2025.
- Almost 4,000 businesspeople from 53 countries attended the Türkiye-Africa 4th Business and Economic Forum, which was held at the Istanbul Congress Center on October 12-13, 2023 under the motto 'Paving the Way for Opportunities and Stronger Economic Cooperation'. Cemil Kazancı, Chairman and CEO of Akxa Energy, attended the forum on behalf of Akxa Energy, which has been powering Africa since 2017 via its installed capacity in Ghana, Mali and Madagascar, and received an award from President of the Turkish Republic, Recep Tayyip Erdoğan for his contributions to the development of the African continent.
- We signed a 25-year, USD-denominated agreement with NEGU, which is affiliated to the Ministry of Energy of Uzbekistan, for the investment of a 430 MW natural gas combined cycle power plant in Tallimarjon, Uzbekistan, one of the key economies in Central Asia.
- Cemil Kazancı, Chairman and CEO of Akxa Energy, was awarded the Order of Friendship by Uzbek President Shavkat Mirziyoyev for his contribution to the development of economic cooperation between Uzbekistan and Türkiye and for his support to the country through energy investments.
- NDAR Energies SA, a subsidiary of Akxa Global Investments B.V., an Akxa Energy group company, started work on the financing, establishment, operation and ownership of a new natural gas combined cycle power plant with an installed capacity of 255 MW in Saint Louis, Senegal. At Akxa Energy, we publicly disclosed that we were a party to the 25-year, EUR-denominated contract signed between NDAR Energies SA and Senelec, the electricity authority of the Republic of Senegal, and that the electricity generated at the power plant to be built under that contract would be sold to Senelec for 25 years at a guaranteed Euro-indexed price.
- We signed a 15-year, USD-denominated lease and operation agreement with KIB-TEK for Kalecik Combined Cycle Fuel Oil Power Plant in Northern Cyprus
- As Akxa Energy, Türkiye's largest publicly traded independent power producer, we enhanced our global growth and FX-based revenues with 11 power plant investments in 7 countries and ranked 31st among Türkiye's top 500 companies, up by 16 places year on year.



Management Approach

As Akxa Energy, we strive to be in full compliance with the four principles of corporate governance based on transparency, fairness, responsibility and accountability as well as the Corporate Governance Principles of Capital Markets Board.

38	Corporate Governance Structure
40	Board of Directors
44	Management Committees
45	Policies
50	Code of Ethics, Transparency and Anti-Corruption
52	Risk Management Approach
54	Digitalization and Information Security Management
56	Management Systems and Certificates



Corporate Governance Structure

Our Board of Directors, the most important and highest-level corporate governance body, consists of 9 members in total, including 3 independent members appointed by the General Assembly.

Our senior management team has the expertise and professional competencies related to their areas of responsibility, and they work to realize the goals set in line with the corporate strategies established by our Board of Directors.

Corporate governance constitutes the base of our stakeholder relations and practices of our company's highest decision-making and supervisory bodies. The senior management's understanding and approach are determined by the forms of governance that are the foundation of our corporate culture.

At Aksa 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 set forth by the Capital Markets Board (CMB). To that end, through the Corporate Governance Information Form and Corporate Governance Compliance Report, we publicly disclose the developments aimed at strengthening compliance with these principles on the Public Disclosure Platform in accordance with the principle of transparency. We are also proud to be the first publicly traded independent power producer to be included in the Corporate Governance Index as result of the first rating conducted by SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş. in 2021.

Our Board of Directors, the most important and highest-level corporate governance body, consists of 9 members in total, including 3 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 CMB.

Our senior management team has the expertise and professional competencies related to their areas of responsibility, and they work to realize the goals set in line with the corporate strategies established by our Board.

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. Furthermore, in January 2021, we established an Executive Committee reporting to the Board of Directors.

Corporate Governance Compliance Rating

Corporate Governance Rating Score of Aksa Energy for the period between July 2023-July 2024 increased from 91,30 to 94,10 out of 100 as a result of annual performance review by independent corporate governance rating company SAHA, measuring compliance with Corporate Governance Principles published by Capital Markets Board.

**CORPORATE
GOVERNANCE
COMPLIANCE RATING**

94.10

Corporate Governance Compliance Rating	Shareholders	Public Disclosure and Transparency	Stakeholders	Board of Directors	Corporate Governance Compliance Rating
Weight	25%	25%	15%	35%	100%
Rating	91.78	98.62	98.82	90.52	94.1

Board of Directors



CEMİL KAZANCI

Chairman and CEO

Cemil Kazancı started his career in the family business. Mr. Kazancı first held managerial positions in power generator production and sales and later played an active role in the establishment of Aksa Energy, which was launched in 1997 to expand the Group's energy operations and generate electricity. In addition to his duties as Chairman and CEO of Aksa Energy, he serves as Vice Chairman and CEO of Kazancı Holding and as a Board Member at Group companies.



NACİ 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. Ağbal obtained his MBA 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 served as the Director General 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 Board member at TÜPRAŞ between 2004 and 2006, at PETKİM A.Ş. in 2006, at Türk Hava Yolları (THY) A.Ş. between 2006 and 2015 and at Vakıf Katılım Bankası A.Ş. between 2018 and 2021. He was a member of the Council of Higher Education between 2008-2015 and 2018-2020. He served as a member of the Board of Trustees of International Ahmed Yesevi University between 2008-2015 and as a member of the Council of the Turkish-Japanese Science and Technology University between 2019-2020. Mr. Ağbal served as an MP in the 25th and 26th terms of the Grand National Assembly of Türkiye (TBMM) and was also the Minister of Finance in the 64th and 65th governments. Mr. Ağbal also served as the Presidential Strategy and Budget Director between 2018-2020 and as the Governor of the Central Bank between November 2020 and March 2021. Since July 2022, Naci Ağbal has served as Vice Chairman of the Board at Kazancı Holding and Vice Chairman of the Board at Aksa Energy.

**SERDAR NİŞLİ****Vice Chairman**

Serdar Nişli earned his bachelor's and master's degrees in mechanical engineering at Middle East Technical University. Mr. Nişli then worked in various positions at Çayırhan Thermal Power Plant (TEK) and in the private sector for 18 years before joining Kazancı Holding in 1996. Mr. Nişli, former CEO at Aksa Energy, currently serves as Vice Chairman of the Board of Directors and also a member of the Executive Committee at Aksa Energy. Serdar Nişli is also the Head of Business Development Group at Kazancı Holding.

**TÜLAY KAZANCI****Board Member**

Ms. Tülay Kazancı is a Board member at Kazancı Holding and has been a Board member at Aksa Enerji Üretim A.Ş. since April 2010. In addition, she also serves as a Board Member at Aksa Aksen Enerji Ticareti A.Ş.

Board of Directors



ÖMER MUZAFFER BAKTIR

Board Member

Ömer Muzaffer Baktır graduated from Istanbul Technical University, Department of Mining Engineering in 1986. He started his career at Pamukbank and continued as a manager in the banking sector. He served as Executive Vice President for Credits and Marketing at Halk Bank, as CFO at Cengiz Holding and Member of the Executive Board of the Group's Electricity Distribution companies and as Executive Vice President for Marketing and Transformation at Ziraat Bank. Mr. Baktır also served on the boards of directors and supervisory boards of various overseas companies of the same institution. Between 2017-2018, he served as Chairman at Erdemir Group. Since February 5, 2018, Mr. Baktır has served as Vice Chairman of the Board at Kazancı Holding and is also the Chairman of the Executive Committee at Aksa Power Generators, Board member at Aksa Energy and a member of the Executive Committee at Aksa Energy and Kazancı Holding.



KORKUT ÖZTÜRKMEN

Board Member

After graduating from Robert College, Korkut Öztürkmen completed his double major in Mechanical Engineering and Industrial Engineering at Boğaziçi University. Between 1996 and 2007, he held executive positions in Koç Holding's Strategic Planning and Energy Group responsible for business development and investments in the production, distribution and sales value chains in the electricity, natural gas and petroleum sectors. In 2002, Mr. Öztürkmen completed his Executive MBA at Koç University. Between 2007 and 2009, as OMV Türkiye Country Manager, he led the company's restructuring in Türkiye and its entry into the energy market. He also contributed to OMV's global and regional growth strategy and assumed senior responsibilities in Nabucco natural gas pipeline, natural gas wholesale, natural gas storage, electricity generation from natural gas and renewable resources and the trading thereof. In 2009-2018, as Board Member and CEO of OMV Türkiye Electricity Business Unit, he led the implementation of OMV's global asset-based electricity trading strategy, including the development and operation of the €600 million natural gas power plant project in Samsun. In 2013, Mr. Öztürkmen completed the 'Power2Lead' senior leadership program at Ashridge Business School in the UK. He currently serves as the Vice President of the Electricity Producers Association and strives to support the healthy development of the Turkish energy sector. Having previously served as the President of the Energy Group at İÇ-İçtaş between May 2019 and January 2021 and as a Board Member at respective Energy Group companies, Mr. Öztürkmen was appointed as a Board Member and Vice Chairman of the Executive Committee at Aksa Enerji Üretim A.Ş. in January 2021.



İLHAN HELVACI

Independent Board Member

İlhan Helvacı graduated from Galatasaray High School in 1983 and from Faculty of Law at Istanbul University in 1987. Helvacı completed his master's degree at Istanbul University Institute of Social Sciences, Department of Private Law in 1989 and started to work as a research assistant at Istanbul University Faculty of Law, Department of Civil Law in the same year. Prof. İlhan Helvacı earned the title of Doctor of Private Law from the same Institute in 1997. He has also lectured as a guest lecturer at Galatasaray University Faculty of Law, Institute of Social Sciences, Koç University Faculty of Law and has conducted various seminars as a guest lecturer at Oxford University Faculty of Law. In disputes related to his areas of expertise, he currently acts as an arbitrator both within the Istanbul Chamber of Commerce and in his private practice. Since 1991, Mr. Helvacı has been practicing as a lawyer affiliated to the Istanbul Bar Association and is also the founder and director of the Att. Prof. İlhan Helvacı Law Office. Prof. Helvacı has been serving as an Independent Board Member at Aksa Energy since July 2019. Prof. İlhan Helvacı also serves as the Vice President of the Arbitration Court at the Istanbul Chamber of Commerce Arbitration and Mediation Center.



HALİT HAYDAR YILDIZ

Independent Board Member

In 1984, Halit Haydar Yıldız graduated from Marmara University, Faculty of Business Administration and then completed his master's degrees in business finance and business management at Istanbul University. Mr. Yıldız started his professional career as a Dealer at İktisat Bank in 1987 and worked in various positions at Pamukbank between 1987 and 2003, most recently as the Head of Retail Loans and Operations Department. Mr. Yıldız served as Executive Vice President for Retail Loans at Akbank between 2003 and 2008. He was appointed CEO after serving as Executive Vice President for Retail Banking at Şekerbank between 2009 and 2020. Mr. Yıldız served as a member of the Board of Directors at the same bank between March 2016 and May 2020 and is currently a member of the Board of Directors and the Executive Committee of the Finance Executives Foundation of Türkiye as well as various companies. Mr. Yıldız has been appointed as an Independent Board Member at Aksa Enerji Üretim A.Ş. as of June 2021.



İLKAY DEMİRDAĞ

Independent Board Member

İlkay Demirdağ holds BA and MA degrees in Architecture from Istanbul Technical University and an MA in Economics from University College London. İlkay Demirdağ started her professional career at Ove Arup in 1998 and worked at Ove Arup, Deloitte and Hypo Real Estate Bank in London between 2000-2010. Between 2010 and 2011, she participated in the establishment of Türkiye's first clean energy venture capital fund at Crescent Capital. Between 2011 and 2013, she worked as Fund Coordinator at Akfen Holding, and then in 2014, she moved to Bahrain in charge of Türkiye investments at the Islamic Development Bank Infrastructure Fund. Ms. Demirdağ served as Financial Relations Director at Çalık Holding from 2014 to 2017 and as Investor Relations Manager at Enerjisa Energy from 2018 to 2022. She is currently a Board Member at Avanea Asset Management and a Partner at Sente Ventures. Ms. Demirdağ was appointed as an Independent Board Member at Aksa Enerji Üretim A.Ş. in September 2023.

Management Committees

Audit Committee

Our Audit Committee works to ensure that the financial and operational activities of our company are supervised in a sound manner in accordance with the principles set forth in the capital markets legislation and relevant regulations. The Committee reports to the Board of Directors, oversees 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.

Our Committee is established and authorized by our Board of Directors. Meetings are held with the participation of majority, specifically one member more than half of the number of members, and decisions are taken by majority vote. The Committee convenes at least four times a year at the Company headquarters and reports the results of these meetings to the Board of Directors. The Committee examines and finalizes complaints regarding the accounting and internal control systems of our company and evaluates the reports from employees on accounting and auditing issues in accordance with the principle of confidentiality.

Corporate Governance Committee

The Committee supports our Board of Directors by concentrating on Investor Relations activities and public disclosures as well as our company's compliance with the Corporate Governance Principles set by the relevant communiqué of the CMB, investigating reasons for non-compliance with these principles, if any, in our company and taking actions for improvement after determining the non-compatibilities that develop due to a lack of full implementation. The Committee reviews and evaluates the existing and potential systems and processes for launching practices that will increase our corporate performance and thus makes relevant recommendations. In addition, it fulfills the duties of the Nomination Committee and the Remuneration Committee as stipulated in the Corporate Governance Principles.

The Committee is appointed and authorized by the Board of Directors. It consists of two or more members, who are elected by the Board of Directors in accordance with the Company's Articles of Association. It convenes with the participation of one member more than half of the number of members, and decisions are taken by majority vote. It normally convenes at least twice a year. When necessary, it also convenes at the company headquarters upon invitation by the Committee Chairman. The decisions taken at the meetings are recorded in writing and signed and kept by the members.

Early Detection of Risk Committee

The Committee is formed and authorized by our Board of Directors. The Early Detection of Risk Committee consists of at least two members of our Board of Directors. In the event that the 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 assembles at least six times a year at the Company headquarters, and the decisions taken during meetings are documented in writing, signed by the Committee members and kept regularly. The Committee drafts reports containing findings and recommendations regarding its duties and responsibilities and regularly submits these reports to the Board of Directors.

The purpose of the Committee is to identify risks that may jeopardize the existence, development and continuity of our company in advance, to take the necessary measures against the identified risks and to manage these risks. It also provides the Board of Directors with an opinion on the improvement of internal control systems, including risk management and information systems and processes, in order to minimize the impact of risks that may affect various stakeholders of our company, especially shareholders.

It prepares an annual risk assessment report for the Annual Report in a way that will contribute to the development of the company and clearly identify potential risks and then submits this report to the Board of Directors.

Executive Committee

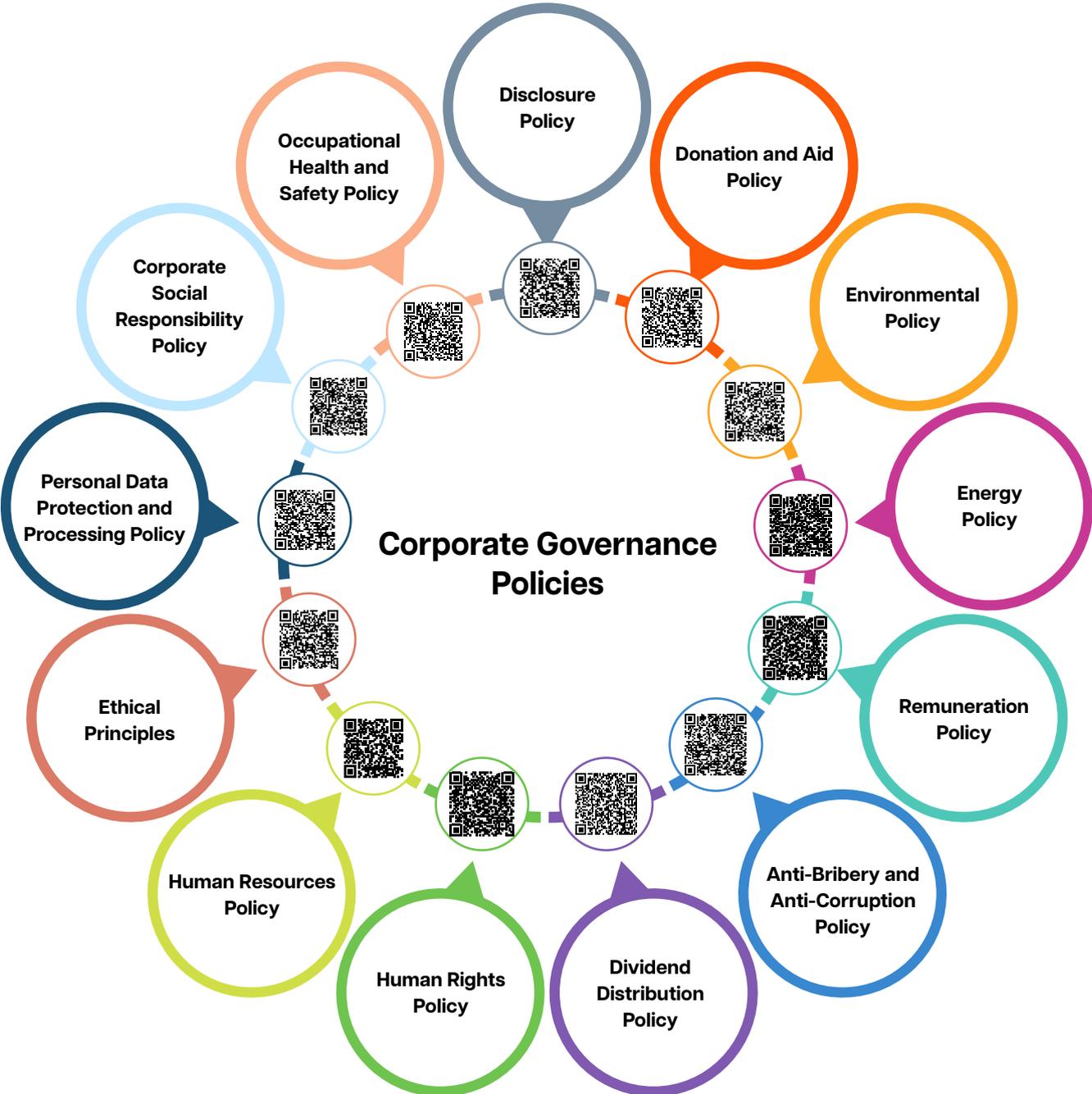
The Executive Committee consists of at least 2 Board Members, and the Chairman and Vice Chairman of the Board are elected from our Board Members. The remaining members are appointed as needed in line with our company's strategic goals. If needed, support is sought from professional consultant organizations/individuals.

The Committee monitors economic, social and political developments in the sector in which the Company operates and evaluates their impact on the Company. It determines strategies to increase competitiveness and monitors the company's strengths and weaknesses through internal analysis while tracking opportunities and threats through external analysis. It analyzes the financial, operational, legal and strategic impacts of material topics and evaluates legal developments that may affect operations. It performs oversight to ensure that the company's activities are carried out in accordance with the decisions of the Board of Directors and annual business plans, but the final decision-maker is the Board of Directors.

The Committee convenes meetings once a month and organizes additional meetings when necessary. It records all its activities and meeting notes and regularly reports them to the Board of Directors. The Committee's decisions are of an advisory nature, and the final decision-maker is the Board of Directors. The quorum for meetings and decisions is the absolute majority of the total number of members of the Board.

Policies

Our policies form the basis of our governance approach and are adopted as fundamental principles in all corporate activities of our company.



Policies

In all our business processes, we manage occupational health and safety in accordance with the relevant legislation and international standards under the principle of ‘people first’.

We consider and manage the rights of all our employees and stakeholders in line with international conventions such as the UN Universal Declaration of Human Rights, UNGC, ILO Conventions and OECD Guidelines for Multinational Enterprises.

Human Rights Policy

At Aksa Energy, we operate in different regions of the world within an efficiency and sustainability-oriented approach. We respect human rights in the countries where we operate, in our relations with our employees and in all our business relationships. We aim to ensure that fundamental human rights are respected throughout society. By signing the UNGC, we embrace and comply with these principles. To that end, we have established a Human Rights Policy.

Our Human Rights Policy is inspired by international instruments such as the Universal Declaration of Human Rights, the International Labour Organization (ILO) Conventions, the UNGC, the United Nations Principles on Business and Human Rights, and the Guidelines for Multinational Enterprises by the Organisation for Economic Co-Operation and Development (OECD).

Our Human Rights Policy focuses on and monitors, audits and reports on respect for human rights, equal opportunity, diversity and inclusion, freedom of association, freedom of expression, healthy and safe working environment, prevention of ill-treatment, prevention of forced labor, prevention of human trafficking and child labor.

Our policy covers our employees, business partners and suppliers. We communicate the rules in our policy to our employees through annual trainings. We also encourage our business partners and suppliers to comply with these principles and include them in our contracts.

“We consider and manage the rights of all our employees and stakeholders in line with international conventions such as the UN Universal Declaration of Human Rights, UNGC, ILO Conventions and OECD Guidelines for Multinational Enterprises.”

Occupational Health and Safety (OHS) Policy

At Aksa Energy, we aim to ensure that employees at our companies operating both in Türkiye and abroad work in healthy and safe environment and we intend to improve their conditions continuously.

In order for OHS practices to be adopted and implemented by all our employees, including the personnel of subcontractor companies, we carry out regular informative activities, ensure continuous improvement through monitoring and measurement methods and hold regular review meetings by the management.

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

To that end, we are committed to:

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



“In all our business processes, we manage occupational health and safety in accordance with the relevant legislation and international standards under the principle of ‘people first’.”

Environmental Policy

In our regions of operation, we comply with local Laws and other obligations related to the environment, starting from the investment process and continuing throughout the operation, involving all employees, including subcontractor employees, local communities, customers and investors and all stakeholders.

We bring our environmental management performance to the attention of all our stakeholders in adherence 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,
- Lower carbon emissions,
- Reduce water consumption,
- Reduce the amount of waste,
- Recycle wastes,
- Improve water quality and reduce wastewater,
- Prevent environmental pollution,
- Protect and enhance biodiversity in our operational areas.

To achieve our goals, we incorporate the best available production techniques and technologies. We make sure our performance is regularly audited, monitored and measured in line with our sustainability goals. We are committed to the implementation of this policy in all our activities.

“We bring our environmental management performance to the attention of all our stakeholders in adherence to the principle of transparency.”

Energy Policy

At Aksa Energy, we conduct all necessary research and take action to comply with national and international legislation and standards in all regions we operate. We maintain our electricity generation operations within the framework of an energy management system based on continuous improvement.

Through our continuous improvement efforts, we aim to reduce the consumption of energy resources, increase energy efficiency and minimize losses. As part of our energy efficiency efforts, we analyze energy consumption using Supervisory Control and Data Acquisition (SCADA) system data. We evaluate our performance by comparing actual energy consumption with targeted values. We inform all our employees, including subcontractors, about our energy policy through various communication tools and trainings and raise awareness to ensure that we operate in accordance with the ISO 50001 Energy Management System standard.

To that end, we are committed to:

- Continuously improving our energy performance,
- Providing the necessary information and resources to achieve our goals and objectives,
- Complying with applicable legal terms and requirements regarding energy use, consumption and efficiency,
- Documenting and implementing energy management procedures that incorporate best facility management standards and practices to ensure sustainable energy management conditions.

“Using our experience in energy generation in different geographical regions, we are working on reducing energy consumption and improving energy efficiency.”

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 carry out our operations by fulfilling our economic, social and environmental responsibilities.

We act in accordance with all national and international legislation, fully aware of our responsibilities towards both our employees, who are our internal stakeholders, and all external stakeholders with whom we interact throughout our operations.

Policies

Aksa Energy makes donations and grants particularly in the fields of education, culture, arts, environment and sports in line with its corporate social responsibility approach, while adhering to CMB regulations and the company's Code of Ethics.

We are committed to fulfilling our social and environmental responsibilities towards society in all geographical regions where we operate.

As part of our Corporate Social Responsibility Management approach, we are committed to:

- Acting within the framework of financial discipline and accountability, to manage our company's resources and assets with efficiency and savings,
- Providing timely, accurate, complete and clear information to our shareholders, the public authorities and related parties on our financial statements, strategies, investments and risks,
- Taking responsibility for social development,
- Establishing strong relations with the people in the immediate environment and the region affected by the activities,
- Taking into account the needs and demands of the people of the region in the regions of operation,
- Functionally establishing the grievance channels through which all our stakeholders can provide their feedback,
- 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 geographical regions where we operate, within harmonious cooperation with our stakeholders, public and non-governmental organizations.

"We are committed to fulfilling our social and environmental responsibilities towards society in all geographical regions where we operate."

Quality Policy

In line with our 'Sustainable High Growth' strategy and our vision of becoming a global powerhouse, Aksa Energy conducts its operations in compliance with local laws and contractual requirements, respecting our employees, local communities and the environment in our domestic and foreign operations.

We ensure that the requirements of our corporate governance system are implemented by all our managers starting from the Board of Directors and are embraced by our employees.

We adopt a risk management-oriented approach in all our operational and management processes. We perform our work in accordance with international standards and legislation. By periodically reviewing all elements of the system, we determine a roadmap to realize our goals and transparently share this information with our stakeholders.

We cooperate with our suppliers and other business partners, inform them about our company policy and principles and encourage them to work accordingly. We are aware of our interaction and responsibilities with local communities, employees, local government agencies and all other stakeholders in our regions of operation.

Based on such awareness, we are committed to meeting the expectations and demands of our stakeholders in all our fields of activity and delivering our operations with an ultimate goal for continuous improvement.

"Through our risk management-oriented production approach, we maintain our quality management in compliance with all relevant legislation and standards."

Donation and Aid Policy

Aksa Energy makes donations and grants particularly in the fields of education, culture, arts, environment and sports in line with its corporate social responsibility approach, while adhering to CMB 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.

We offer aid and donations to foundations and associations carrying out social responsibility projects, non-governmental organizations (NGOs), social welfare institutions and organizations, clubs and associations carrying out sports activities, and educational institutions and organizations.

“Aksa Energy makes donations and grants particularly in the fields of education, culture, arts, environment and sports in line with its corporate social responsibility approach, while adhering to CMB regulations and the company’s Code of Ethics.”

Anti-Bribery and Anti-Corruption Policy

Aksa Energy published an 'Anti-Bribery and Anti-Corruption Policy' with the approval of Board of Directors in addition to the Code of Ethics to protect our stakeholders against risks and to enhance our company's corporate value and reputation.

The members of our Board of Directors, executives, employees, those acting on behalf of our company (such as intermediaries, consultants, representatives) and our business partners (subcontractors, suppliers, agents) are covered by this Policy, and we require these persons and organizations to act in accordance with our Policy as well as the 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 expedite company affairs, to make political donations under any circumstances and in any way whatsoever, to make travel and hospitality expenses, and to give and accept gifts, except as determined by the Board of Directors.

“We maintain our business relations with our stakeholders on the basis of our zero-tolerance approach to corruption and bribery.”

Disclosure Policy

At Aksa Energy, we have established our Disclosure Policy in accordance with the provisions of the Capital Markets Legislation and the requirements of the Communiqué on Material Events No. II-15.1. Our policy is based on the sharing of information and disclosures that do not constitute trade secrets with all stakeholders related to the capital markets in a simultaneous, fair, complete, open, accurate, clear and accessible manner.

We aim for effective, active and transparent communication within the framework of Capital Markets Legislation, Turkish Commercial Code and other relevant regulations in order to ensure that the public is informed accurately and timely. Our Disclosure Policy covers all kinds of information, documents, electronic records and data related to the activities that are known by the members of the Board of Directors, senior executives and employees and that do not constitute 'insider information' or 'trade secrets'. This information qualifies as data that is legally eligible for disclosure and made available to our stakeholders.



“We share information that relates to the capital markets but does not qualify as trade secrets with all stakeholders as part of our principle of simultaneous, fair, complete, open, accurate, clear and accessible information sharing.”

Remuneration Policy

Our Remuneration Policy aims to ensure compliance with CMB Corporate Governance Principles and relevant regulations, obligations and principles set forth in the Capital Markets Legislation. This policy ensured that the principles of remuneration for Board of Directors and senior executives are documented, implemented and audited. Aksa Energy Corporate Governance Committee is responsible for the remuneration policy and practices on behalf of the Board of Directors. Kazancı Holding's Human Resources Directorate is responsible for the day-to-day implementation of remuneration policies. Remuneration in our company is mainly based on performance. In addition to performance, we carefully monitor general macroeconomic conditions, the current inflation rate in Türkiye and the sectoral trends in order to ensure a fair and accurate remuneration policy for our employees.

“In line with the legislation, we apply a fair and accurate performance-based wage policy to our colleagues and continuously improve our processes.”

Aksa Energy's policies and commitments are available under the Corporate Governance tab at www.aksainvestorrelations.com/tr.

Code of Ethics, Transparency and Anti-Corruption

At Akxa Energy, we set goals and strategies on compliance with laws and regulations and the development of the concept of ethics in our organization.

Our Human Rights Policy and Code of Ethics are our foundations. We treat our employees and all stakeholders with whom we have business relations in the countries we operate with respect for human rights, and we attach great importance to the protection of these rights

Our approach to our employees and all stakeholders with whom we have business relations is one that respects human rights and adheres to our code of ethics. Our company's strong corporate identity and our code of ethics, which are adopted and diligently implemented by the management team, are part of our corporate governance approach.

Ethical behavior and high corporate standards form part of our corporate culture, which underpins a well-established corporate identity and effective management. All departments cooperate in the management of Akxa Energy's Code of Ethics. We attach great importance to the implementation of our Code of Ethics, which is accessible to all employees in our organization.

We provide each employee with a Code of Ethics Commitment Form to indicate that the Code of Ethics of the organization has been read, adopted and understood. Our employees can access relevant documents at any time through the in-house document sharing system. We also make our Code of Ethics publicly available on Akxa Energy's website.

Akxa Energy's Code of Ethics is based on the principles of preventing risks related to business ethics, developing an environment based on open communication, adopting company values and standards by all employees, ensuring honest and consistent behavior of employees, proper use of company

resources, protecting all financial and commercial interests of the company, providing guidance to employees, regularly auditing mechanisms for reporting unethical behavior and ensuring the sustainability of a corporate culture strengthened by ethical values.

Our Code of Ethics applies to the Board of Directors, managers and all employees. Ethics Committee consists of an Akxa Energy Board Member, Group President/Group Vice President, Internal Audit Director, Chief Legal Counsel and Human Resources Director. The Committee reports directly to the Chairman of the Board.

At Akxa Energy, we set goals and strategies on compliance with laws and regulations and the development of the concept of ethics in our organization.

As part of our compliance goals, we also have a Compliance Directorate within our organization. The Compliance Directorate team consists of 1 Compliance Director, 1 Compliance Project Senior Supervisor and 2 Compliance Specialists.

Our Human Rights Policy and Code of Ethics are our foundations. We treat our employees and all stakeholders with whom we have business relations in the countries we operate with respect for human rights, and we attach great importance to the protection of these rights. To that end, we ensure that all our stakeholders act in accordance with Akxa Energy's Human Rights Policy. In addition to our Human Rights Policy, we have issued an Anti-Bribery and Anti-Corruption Policy, which is available to our employees and the public and requires us to be sensitive to the needs and interests of all our stakeholders during our activities that we implement effectively, thus complementing our Code of Ethics. Our Anti-Bribery and Anti-Corruption Policy aims to protect our stakeholders against risks and improve the corporate value and reputation of our company. We also include an Anti-Bribery and Anti-Corruption clause in the contracts signed with suppliers who are business partners of our company.

As part of our policy, we adopt the principle of 'zero tolerance' against any acts of corruption. Accordingly, violating the anti-bribery principle will result in the termination of employment contracts for our employees and the termination of cooperation with our suppliers.

Sustainability training

1,344
hours



As part of our policy, we adopt the principle of 'zero tolerance' against any acts of corruption

In 2023, we provided 1,344 hours of training on sustainability.

In 2023, we organized sustainability trainings under 5 main training topics. These trainings are Sustainability Awareness Training, Environmental Awareness and Zero Waste Awareness Training, Green Certificate Training Program for Buildings and Settlements, ISO 14064-1:2018 Carbon Footprint Calculation Training, and ISO 14046:2014 Water Footprint Training. We provided a total of 1,344 hours of sustainability training to 78 employees.

As part of the Protection of Code of Ethics and Anti-Bribery and Anti-Corruption Policy Program, we evaluated 21 local suppliers in procurement-related audits conducted by the Audit Directorate in 2023. Nonconformity reporting action was taken for 15 of our evaluated suppliers, and corrective actions were planned for 9 suppliers. Furthermore, the Ethics Hotline channels have not received any complaints about bribery and corruption via e-mail or telephone, and no lawsuits have been filed against our company on bribery and corruption issues.

Notifications regarding any problems or violations of both the Code of Ethics and the Anti-Bribery and Anti-Corruption Policy can be made via etik@aksa.com.tr or the Ethics Hotline at 0 850 511 11 12.

"We apply the principle of 'zero tolerance' against corruption without compromising on our ethical principles."

Risk Management Approach

At Akxa Energy, we effectively manage risks for the protection and sustainability of corporate values and approach this process from a multifunctional point of view.

By adopting a centralized management approach, we effectively address the risks faced by the company and manage financial risks and opportunities by making policy changes when necessary

In the wake of globalization of competition in the energy sector, risk management has become increasingly important. At Akxa Energy, we effectively manage risks for the protection and sustainability of corporate values and approach this process from a multifunctional point of view. We aim to achieve financial, environmental and social sustainability by addressing a range of issues including sustainable growth, revenue stabilization, cost reduction, climate change and regulatory compliance. Therefore, while we attach importance to the process of identifying, analyzing and assessing risks, we intend to manage this process effectively and efficiently. By adopting a risk management philosophy based on operational safety and sustainability, we implement an effective risk management policy to prevent and mitigate all risks. In addition, we regularly review risk management policies and systems and train all our employees on risk management. To that end, we aim to protect the company's assets and improve the controlling environment.

By adopting a centralized management approach, we effectively address the risks faced by the company and manage financial risks and opportunities by making policy changes when necessary. We aim to limit risk levels by evaluating hedging

instruments within the framework of policies set by senior management, and we regularly monitor financial and non-financial risks. Accordingly, we regularly conduct site and organizational controls by categorizing financial risks such as liquidity, currency and interest rate as well as operational, strategic and compliance risks. We also conduct environmental risk analyses starting from investment decisions, considering environmental, social and economic impacts holistically. We pay site visits to identify and prevent potential risks and regularly monitor the actions taken.

“The Early Detection of Risk Committee was established by the Board of Directors to develop and monitor our risk management policies.”

At Akxa Energy, we implement and certify a risk-based Information Security Management System in accordance with ISO 27001 standards. As part of risk management, we are also involved in the work carried out by Kazancı Holding, our major shareholder.

An Early Detection of Risk Committee was established within Akxa Energy to develop and monitor risk management policies. This Committee meets six times a year to identify risks and implement necessary actions. It reports regularly to the Board of Directors.

At Akxa Energy, we regularly review both our financial and non-financial risks. Accordingly, we create a Key Risk Indicator (KRI) for each key risk we identify, and we collect data from the relevant units at regular intervals and report them to senior management. From the investment decision stage onwards, we carry out our activities together with environmental risk analyses so that the environmental, social and economic impacts of the measures and actions to be taken are comprehensively assessed.



We work diligently with our Information Technologies staff to meet the requirements of national legislation on information security and personal data protection. In this regard, 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', which is a mandatory analysis of our national legislation on information security. In addition, we have implemented the required administrative and technical measures within the framework of the Law on the Protection of Personal Data (KVKK) by matching them with the existing controls. We continue to work under the Information and Communication Security Guide by the Digital Transformation Office of the Presidency of the Republic since 2020. In addition, our Internal Audit unit conducts audits on the reliability of the financial reporting system, the compliance of our company's activities in the investment and operation process with legal and internal regulations, the effectiveness and efficiency of its activities, and the security and reliability of information systems.

We also approach OHS from a risk perspective, identifying, assessing and classifying hazards and risks. We record the necessary data for employee health and safety in full and analyze them by comparing them with the statistics for Türkiye and Europe. In accordance with the OHS Management System Notification Instruction, we put in place incident investigation procedures and all necessary measures in case of occupational accidents. To that end, we identify and prioritize OHS risks based on the facility and production model and create action plans. We take OHS measures at all our facilities and subcontractor companies across Türkiye and regularly collect and evaluate data.

Digitalization and Information Security Management

At Akxa Energy, we switched to advanced reporting systems with our automated reporting and analysis strategy to eliminate the loss of time and the risk of errors in manual reporting processes

We see digitalization as a process in which we set targets and incorporate it into our processes in order to increase operational efficiency, reduce production and operation costs and become a pioneer in the sector. Therefore, as part of the digitalization process, we developed a digitalization strategy focusing on 5 main components, namely:

- 1- Data collection and management,
- 2- Automated reporting and analysis,
- 3- Asset performance management (APM),
- 4- Preventive, predictive and integrated maintenance,
- 5- Management systems.

In terms of data collection and management, we used an effective industrial data collection, storage and analysis platform to enable instant monitoring of data from all power plants on a centralized platform. Thanks to this software, we have combined SCADA and operation data in a single data pool, making it possible to monitor and analyze every stage of power generation processes in detail.

At Akxa Energy, we switched to advanced reporting systems with our automated reporting and analysis strategy to eliminate the loss of time and the risk of errors in manual reporting processes. Thanks to the new systems, we analyze operational data, generate regular reports and provide instant information flow to decision makers. This enables us to make strategic decisions more quickly and accurately.

We optimize asset performance management processes in power plants using APM, data analytics, machine learning and artificial intelligence (AI) technologies. To that end, we continuously monitor and analyze the performance data of equipment in power plants. Machine learning algorithms have the ability to learn the normal operating patterns of equipment to detect potential anomalies and failures in advance.

In our preventive and predictive maintenance practices project, we aimed to identify the maintenance needs of the equipment before they fail and plan maintenance efforts in a timely manner. Using AI algorithms, we detect deviations in the performance of equipment and alert maintenance teams in a timely manner. This will enable us to reduce maintenance costs as unexpected failures can be minimized.

At Akxa Energy, we plan to completely renew the SAP Plant Maintenance (SAP PM) structure and integrate the entire digital infrastructure with maintenance management systems. This integration will make it possible to manage maintenance processes more effectively and to collect all maintenance data in a centralized system. The SAP PM system includes key functions such as maintenance planning, work order management, and material and resource management. It works in harmony with digital transformation projects. Therefore, we believe that SAP PM will contribute to increasing Akxa Energy's operational efficiency and making maintenance processes more manageable.

Under Mobile Application Support, we ensure that maintenance processes are carried out more effectively and efficiently on site by using mobile applications in the Digital Maintenance Process. We consider this application as a very advantageous method in terms of time and resource management, which enables maintenance personnel to access and update work orders in real time on site, to quickly access detailed technical information about the equipment via mobile device, to quickly create a work order when maintenance is needed, to start the maintenance process, to record the status of the equipment in written and visual form, to work offline, and to receive notifications.

We follow some key steps in managing our digital projects. For each project, we first set clear objectives and create a detailed project plan, then identify the teams and resources needed for the duration of the project. We then provide continuous training and development for employees to adapt to new technologies and systems. We test new systems and technologies with pilot projects and minimize potential risks before they are implemented on a large scale. In the subsequent phases, we continuously monitor project progress and make adjustments as necessary based on feedback. Finally, we evaluate the project results against the objectives set and analyze them according to success criteria. We believe that all of these processes are critical to the successful completion of the project and the use of lessons learned for future projects.

By investing heavily in information technologies, we improve processes and enable our employees to do their jobs faster and easier. Thanks to this technological infrastructure, we support sustainability by accelerating innovation activities.

We advance our technological investments and services from a continuous improvement perspective in line with Information Security Management System (ISMS) regulations. Functioning in accordance with the Information and Communication Security Guidelines published by the Digital Transformation Office of the Presidency and the continuous development targets, the ISMS consists of industrial control systems and corporate information systems that support power generation processes.

As Kazancı Holding and its affiliated group companies, we aim to adopt company strategies for the companies, locations, assets, processes and personnel specified in the document defining the scope of the ISMS in accordance with the Information Security Management System Policy, to determine the goals and objectives of the ISMS, and to explain what is required for the implementation of this understanding. We carry out our information access controls and security measures in compliance with the law. As an organization, we appropriately balance information assets and services with the Information Security Risk Management System, which includes these measures.

While Aksa Energy ensures information security, we pay attention to:

- Ensuring information security and business standardization in managing processes,
- Maximizing the confidentiality, integrity and accessibility of the data processed in the organization,
- Ensuring compliance with legal requirements and contracts.

As the senior management, we undertake that we will deliver the specified information security objectives and comply with the 'Information Security Management System' defined, put into effect and implemented in a way to fulfill the requirements specified in TS ISO/IEC 27001.

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



Management Systems and Certificates

We are working for the continuity of the certificates we obtained.

At Aksa Energy, we are making significant efforts to achieve our goals in the medium and long term and to be both efficient and effective.

We monitor technological developments to deliver world-class power generation and follow all the requirements for process management in compliance with international and national requirements. Accordingly, we have been awarded certificates in areas such as effective quality, environment, occupational health and safety, energy efficiency and information security.



ISO 9001 Quality Management System



ISO 14001 Environmental Management System



ISO 45001 Occupational Health and Safety Management System



ISO 50001 Energy Efficiency Management System



ISO/IEC 27001: 2013 Information Security Management System



Sustainability Approach

We have been a signatory of UNGC since 2017 and we conduct our operations in line with the 10 principles of this convention.

- 60 Sustainability Management
- 62 Sustainability Committee
- 64 Sustainability Priorities
- 66 Memberships, Initiatives We Support
- 67 Sustainable Supply Chain Management
- 68 Stakeholder Relations Management and Communication Channels





Sustainability Management

We handle sustainability within a holistic approach and internalize it as a business model. We deliver our activities in awareness of our fundamental responsibility towards people and nature.

We manage our sustainable business model from economic, environmental and social aspects within the scope of an integrated vision. Accordingly, we evaluate our current business processes considering sustainability and integrate this concept into the core of all our activities.

At Aksa Energy, we continue our investments in line with our global growth goal in a world transformed by rapidly developing technology. We handle sustainability within a holistic approach and internalize it as a business model. We deliver our activities in awareness of our fundamental responsibility towards people and nature.

We manage our sustainable business model from economic, environmental and social aspects within the scope of an integrated vision. Accordingly, we evaluate our current business processes considering sustainability and integrate this concept into the core of all our activities.

We contribute to social and ecological life in our regions of operation where our power plants are located, and we implement practices that will set an example in the sector. We conduct our operations by taking into account environmental and social impacts and prioritize contributing to the economic, cultural and social development of local communities in all regions where we operate.

As Aksa Energy, we are one of the most reliable and successful brands in Turkish energy sector thanks to our sustainability-oriented operations through which we are reducing our country's foreign dependence in line with the strategy of becoming an energy trade center.

Our operations in emerging regions such as Africa and Central Asia provide local communities with access to energy. This allows us to support the development of these countries in need of energy, contribute to the socioeconomic development of people with the employment opportunities we create, and trigger significant foreign currency inflows to our country.

We don't only implement responsible and sustainable development principles in our existing operations. We also make environmental and social investments and develop initiatives with a wide impact. We aim to be an effective stakeholder in the regions where we operate and create long-term value for future generations.

Thanks to our long-standing trustworthy brand perception, our sustainability approach in all our business strategies and our dynamic governance model, we continuously increase the added value we generate in social, environmental and widespread economic areas with our ability to act quickly.

We evaluate energy transformation opportunities, especially in Central Asia, and integrate global sustainability goals into our understanding of value creation in parallel with our global investments. We closely monitor local and global sustainability platforms, voluntarily support sustainable development in all areas and have been included in the BIST Sustainability Index since 2015. In addition, we have been a signatory of UNGC since 2017. We conduct our operations in line with the 10 principles of this convention and report all our environmental, social and governance activities. Since May 2024, we have been one of the voluntary participants of the Climate Ambition Accelerator program organized by the UNGC.

At Aksa Energy, the concrete steps we take in sustainability are regularly assessed by an international independent rating agency authorized by Borsa Istanbul. In 2023, we maintained our position in the BIST Sustainability Index.



Sustainability Committee

Our Sustainability Committee determines the strategies, policies and targets necessary to manage environmental, social and governance risks in order to increase the added value we generate in social, environmental and mainstream economic areas.

Established in 2015, our Sustainability Committee determines the strategies, policies and targets necessary to manage environmental, social and governance risks in order to increase the added value we generate in social, environmental and mainstream economic areas.

Directly reporting to the Board of Directors and the CEO, our Sustainability Committee contributes to the management of the issues it addresses with a holistic approach and the reporting of sustainability performance. Our 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.

While our Sustainability Committee members play a key role in managing important and material sustainability topics that fall under their jurisdiction, the relevant units evaluate the risks and opportunities related to these topics, take the necessary measures, and actions holistically on the basis of 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 to provide relevant advice and guidance.

To embed a multi-faceted and inclusive sustainability approach, our Committee members are selected from among the managers of production, business, financial affairs, operations, investment, engineering, investor relations, human resources, supply chain, risk, internal audit and Health, Safety, Environment and Quality (HSE-Q) departments. In addition, senior executives of relevant departments are invited to the meetings of our committee when necessary. The Sustainability Coordination and Working Committee established under our Sustainability Committee ensures the fulfillment of these duties.

Structure of the Sustainability Committee

Chairman and CEO

- Sustainability Committee
 - Investor Relations and Sustainability Director
 - Chief Financial Officer (CFO)
 - Chief Investment Officer (CIO)
 - Chief Operating Officer (COO)
 - Human Resources Group Manager
 - Supply Chain Director
 - Risk and Control Director
 - Internal Audit Director
 - Investor Relations Manager
 - Senior Supervisor of Business Processes and Integrated Management Systems

Sustainability Coordination and Working Committee

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

As Akxa Energy, we established our Sustainability Directorate in November 2023 as an indicator of the attention we pay to sustainability efforts.



Sustainability Priorities

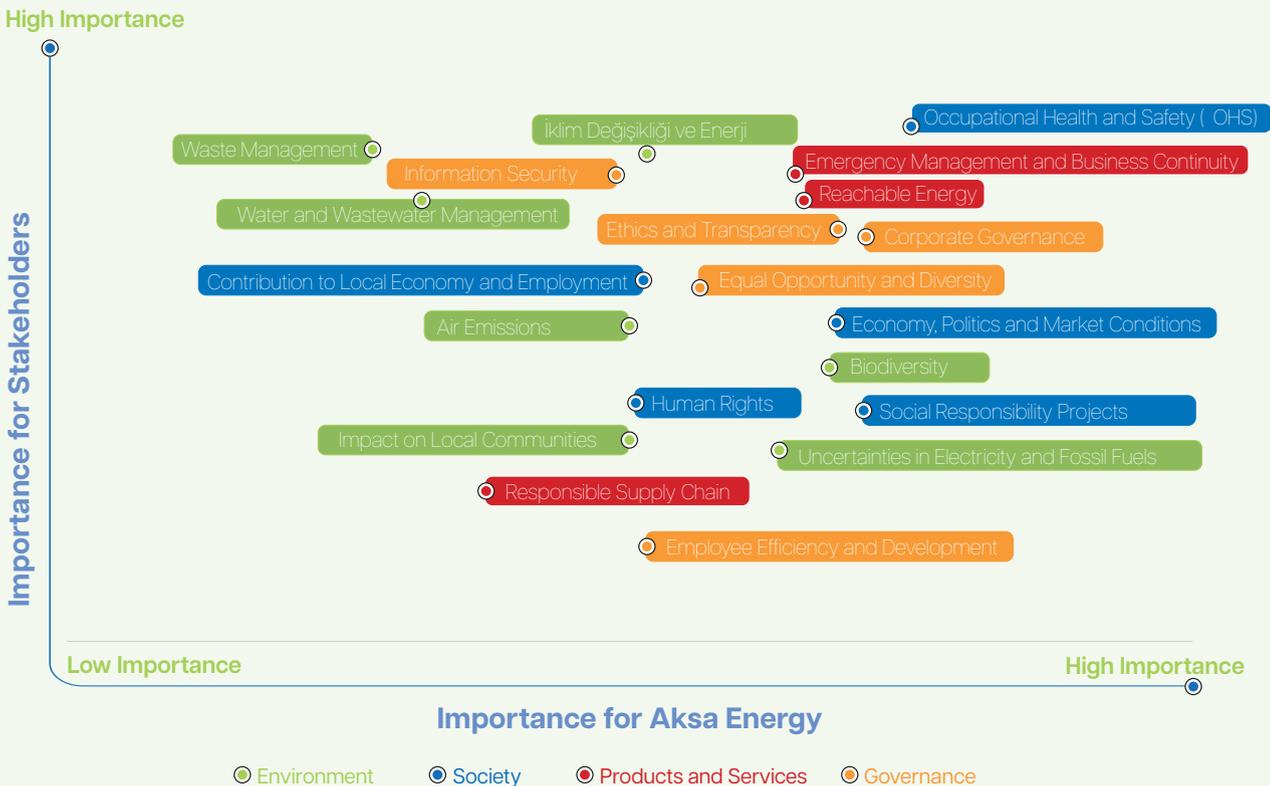
In line with our sustainability approach, we group our material topics under four main headings: environment, society, products and services, and governance.

As Akxa Energy, we carefully identify our sustainability priorities to implement our sustainability strategy. We update our priorities, which form the basis of our sustainability approach, in line with our changing business strategy and the expectations of our stakeholders. In addition to stakeholder views, we utilize global and sectoral trends, risks and opportunities, the views of our executives and our corporate strategy to formulate our sustainability priorities. We also integrate international guidance such as UNGC and Sustainable Development Goals (SDGs), of which we are a signatory, into our analysis.

In line with our sustainability approach, we group our material topics under four main headings: environment, society, products and services, and governance.

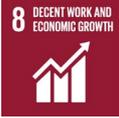
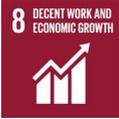
We consider topics related to climate change, air emissions, water and waste management; the protection of biodiversity in the regions where we operate; OHS, another material topic for the energy sector; and social responsibility projects, taking into account our relations with the community among our material topics.

Moreover, in line with our global investments, our priorities include the economy, policy and market conditions, contribution to the local economy and employment, and accessible energy. As Türkiye's largest publicly traded independent power producer, we pay utmost attention to corporate governance, ethics, transparency, equal opportunity and diversity.



Contribution to Sustainable Development Goals

As a result of the Materiality Analysis, the relevancy of material topics and the Sustainable Development Goals (SDGs) is listed below:

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

Memberships, Initiatives We Support

As Akxa Energy, we continue to expand our impact area in sustainability ecosystem via our corporate memberships and initiatives supported

Associations



**Association
of Corporate
Communication
Professionals (KiD)**



**Energy Trade
Association (ETD)**



**Coal Producers
Association
(KÖMÜRDER)**



**Electricity Producers
Association (EÜD)**



**Turkish Investor
Relations Society
(TÜYİD)**

Initiatives



**United Nations
Global Compact**

**UN Global Compact
(UNGC)**



**The Trillion Tonne
Communique**

Sustainable Supply Chain Management

By focusing on energy efficiency, recycling and renewable energy, we contribute to a green future together with the companies in our supply chain.

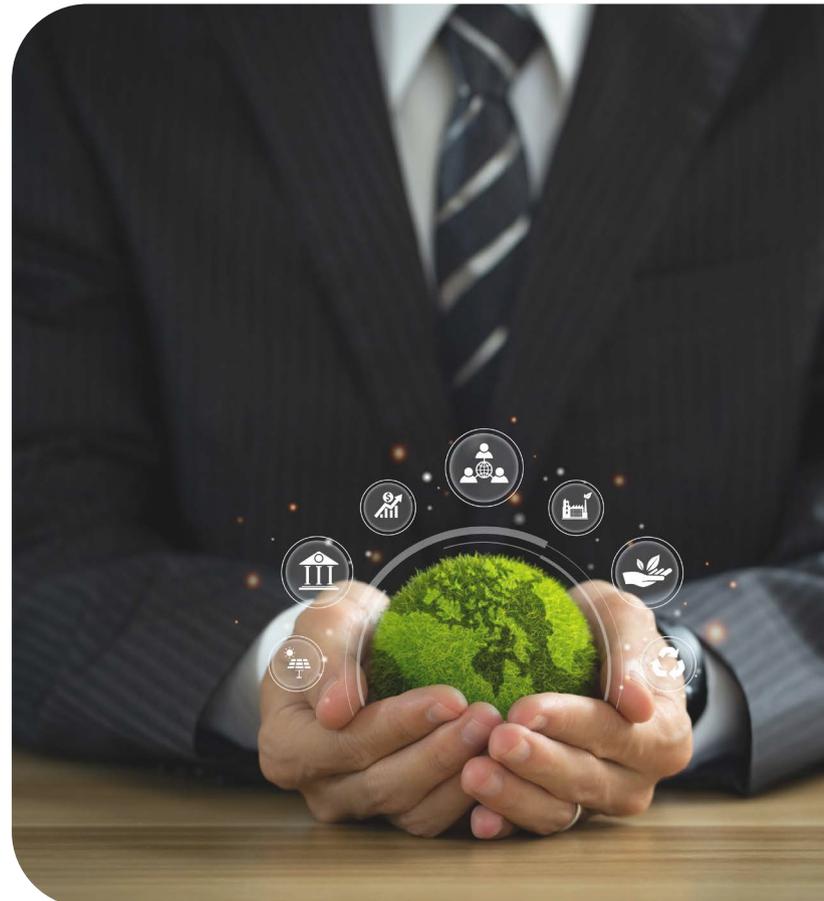
As one of the leading companies in the energy sector, we aim to leave a more livable world for future generations and protect natural resources. We attach importance to ensuring that all our suppliers adopt our sustainability approach and operate in compliance with Aksa Energy standards. Accordingly, we conduct our procurement process within a responsibility of leaving a livable world for future generations by balancing not only quality and cost but also environmental, social and governance factors.

As part of our electricity generation activities, Aksa Energy makes long-term, short-term, contractual and project-based purchases for new projects and operating power plants. We handle these processes within the scope of Kazanci Holding's Global Supply Chain Policy, and we attach importance to the commitment of all our suppliers to act in accordance with the ILO Declaration on Fundamental Principles and Rights at Work, the United Nations Universal Declaration of Human Rights, the UNGC and the United Nations Guiding Principles on Business and Human Rights. As of 2023, we are also auditing our suppliers in terms of risk and performance.

Through our Anti-Bribery and Anti-Corruption Policy and Human Rights Policy, we share with our suppliers our working criteria, including human rights, environment, occupational health and safety, quality standards and ethics, which we expect our suppliers to comply with. We manage our business relations with our suppliers in line with Aksa Energy's sustainability principles. To that end, we act with zero tolerance against bribery and corruption. As part of our supplier contracts, we prioritize human rights, and we clearly and unequivocally oppose discrimination by our suppliers against their employees based on religion, language, race and gender as well as verbal, physical and sexual violence, forced or coerced labor practices and child labor.

We focus on green economy solutions to minimize the environmental impact of our supply chain. By focusing on energy efficiency, recycling and renewable energy, we contribute to a green future together with the companies in our supply chain.

As a company aiming to add value to the supply chain, we help local businesses, small businesses and economic structures that are expected to be supported socioeconomically within the framework of sustainability in our regions of operation to compete strongly by providing access to resources. As of the end of 2023, 93% of our company's 1,568 suppliers, including subcontractors, intermediary institutions and consulting companies operating in the fields of energy production and mining from 22 different countries on 4 continents, were domestic. In 2023, 70% of the TRY 9,998,445,736.37 worth of procurement made from suppliers were paid to domestic suppliers.



Stakeholder Relations Management and Communication Channels

We care about the opinions of our stakeholders and consider incorporating their expectations into our business processes as a key part of our sustainability approach.

In all our processes, we conduct our operations with our faith in the importance of interacting and collaborating with our stakeholders, while taking into account the social impact on our stakeholders.

Aware of the fact that effective and accurate management of stakeholder relations directly contributes to the reputation management and sustainable economic growth goals of organizations, we aim to communicate the investments realized by our company to our stakeholders through the right communication channels in line with the 'Sustainable High Growth' goal and we take concrete steps to this end.

We care about the opinions of our stakeholders and consider incorporating their expectations into our business processes as a key part of our sustainability approach. We receive our stakeholders' views on sustainability through stakeholder surveys. We regularly conduct stakeholder analyses with employees, brokerage analysts, banks, investors, members of the media, public employees and non-governmental organizations ("NGO"s).

In all our processes, we conduct our operations with our faith in the importance of interacting and collaborating with our stakeholders, while taking into account the social impact on our stakeholders and creating lasting value by contributing to the economic and social development of local communities in the regions we operate.

Through our Quality Policy, which is available for the information of all our stakeholders on our corporate website, we commit to observing the expectations and demands of our stakeholders in all regions of operation and to sustaining our processes for continuous improvement. In order to ensure continuous communication with our investors, one of the key groups of our 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. Accordingly, we establish regular dialog with our stakeholders through various communication mechanisms, including the website, annual and sustainability reports, Public Disclosure Platform announcements, and meetings. We see our stakeholders as an integral part of our sustainable business processes.

Stakeholder Communication Methods

As Aksa Energy, we meet local governments, public institutions, NGOs, financial institutions and sectoral organizations within the framework of project collaboration. We communicate with our employees, who are our main stakeholders, through trainings, meetings, intranet, website, performance reviews, feedback systems, e-mails and annual reports.

We communicate with our suppliers through one-to-one meetings, certification trainings, technical and vocational trainings, annual reports, website and e-mails.

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



Environmental Performance

At Akxa Energy, we are committed to carrying out our activities in an environmentally responsible manner, adhering to the principle of “effective use of resources,” and continuously striving to advance our performance in this area.

-
- 72 Environmental Management
 - 76 Combating Climate Change and Emissions Management
 - 79 Energy Management
 - 83 Waste Management
 - 86 Water and Wastewater Management
 - 90 Biodiversity



Environmental Management

Our Environmental Policy focuses on climate change, natural resource management, waste management and biodiversity conservation.

To achieve our goals, we utilize the best available production techniques and technologies and regularly monitor our performance in line with our sustainability goals.

At Aksa Energy, we are committed to carrying out our activities in an environmentally responsible manner, adhering to the principle of “effective use of resources,” and continuously striving to advance our performance in this area. Through our comprehensive environmental management practices, we aim to reduce the environmental impacts arising from both our core activities and all stages of our value chain. In this context, our Environmental Policy focuses on climate change, natural resource management, waste management, and biodiversity conservation

When setting our strategic goals, we ensure compliance with legal requirements and fulfill our obligations to all stakeholders, including our business partners. Additionally, we maintain objectivity and transparency by presenting our environmental management performance to all our stakeholders.

Recognizing the impact of our business processes on the world, we set concrete goals such as the following to protect natural resources and prevent environmental damage:

- Enhancing energy efficiency and lowering greenhouse gas emissions
- Reducing water consumption
- Reducing waste generation and increasing recycling rate
- Improving water quality and reducing wastewater generation
- Conserving and enhancing biodiversity

To achieve our goals, we utilize the best available production techniques and technologies and regularly monitor our performance in line with our sustainability goals. We perform our operations related to the establishment, commissioning, acquisition, leasing of power plants, generation of electricity, sale of generated electric energy and/or capacity to customers in compliance with ISO 14001:2015 Environmental Management System Standard. This system covers a wide range of practices related to the management of environmental impacts from our production processes, while the ISO 14001 Environmental Management Certificate and ISO 50001 Energy Management System cover our entire operations.

Since 2020, we have been able to provide online control and management of our documentation and action management systems at Ali Metin Kazancı Antalya Natural Gas Combined Cycle Plant and Bolu Göynük Thermal Power Plant. In addition, we continue our work under the ISO 14001 Environmental Management System, which was launched at Ghana Heavy Fuel Oil Power Plant as of 2020.

We manage the environmental impacts of our power plants under the responsibility of the Central HSE-Q department, power plant managers and power plant HSE units. We run the environmental studies of our domestic power plants through meetings with responsible units, consultancy firms and relevant institutions and organizations. At our power plants in Tashkent, our business partner carries out the necessary controls on a monthly basis to monitor new environmental laws, take necessary measures and implement existing regulations. Energie du Mali (the public electricity utility company) is responsible for environmental issues at Mali Power Plant.

Environmental Management

We conduct planned wastewater analyses in line with national and international regulations. We also carry out the necessary controls to follow new environmental laws, take necessary measures and implement existing regulations.

2023 Environmental Expenditures (TL)	
Environmental Investments	1,704,615.05
Environmental Consultancy Services	1,570,169.12
Water Quality Services	2,168,081.61
Air Quality Services	71,591,638.29
Waste Management Services	53,944,946.47
TOTAL	130,979,450.55

“During 2023, we spent a total of 131 million TL in environmental investments.”

As Aksa Energy, we employ various practices to manage our environmental impact on the lands where we perform energy generation activities. To that end, we are rehabilitating the Ash Landfill at our Göynük power plant to prevent negative environmental impacts such as dusting. We are lowering emissions at our Ghana power plant by converting Heavy Fuel Oil (HFO) machines to natural gas. We conduct detailed noise modeling studies around the Tashkent power plants in Uzbekistan and take measures to reduce process-related noise.

We work with licensed companies that dispose of hazardous wastes from our processes. We also carry out emission measurements at our power plants in accordance with national legislation. We conduct planned wastewater analyses in line with national and international regulations. We also carry out the necessary controls to follow new environmental laws, take necessary measures and implement existing regulations.

We periodically provide in-house trainings within the framework of combating environmental and climate change.

Power Plants that received environmental trainings	Göynük	Antalya	Şanlıurfa	Ghana
Number of staff participating in the training	168	55	39	32
Total training time per person per year (person.hour)	38	31	6	63



Combating Climate Change and Emissions Management

As Akxa Energy, within the scope of energy efficiency, a major issue we focus on as part of our Environmental Policy, we lower energy consumption per unit by 10% by harnessing waste gas heat from production processes thanks to the technology in our combined cycle power plant.

We monitor our emissions from transportation as of 2023 and have replaced 4.65% of our vehicle fleet with hybrid vehicles in order to reduce emissions from employee transportation.

At Akxa Energy, we are aware of the impact of the energy sector on the environment and climate change as well as our responsibilities. We act based on such awareness and make emission management an integral part of our sustainability approach.

To monitor greenhouse gas emissions at our power plants as required by national legislation, we have been regularly issuing greenhouse gas emission reports since 2015 and submitting them to the Ministry of Environment, Urbanization and Climate Change after approval by an authorized verification body.

Since 2015, the year we signed The Trillion Tonne Communiqué (a global call for support from businesses that take the science of climate change seriously and support a global goal of net zero greenhouse gas emissions), we have taken this into account in our energy investments.

As Akxa Energy, within the scope of energy efficiency, a major issue we focus on as part of our Environmental Policy, we reduce our energy consumption per unit by 10% by utilizing the heat of the waste gas generated from production processes thanks to the technology in our combined cycle power plant. We generate energy from waste heat at all our natural gas power plants and

at Northern Cyprus Kalecik Fuel Oil Power Plant. We also reduce our greenhouse gas emissions with Oxicat-type filters installed at our natural gas power plants. We control our emissions instantly through emission measurement systems in our power plants. The air emissions at our domestic power plants are also monitored online by the Ministry of Environment, Urbanization and Climate Change. Other efforts to reduce greenhouse gas emissions at our power plants include machine maintenance and revisions to all processes.

Under the UNGC-Climate Ambition Accelerator program, which we joined in May 2024, we plan to establish science-based targets for reducing greenhouse gas emissions in the coming period. We monitor our emissions from transportation as of 2023 and have replaced 4.65% of our vehicle fleet with hybrid vehicles in order to reduce emissions from employee transportation.

We implement the following good practices to reduce emissions from our fuel consumption and energy needs and to replace equipment.

- At Tashkent Plant A, we feed exhaust gas to the boiler with four NOx water injection systems in the gas turbine.
- At Tashkent Plant B, we reduce NOx with an oxidation catalyst in the exhaust line. In addition, with the transition of gas engines to the UNIC (Unified Controls) system, we are reducing unit gas consumption and emissions.
- We maintain machine efficiency at Antalya Power Plant by performing regular efficiency-enhancing and preventive maintenance. Therefore, we contribute to emission reduction by maintaining combustion efficiency.
- We are reducing emissions by reducing the fuel consumption of the Ghana Power Plant and performing studies on the heat rate as well as delivering the dual fuel conversion (switching to natural gas from heavy fuel oil) project.



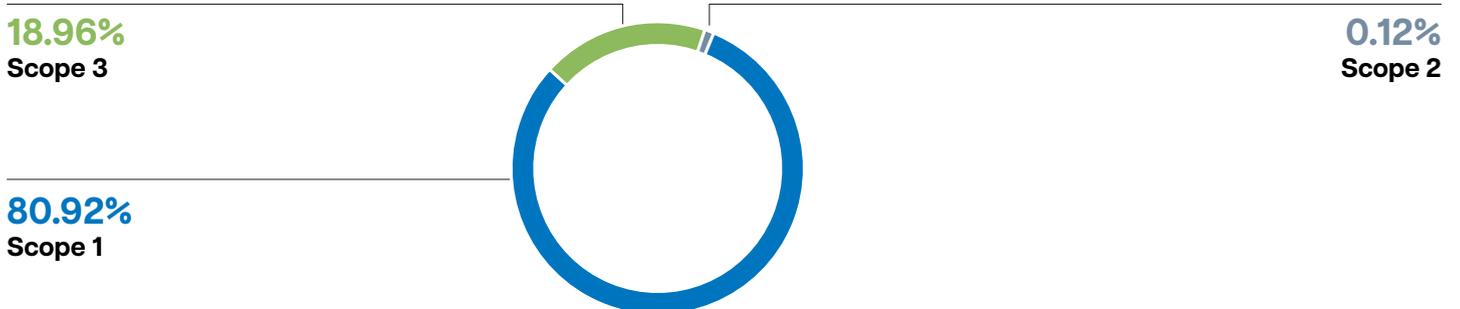
Emissions Data*		Unit	2021	2022	2023
Scope 1	Total	tCO ₂ eq	4,026,325	3,266,804	6,902,004.04
Scope 2	Total	tCO ₂ eq	-	-	10,496.33
Scope 3	Total	tCO ₂ eq	-	-	1,616,614.02

Air Pollutant Emissions Data**		Unit	2021	2022	2023
Dust Emissions		kg/h	-	1.0017	-
SOx		kg/h	-	0.89	-
NOx		kg/h	-	310.92	297.43
CO		kg/h	12.14	47.49	-

Emission intensity Data**		Unit	2021	2022	2023
Greenhouse Gas Emissions per MWh of Generation		kg CO ₂ eq/ MWh	592	678	596

During 2023 reporting period,

- Antalya, Şanlıurfa, Bolu Göynük, Northern Cyprus, Madagascar, Tashkent A, Tashkent B, Bukhara, Ghana and Mali power plants are included in calculations
- 80.92% of our emissions are Scope 1, 0.12% are Scope 2 and remaining 18.95% are Scope 3.



*Since 2015, Greenhouse Gas Emission reports are prepared annually for our domestic power plants and are submitted to the Ministry. Scope 1 emissions for 2021 and 2022 cover only our domestic power plants. In addition, the calculation of Scope 1-2-3 emissions has started as part of Carbon Footprint in 2023.
** Includes only domestic power plants.



Energy Management

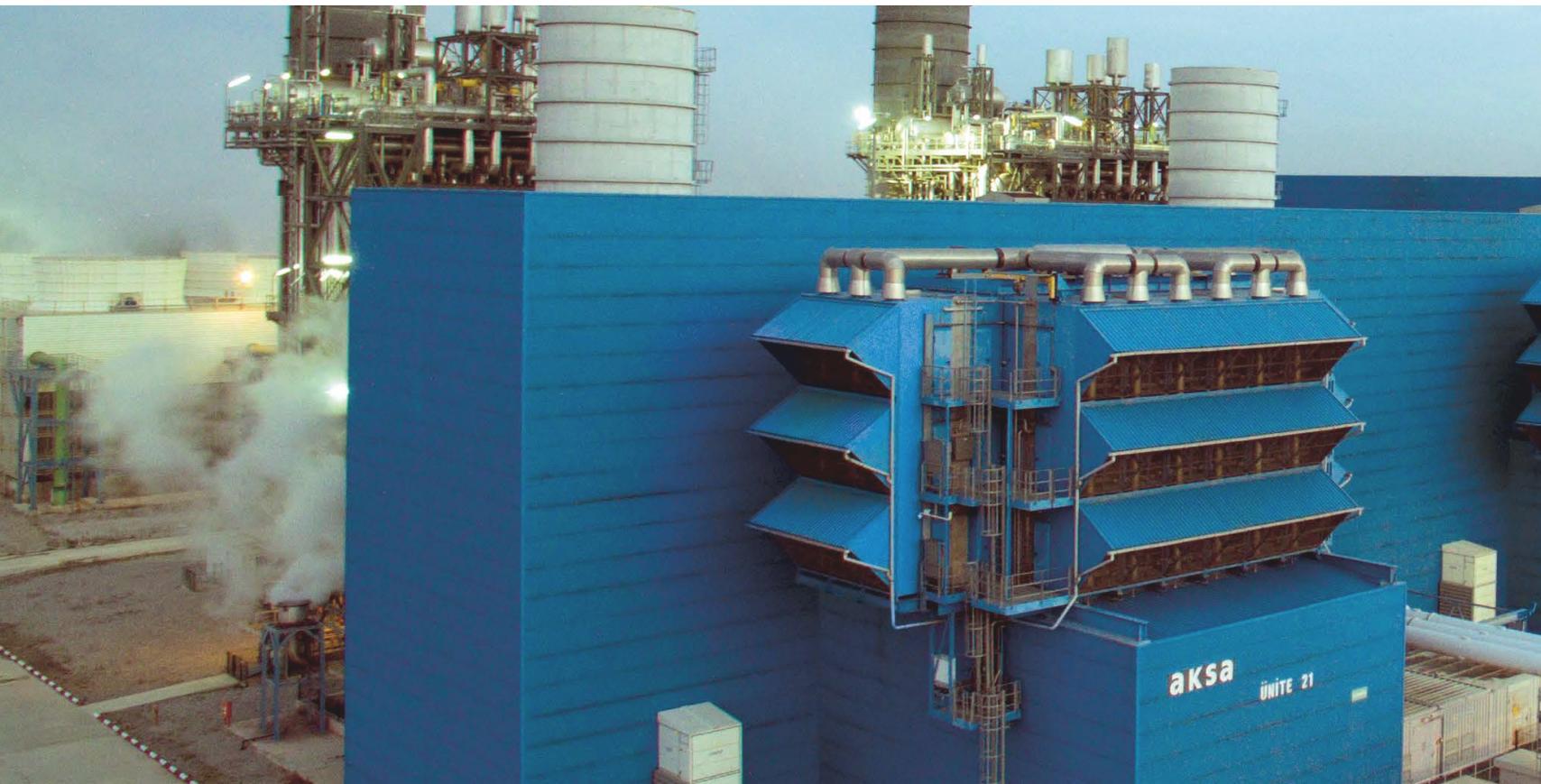
We carry out our energy management processes in accordance with the ISO 50001:2018 Energy Management System and run our strategy under our Energy Policy

We focus on using energy more consciously and efficiently while building our energy management strategy and processes. We carry out our energy management processes in accordance with the ISO 50001:2018 Energy Management System and run our strategy under our Energy Policy. To that end, we monitor, analyze and improve our energy consumption data through the SCADA system to reduce our operating costs while supporting environmental sustainability. We include best practices such as switching to renewable energy sources and energy saving measures.

Under our policy, we are committed to continuously improving our energy performance, providing the necessary information and resources to achieve our goals and objectives, complying with the legal requirements we are subject to regarding energy consumption and efficiency, and documenting and implementing energy management procedures that include the best facility management standards and practices to ensure sustainable energy management conditions.

Energy consumption data		Unit	2021	2022	2023
Electricity Consumption (Annual)	Bolu/Göynük	MWh	286,533.0	275,293.0	280,217.0
	Antalya	MWh	78,632.6	52,254.9	62,881.5
	Şanlıurfa	MWh	4,710.2	5,776.3	10,051.3
	Northern Cyprus	MWh	10,956.2	10,816.4	11,578.0
	Tashkent Plant A	MWh	-	45,846.1	86,332.9
	Tashkent Plant B	MWh	-	40,060.2	73,938.6
	Bukhara Plant C	MWh	-	25,280.4	39,528.1
	Ghana	MWh	13,922.1	11,722.3	16,139.1
	Madagascar	MWh	9,961.7	10,210.7	6,058.1
	Mali	MWh	4,726.0	4,647.0	1,956.0
	Total	MWh	409,441.8	481,907.3	588,680.6

Energy Management



Energy Generation (GJ)	2021	2022	2023
Total Electricity Generated	25,974,921.6	37,321,160.8	47,075,796.2
Electricity Generated and Sold (to external parties)	24,602,474.2	32,603,995.7	44,934,073.5
Electricity Generated and Used within the Organization	1,321,590.2	4,702,888.7	2,119,250.3
Purchased Electricity (from outside the organization)	11,932.5	33,523.3	16,819.1
Steam Generated (tons)	62,554,491.4	55,621,269.8	56,746,668.6
Steam Used (tons)	62,263,512.3	55,310,898.5	56,430,017.5

Through periodic maintenance and our best practices in energy management and efficiency, we realized 3-4% energy savings in our internal energy requirement. We aim for an improvement of about 2-3% in our internal needs by raising the motor energy efficiency classes.



As part of our sustainable growth strategy, we increase the diversity of energy sources in our portfolio and continue to invest in renewable energy in the medium and long term. Accordingly, we have obtained preliminary licenses for wind and solar power plants with storage in 8 locations, corresponding to a total capacity of 831.41 MW in 2023. In addition, we sustain efforts to minimize our carbon footprint thanks to our 35 MW hybrid solar power plant in Bolu Göynük, meeting internal electricity demand.

We have a Renewable Energy Resource Guarantee (YEK-G) Certificate at Aksa Headquarters. At our Tashkent Power Plant in Uzbekistan, we consume energy from renewable energy sources thanks to the rooftop Solar Power Plant installed in the employee residential area buildings.

Parameter	Power Plant	2021	2022	2023
Heat Rate (KJ/KWh)	Ghana	99,004.98	107,191.20	84,342.39
Heat Rate (KJ/KWh)	Mali	114,555.30	113,879.20	86,124.89
Heat Rate (KJ/KWh)	Northern Cyprus	88,088.91	97,160.99	95,367.80
Heat Rate (KJ/KWh)	Göynük	111,748.60	112,149.70	110,392.40
Heat Rate (KJ/KWh)	Antalya	85,097.62	80,788.04	87,455.66
Heat Rate (KJ/KWh)	Şanlıurfa	45,774.20	115,771.70	115,146.30
Heat Rate (KJ/KWh)	Madagascar	112,263.50	114,421.30	114,311.60
Heat Rate (KJ/KWh)	Bukhara, Uzbekistan	-	67,134.71	101,696.40
Heat Rate (KJ/KWh)	Tashkent A, Uzbekistan	-	50,526.41	101,521.40
Heat Rate (KJ/KWh)	Tashkent B, Uzbekistan	-	50,557.87	104,109.50

Waste Management

We provide recycling and recovery in line with the management of non-hazardous wastes in our domestic and foreign power plants. We work with licensed companies that dispose of hazardous wastes from our power plants.

Our approach to waste management is based on reducing waste from our operations before disposal and recycling it to the greatest extent possible. Our waste management system involves sorting, measuring, and sending waste to licensed disposal and recycling facilities, are monitored by our power plants and central units. We have Zero Waste and ISO 14001 Environmental Management System certificates, and we protect natural resources and reduce the amount of wastes by reuse.

We provide recycling and recovery in line with the management of non-hazardous wastes in our domestic and foreign power plants. We work with licensed companies that dispose of hazardous wastes from our power plants.

Waste Values	Unit	2021	2022	2023
Total Amount of Hazardous Waste sent to recycle	tons	1,586.51	1,448.88	1,175.62
Total Amount of Non-Hazardous Waste sent to recycle	tons	287.79	1,194.52	2,323.84
Total Non-Hazardous Waste sent to storage	tons	857,607.9	876,773.2	864,542.7

Waste Management

Waste data	Unit	2021	2022	2023
Solid waste containing hazardous substances	tons	0.8	1.2	2
Cartridges and toners containing hazardous substances	tons	0.14	0.165	0.255
Lead-containing batteries and accumulators	tons	1.788	1.86	1.174
Absorbers, filter materials (oil filters if not otherwise specified), cleaning cloths, protective clothing contaminated with hazardous substances	tons	33.75	40.607	39.835
Packages containing residues of dangerous substances or contaminated with dangerous substances	tons	3.124	3.233	23.752
Laboratory chemicals consisting of or containing hazardous substances, including mixtures of laboratory chemicals	tons	0,14	2,15	4,84
Wastes whose collection and disposal are subject to special treatment to prevent infection	tons	0.622	0.4	0.424
Fluorescent lamps and other mercury-containing waste	tons	0.67	1.95	0.626
Other hydraulic oils	tons	300.84	279.75	181.59
Paper and cardboard packaging	tons	3.2	5.312	19.58
Plastic packaging	tons	2	12.046	22.61
Metals	tons	81.35	214.99	493.68
Glass packaging	tons	-	0.25	0.2
Wooden packaging	tons	1.5	0.36	1.25
Aluminum	tons	-	-	0.76
Treatment sludge	tons	6,243.5	9,203.34	13,383.20
Municipal waste not otherwise identified	tons	154	955.82	1,709.4
Waste cooking oil	tons	0.18	0.4	-
Empty pressurized metallic packaging	tons	0.112	0.1	0.05
Slag, Ash	tons	819,968.8	841,223.6	836,565.4
Electronic waste	tons	0.02	0.1	0.2
Medical waste	tons	0.622	0.4	0.424
Gypsum	tons	31,395.6	26,346.3	14,594.1
Engine, transmission and lubricating oils	tons	22.6	127.62	159.3
Paints and varnishes containing organic solvents or other hazardous substances	tons	-	0.1	0.117
Capacitors containing PCBs	tons	0.176	-	-
Sulfuric acid	tons	-	0.14	-
Grinding parts and grinding machines	tons	-	0.2	-
Discarded inorganic chemicals	tons	-	4.36	0.428
Oil filters	tons	0.2	5.36	1.078
Sludge from oil water separator	tons	1,220.26	987.18	761.88

Waste Values	Unit	2021	2022	2023
Total Amount of Hazardous Waste	tons	1,586.51	1,448.88	1,175.62
Energy Recovery	tons	-	-	-
Recovery	tons	1,586.51	1,448.88	1,175.62
Waste Site	tons	-	-	-
Waste Incineration	tons	-	-	-
Total Amount of Non-Hazardous Waste	tons	857,895.69	877,967.7	866,866.5
Recovery	tons	287.79	1,194.52	2,323.84
Waste Side	tons	857,607.9	876,773.2	864,542.7
Total	tons	859,482.2	879,416.6	868,042.1
Recovered Waste Values	Unit	2021	2022	2023
Paper/Cardboard	tons	3.12	5.312	19.58
Plastic	tons	2	12.046	22.61
Wood	tons	1.5	0.36	1.25
Metal	tons	81.35	214.99	493.68
Other (please explain)	tons	199.82	961.81	1,786.72
Total	tons	287.79	1,194.52	2,323.84
Type of Hazardous Wastes diverted from disposal	Unit	2021	2022	2023
Waste Oil	tons	323.44	407.37	340.89
Chemical Waste	tons	0.14	6.51	5,268
Electronic Waste	tons	0.02	0.1	0.2
Other (please specify)	tons	1,262.91	1,034,895	829.26

As an example of good practices in our waste management processes, waste oil ineligible for use in machinery at our Madagascar power plant is condensed and converted into a fuel source that can be used in heavy industry conditions. In order to dispose of both heavy fuel and hazardous waste, waste generated at the power plant and lodgings is disposed of free of charge by licensed companies. To this end, an average of 1.5 tons of hazardous waste is disposed of monthly.

In our chemical management processes, we act in accordance with the guidelines of the companies with which we have agreements, and we prefer environmentally friendly products in our operations and processes.

Water and Wastewater Management

As part of water management, we safeguard natural water resources using technological innovations and best practices.

Water Consumption Data (m ³)	2021	2022	2023
Tap Water Consumption	128,021.35	159,891.00	192,299.00
Surface Water Consumption	9,955,883.00	9,637,299.00	9,588,825.00
Sea Water Consumption	-	10,903,182.00	15,055,953.00
Groundwater Consumption	5,000.00	5,000.00	5,000.00
Total Water Consumption	10,088,904.40	20,705,372.00	24,842,077.00
Amount of Water diverted from disposal	2,025,797.00	1,707,856.40	1,857,937.38
Amount of Water Discharged	2,519,304.00	12,673,803.00	17,218,033.00

Water consumption data	2021	2022	2023	2023
Water Use (m ³)	Bolu/Göynük	5,435,575.00	4,638,775.00	4,854,301.00
	Antalya	4,511,641.00	2,708,042.00	2,285,081.00
	Şanlıurfa	71,516.00	95,082.00	146,240.00
	Northern Cyprus	-	10,903,182.00	15,055,953.00
	Tashkent A&B	-	1,742,967.00	1,441,190.00
	Bukhara C	-	547,515.00	1,007,453.00
	Ghana	34,410.40	26,414.00	16,745.00
	Madagascar	13,100.00	23,100.00	22,000.00
	Mali	8,395.00	8,256.00	13,992.00
	Total	10,074,637.40	20,693,333.00	24,842,955.00



Water and Wastewater Management

Our organization has an Environmental Policy, and in line with the principles of environmental sustainability, we focus on reducing water consumption by reusing water, improving water quality and reducing wastewater.



When accounting for our water intensity data for the years 2021-2023, we calculate the ratio of total water consumption (m³) to gross production (MWh).

Since 2021, we have been recording our water consumption and intensity. Our organization has an Environmental Policy, and in line with the principles of environmental sustainability, we focus on reducing water consumption by reusing water, improving water quality and reducing wastewater. We identify the points where water consumption is high and carry out improvement studies for responsible consumption.

- The steam condensate output used for the internal needs of our Northern Cyprus power plant is re-evaluated and transferred to the fire tank. This enabled us to store the water to be discharged in the fire tank for reuse. Subsequently, we saved a total of 3,127 tons of water in 2023.
- In the misting system of radiators in our Tashkent Plant B, more water was consumed by activating all the misting systems in the radiator group, regardless of whether a machine had a load drop or not. By installing separate valves in the radiator group for each machine, we have reduced our water consumption by approximately half.
- The decarbonization plant installed at our Antalya Natural Gas Combined Cycle and Bolu Göynük Thermal Power Plants enabled us to save 403,387.38 m³ of water in Antalya and 1,454,550 m³ in Bolu.
- We store in external tanks the wastewater from the reverse osmosis treatment system used in the water treatment plant at our Ghana power plant and reuse it for landscape irrigation.

When accounting for our water intensity data for the years 2021-2023, we calculate the ratio of total water consumption (m³) to gross production (MWh). Since Tashkent Plant A and Plant B are in the same location, we carry out water processes jointly.



Water Density (m ³ /MWh)	2021	2022	2023
Ghana	0.094	0.091	0.032
Mali	0.033	0.026	0.068
Northern Cyprus	-	16.491	19.125
Bolu/Göynük	2.564	2.366	2.454
Antalya	0.921	0.902	0.614
Şanlıurfa	0.435	0.511	0.518
Madagascar	0.030	0.055	0.093
Plant A	-	0.851*	0.434*
Plant B	-	0.851*	0.434*
Plant C	-	0.423	0.498

*Tashkent Plant A and Plant B are in the same location. We carry out water processes jointly. Water density is calculated via considering power generation data of both power plants.

Biodiversity

We regularly monitor, assess and report on the impact of our operations on biodiversity. We perform environmental risk analyses from the stage of investment decisions and evaluate our potential impacts on species in the regions we operate.

In December 2023, the Environment, Nature and Wildlife Education and Research Cooperation Protocol was signed between Kazancı Holding, our parent company, and Isparta University of Applied Sciences. As Aksa Energy, we support this cooperation.

We regularly monitor, assess and report on the impact of our operations on biodiversity. We conduct environmental risk analyses from the stage of investment decisions and evaluate our potential impacts on species in the regions we operate. We help various projects and establish collaboration to minimize and monitor negative impacts in our fields of activity.

In December 2023, the Environment, Nature and Wildlife Education and Research Cooperation Protocol was signed between Kazancı Holding, our parent company, and Isparta University of Applied Sciences. As Aksa Energy, we support this cooperation. This protocol aims to establish an exemplary University-Institution collaboration for Türkiye in line with the procedures and principles regarding research, development, education and awareness cooperation on environment, nature and wildlife. To this end, the first project carried out under the Environment, Nature and Wildlife Education and Research Protocol was the Anatolian Leopard Protection and Wildlife Support Project. As part of this protocol, our parent company Kazancı Holding agrees to offer leadership in financing, funding, project management, volunteer support, and awareness raising while Isparta University of Applied Sciences agrees to provide scientific research, data analysis and scientific consultancy.

The Anatolian leopard (*Panthera pardus tulliana*) is an endemic leopard species that was thought to be extinct in Türkiye but proved to exist after being caught in camera trap photos. Globally,

this species is an endemic species of leopard and distributed only within Türkiye. According to the International Union for Conservation of Nature and Natural Resources (IUCN), the Anatolian leopard is in the highly vulnerable 'EN-Endangered' category. According to a study conducted by Cats Specialist Group, the size of the leopard population in Türkiye is <5. This project aims to create visibility, raise awareness and prevent hunting activities in order to protect the Anatolian leopard and sustain its existence as well as the continuation of diversity of biological species. The teams formed by Kazancı Holding's own employees take an active role in the field together with researchers from Isparta University of Applied Sciences.

Employees working in areas such as information and awareness-raising activities, camera trap installation and wildlife observation first receive training from academics on the relevant subjects and then assume various roles in the field in line with the training they receive. Thanks to the camera traps set up as part of the project, the movements of the Anatolian leopard and other wild creatures are monitored, and information is gathered about the ecosystem and habitat in the region. Under the project, training programs are organized to raise awareness among local people, particularly children in the region where the camera traps are installed. To that end, the project has a holistic conservation strategy, aiming to protect the entire ecosystem, especially the Anatolian leopard.

Since 2015, Aksa Energy has also been conducting studies to determine the ecology of mountain gazelles, striped hyenas and red deer as well as to protect brown bears and lynx living in Türkiye. The leopards were last seen in Anatolia 50 years ago. The emergence of scientific records of the presence of the Anatolian leopard in Antalya in 2019 and the steps taken in this regard give us great hope for the protection of biodiversity in our country.

In 2021, we launched the Mediterranean Monk Seal Project, which focuses on the habitats of Mediterranean Monk Seals on the TRNC coast. Our aim was to map breeding, sheltering and roaming areas. By sharing this data with the relevant TRNC authorities, we aimed to protect such habitats. In 2022, we continued our work by conducting four separate dives in various regions of the TRNC to better identify the breeding, sheltering and roaming areas of seals.



Social Performance

Our human resources approach is based on values such as selection of the right employees, management of diversity, equal opportunity, personal and professional development. It focuses on the welfare of our employees and the competent workforce required for our services.

- 94 Human Resources Approach
- 96 Safe Working Environment
- 98 Employee Productivity and Development
- 100 Employee Satisfaction
- 102 Equal Opportunities and Diversity
- 104 Contribution to Local Economy and Employment
- 105 Social Responsibility





Human Resources Approach

We adopt the principle of ‘the right person for the right job’ in accordance with our Human Resources Policy.



We ensure the effective implementation of our Human Resources Policy based on the principles of fairness and ethics, transparency, employee orientation, diversity, equality and inclusion.

Our human resources approach is based on values such as selection of the right employees, management of diversity, equal opportunity, personal and professional development. It focuses on the welfare of our employees and the competent workforce required for our services. To that end, we adopt the principle of ‘the right person for the right job’ in accordance with our Human Resources Policy, which is based on valuing and respecting people. We build agile and learning international organizational structures for the welfare of our employees in line with our business strategies towards our goals, and we strive to acquire new talents as well as develop and retain existing talent. Accordingly, we establish creative, dynamic, knowledgeable, highly motivated, effective and efficient teams and support all company management and employees with our Human Resources Unit to ensure the continuity of the team. We are committed to upholding universally accepted human rights principles and are

against child labor and forced labor. We absolutely do not tolerate discrimination, harassment and violence in our company, and we consider the principle of ‘DEI - Diversity, Equality and Inclusion’ as one of our key sustainability priorities. In this respect, we ensure the effective implementation of our Human Resources Policy based on the principles of fairness and ethics, transparency, employee orientation, diversity, equality and inclusion.

In our 2023 domestic employee profile, 68% of our employees are blue-collar while 32% are white-collar. 79% of our foreign employees are blue-collar, and 21% are white-collar. In addition, the rate of female white-collar employees is 26% in Türkiye, compared to 10% abroad. The rate of female blue-collar employees rose to 8% at our foreign power plants. We employed 68% of our employees at our foreign power plants from local communities.

	Number of Employees by Year			Male			Female		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Domestic	420	413	446	383	376	406	37	37	40
Foreign	610	821	919	553	751	840	57	70	79
Total	1,030	1,234	1,365*	936	1,127	1,246	94	107	119

*Includes subcontractors.

Our Human Resources Department acts on the awareness that managing and developing our employees in the most efficient way will create sustainable progress and value in the business world. To that end, it conducts recruitment processes using talent pools supported by performance outputs as internal resources and career portals, university collaborations and young talent programs as external resources.

At Aksa Energy, we observe equal opportunities in recruitment processes by evaluating candidates based solely on their professional skills and qualifications, regardless of factors such as age, gender, race, color, language, religion, philosophical and political views, ethnic origin, economic status, health status, disability, appearance, lifestyle and clothing style, and sexual orientation. Aware of the fact that our differences enrich us, we are committed to treating all stakeholders equally. Furthermore, we adopt an open, fair, constructive and equitable communication policy, and we strongly oppose the use of sexist, racist, discriminatory and stereotyping language and behavior. We implement a competency-based recruitment system to ensure effective and accurate domestic and foreign recruitment processes. We follow a more detailed process for executive level hires. In this process, we use assessment tools such as personality inventory, numerical, verbal and abstract aptitude tests, English tests and case studies according to the competency set, thus increasing the efficiency of the recruitment process. When it is necessary to recruit for a new position, we evaluate both internal and external resources within the framework of the job description and the job requirements.

At Aksa Energy, we regularly organize internship programs every year. In addition to internship programs announced through job search portals, we also recruit interns throughout the year as part of collaboration with universities. We guide successful interns to the Enerjimaxa Young Talent program, which starts in parallel with the academic year. We put the young talents who apply to the program through various evaluation processes and place them in departments that match their interests and competencies. Young talents spend their first year receiving on-the-job training in the departments they work in as well as training to adapt to corporate life and improve their competencies. Young talents who successfully complete the program join the company.

We implement a performance management system to support the career development of all employees and ensure that they make the best contribution to our operations. Each year, we share with our Human Resources Department the strategic key performance indicators (KPIs) set by the senior management prior to the budget planning period, create employees' target cards together with department managers in line with these KPIs, evaluate the targets through quarterly reviews and make updates when necessary. To provide our employees with promotion opportunities and to support them in their career journeys, we direct our employees meeting certain criteria for internal appointment and promotion to positions where they may be suitable according to company needs or goals.

We prioritize equal opportunities in all Human Resources processes through competency and talent-based assessments. We encourage a participatory culture by valuing the opinions and suggestions of our employees and invest in qualified human resources through comprehensive training and development programs. This allows us to create a fair and inclusive working environment for all our employees, enabling them to contribute to the sustainable success of our company. Increasing the rate of female employees under the leadership of our Human Resources Department is among the KPIs we set under our sustainability goals. In addition, in May 2024, we put into effect our Policy on the Ratio of Female Board Members. We aim to have 25% female board members by 2030. We continue to support each new step to be taken as part of investments, operations and future activities to realize the 2030 strategy goals.

As Aksa Energy, we have a transparent, fair, measurable and balanced remuneration policy which is based on the principle of 'equal pay for equal work' and encourages sustainable success. To that end, we use the Korn Ferry Job Evaluation System, which is in accordance with international standards, based on criteria such as job content, job contribution to the organization, and levels of responsibility. In our company, we meticulously determine the salary ranges by taking into consideration the wage trends in Türkiye and abroad through comprehensive market research. We aim to value the contributions of all our employees as they deserve and to improve their engagement with the company by securing a fair and transparent working environment and keeping the remuneration policy up to date through regular reviews and analyses. In addition to performance, we also take into account general macroeconomic conditions, the current inflation rate in Türkiye and the sectoral trends in order to apply a fair and accurate remuneration policy to employees.

At Aksa Energy, we offer a wide range of benefits specific to different sectors and positions for white-collar and blue-collar employees. We support employees financially and morally with various benefits and advantages such as shuttle service, meals, private health insurance, life insurance, personal accident insurance, holiday benefits, bonuses, company car, mobile phone, social assistance, birth/marriage/death assistance, travel assistance, and birthday cards. To retain and attract qualified managers to our company, we also define fringe benefits that do not have a direct impact on wages, such as training and development. Furthermore, to facilitate the retention of our female employees in the labor market, we offer nursery support to our employees with children between the ages of 0 and 6. As part of educational collaboration, we provide discounts for university, master's and doctoral programs and develop collaborations on school discounts for the children of Aksa employees as well as publications supporting their development.

Aksa Energy is committed to not employing child labor as part of its Global Human Resources Policy, Global Diversity, Equality and Inclusion Policy, and Global Human Rights Policy. We also emphasize that we do not employ forced labor. We also protect the union rights of our employees.

Safe Working Environment

We comply with all local and international legal regulations and related obligations, and we implement pioneering OHS practices

Following a risk-oriented approach, we proactively identify, assess and classify hazards and risks in all operations of our company

As an organization operating in a broad geography, we see it as our top priority that our employees work in a healthy and safe environment. Accordingly, we comply with all local and international legal regulations and related obligations, and we implement pioneering OHS practices. Having certified effective OHS management approach with the ISO 45001 Occupational Health and Safety Management System certificate, our company goes beyond merely fulfilling legal requirements and meticulously applies world-class modern OHS practices and international standards in all its power plants. In this context, we effectively manage all OHS processes with our HSE-Q (Health, Safety, Environmental - Quality) department, which works in integration with ISO 9001 Quality Management System, ISO 14001 Environmental Management System and ISO 50001 Energy Management Systems.

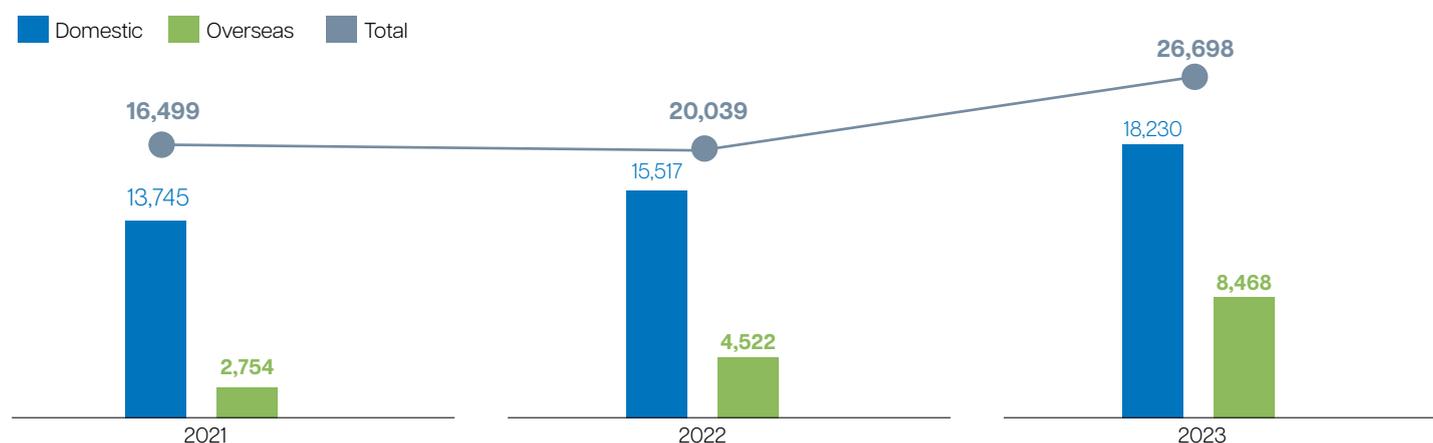
Following a risk-oriented approach, we proactively identify, assess and classify hazards and risks in all operations of our company. We thus aim to protect the health and safety of our employees at the highest level by taking the necessary measures to reduce risks to an acceptable level.

In line with the OHS Management System notification instruction, we record any and all data regarding the health and safety of our employees. We evaluate such data by comparing it with statistics from Türkiye and Europe and make the necessary improvements. In the light of the data we obtain, we strive to maximize our OHS performance to secure continuous improvement.

We take steps to support our employees in every aspect by observing their development, health and safety, and we organize different and relevant trainings every year. Thus, we ensure that all necessary measures are taken to offer our employees a healthy and safe working environment. By prioritizing the well-being and safety of our employees above all else, we set the primary goal of preventing accidents and creating a healthy working environment. Accordingly, we plan to write a sustainable success story in a more productive and motivated manner by improving the engagement of our employees with the company.

Acting towards the goal of 'zero occupational accidents' in all our operations, Akxa Energy takes all necessary safety measures and conducts studies to prevent occupational diseases. In 2023, we continued our efforts to improve the health and safety conditions of employees working at domestic and foreign power plants and to reduce occupational accidents and occupational diseases. Accordingly, in 2023, we conducted a total of 4,400,057 person x hours of work at Akxa Energy's domestic and foreign power plants, and 13,403 person x hours of General OHS and 13,295 person x hours of Toolbox trainings.

	Total OHS training (hours)			Total OHS training (person/hour)		
	2021	2022	2023	2021	2022	2023
Domestic	37.86	38.5	45.46	13,745	15,517	18,230
Foreign	6.48	5.62	10.67	2,754	4,522	8,468
Total	44.34	44.12	56.13	16,499	20,039	26,698

Total OHS Training (PERSON.HOUR)

In 2023, there were 4 occupational accidents and 31 lost days at our domestic power plants, which included no fatal work accidents. In our foreign power plants, there was 1 occupational accident and a total of 14 lost days.

DOMESTIC	2021		2022		2023	
	Employees	Subcontracted Employees	Employees	Subcontracted Employees	Employees	Subcontracted Employees
Number of accidents	9	0	5	0	4	0
Number of fatal accidents	0	0	0	0	0	0
Accident frequency rate*	6.90		4.20		1.70	
Accident severity rate**	11.57		1.53		2.15	

FOREIGN	2021		2022		2023	
	Employees	Subcontracted Employees	Employees	Subcontracted Employees	Employees	Subcontracted Employees
Number of accidents	1	0	3	0	1	0
Number of fatal accidents	0	0	0	0	0	0
Accident frequency rate*	2.80		1.10		0.20	
Accident severity rate**	0.72		2.36		0.43	

*Accident frequency rate: Total number of accidents within working period / total working hours * 1,000,000.

**Accident severity rate: Total lost days due to accidents within a working period. This ratio usually displays lost days per 1,000 working days.

Employee Productivity and Development

While supporting our employees personally and professionally to improve themselves in every field, we act with the awareness that sustainable progress and value creation in the business world are possible by managing and developing our employees in the most efficient way.

We are keen to recruit talented people who will adopt and work to realize the company vision, and we try to meet our need for employees primarily from our existing resources.

While supporting our employees personally and professionally to improve themselves in every field, we act with the awareness that sustainable progress and value creation in the business world are possible by managing and developing our employees in the most efficient way.

In order for our employees to develop their talents and achieve our company’s goals, we create the necessary career paths by considering the common denominators that will provide benefits. Accordingly, we take care to offer all kinds of career development opportunities to our employees. We are keen to recruit talented people who will adopt and work to realize the company vision, and we try to meet our need for employees primarily from our existing resources.

We introduce written rules regarding the employees’ job descriptions under ISO 9001 Quality Management System and inform all employees about these job descriptions. We manage the career and performance management of our employees in line with our goal-oriented approach. We continue to develop the Performance Management System (PMS), which we launched for managers and higher positions in 2019 and for directors and higher positions in 2021. Moreover, we develop Enterprise Resource Planning (ERP) systems for more effective and efficient human resources management, and we continue to work on career maps and the identification of talent pools.

Considering the development, health and safety of our employees, we extensively support them by organizing various training events every year. We provide a healthy and safe working environment by taking all relevant and necessary measures. We perform various activities at Aksa Academy to support the development of our employees. Aksa Academy effectively uses the digital academy platform in training planning processes, thereby providing key support. The platform offers 301 national and international resource files, and each employee has access to an average of 20 resource contents.

We currently offer 644 contents on the Aksa Academy platform to support the professional and social development of all our employees. Our employees can benefit from 324 different e-learning resources and 213 different national and international article compilations to guide them in their work. An analysis of the contents of resources shows that it is mostly the book excerpts that are read, so we enriched the Aksa Academy platform with training and development content, creating a knowledge library and making the platform even more useful in 2023.

Training on Sustainability
1,344
Hours

Training on OHS
1,196
Hours

Contents on the Aksa Academy Platform
644



The digital trainings developed for Aksa address curious topics such as sustainability, information security and competition law, which respond to the important issues of our age. We have plans to restructure Aksa Academy as a more dynamic digital platform in the coming period. Accordingly, we aim to enrich Aksa Academy content with articles, podcasts, book excerpts and TED videos in addition to e-trainings and to make at least 5 new content items available to employees every week.

We supported the development process of Aksa employees with in-person and online trainings throughout the year. Every month, under 'Aksa Talks', we organized brief training seminars of 2 hours delivered by expert trainers to support the development of employees. As part of 'Aksa Talks', we organized 6 seminars with a total of 591 participants. In addition, we provided our employees with a total of 1,196 hours of training in OHS, technical and vocational training in 2023, excluding mandatory training.

In 2023, we conducted various sustainability-themed trainings, including sustainability, environmental awareness and zero waste awareness training, ISO 14064:2018 Carbon Footprint Calculation Training, and ISO 14046:2014 Water Footprint Training. To that end, we provided a total of 1,344 hours of training to 53 people.

Considering the development, health and safety of our employees, we extensively support them by organizing various training events every year

Employee Satisfaction

We continuously invest in our people to create an environment where team members feel valued, creativity and development are encouraged, efforts are recognized, and success is celebrated.

We develop and implement policies to increase the level of employee satisfaction and engagement, which are integral elements of the human resources vision.

Aware that positive impacts and benefits for employees also have a positive impact on the business processes of organizations and increase profitability and efficiency, we see the value we create for employee satisfaction as an integral part of our sustainability approach. An egalitarian and respectful approach to human rights is at the center of our human resources processes, and we always strive to maximize the value we attach to our employees.

We develop and implement policies to increase the level of employee satisfaction and engagement, which are integral elements of the human resources vision. In 2023, we collaborated with Kincentric to measure our level of engagement through the Employee Engagement and Experience Survey. Based on the results obtained, we perform communication, analysis and action plan studies.

The survey was participated by 63% of our employees. We asked employees questions under the following headings:

- Work/life balance as key elements of engagement,
- Authorization/autonomy,
- Work activities,
- Agility as a distinguishing factors, talent focus and engaging leadership

We are aware that our long-term success depends on our employees. We focus on retaining employees who embrace innovation and change, are energetic and are aware of their capacity for personal and professional development. We continuously invest in our people to create an environment where team members feel valued, creativity and development are encouraged, efforts are recognized, and success is celebrated. We also contribute to social welfare organizations on special occasions.

We prioritize hiring talented individuals who share our vision and are committed to realizing it. Wherever possible, we try to meet our staffing needs from within our existing workforce. When internal promotions and transfers fail to meet such needs, we turn to external candidates. We identify both existing and potential human resources through our talent management activities. As part of this process, we write job descriptions for all positions in accordance with the ISO 9001 Quality Management System and ensure that all employees are aware of them. We also manage employee careers and performance within a goal-oriented approach.

We systematically handle employee problems and complaints and get them resolved by the management team. Accordingly, we have successfully resolved 54 out of 56 employee grievances received in 2023.

We emphasize merit and efficiency in our Remuneration Policy and advocate equal pay for equal work. In terms of remuneration and benefits, we aim to offer the most favorable conditions that are meaningful for our employees and sustainable for our business. In line with our goal of becoming the preferred employer in our industry, we implement a competitive, market-based compensation policy designed to improve the quality of life for our employees. Our Corporate Governance Committee oversees and ensures the implementation of our Remuneration Policy for Board of Directors and Executives, which can be accessed on our corporate website. Our policy also bases wage and benefit decisions on performance and productivity while prohibiting gender discrimination.

We are determined to maintain a remuneration system that is fair, transparent and measurable, is based on balanced performance goals, encourages long-term success and is consistent with our company's risk management principles. In addition to wages and benefits, we provide private health and accident insurance for all employees, including those working at our power plants and full-time employees who frequently visit these sites. In accordance with legislation, maternity and paternity leaves are available for new mothers and new fathers, respectively. We also give working mothers 1.5 hours of daily leave to breastfeed their babies until they turn one year-old.



Equal Opportunities and Diversity

In our Human Resources practices, we protect equal opportunities through measurement and evaluation methods based on talent and competence. We take into account the opinions and suggestions of our employees and support a participatory culture by creating platforms where they can share them.

We believe that differences are richness. We respect differences, and we act fairly, equitably and inclusively towards all our stakeholders.

As a company, we only evaluate candidates based on their professional skills and qualifications in our recruitment processes. We do not discriminate on the basis of age, gender, race, color, language, religion, philosophical and political views, ethnic origin, economic status, health status, disability, appearance, lifestyle and clothing style, sexual orientation, and so on, thus ensuring equal opportunities.

At Aksa Energy, return to work rate after giving birth is 100% in 2023.

We believe that differences are richness. We respect differences, and we act fairly, equitably and inclusively towards all our stakeholders. To that end, we attach great importance to human rights, contribute to the development of an inclusive culture, provide equal opportunities, support gender equality and do not tolerate discrimination, harassment and violence. We see 'DEI' as one of our core sustainability goals.

In our Human Resources practices, we protect equal opportunities through measurement and evaluation methods based on talent and competence. We take into account the opinions and suggestions of our employees and support a participatory culture by creating platforms where they can share them. We invest in education and development and establish collaborations to train qualified human resources.

We empower our people to manage diversity and inclusion. In our communication processes, we oppose language and behavior that reinforce sexist, racist, discriminatory and stereotypical judgments. We encourage open, fair and constructive communication methods and adopt an egalitarian communication policy. In our relations with our business partners and stakeholders, we attach importance to collaborating with organizations that value equality and diversity.

As part of our sustainability goals, we aim to increase the number of female employees in our Human Resources Department. As of 2024, we aim to increase the ratio of female members on our Board to 25% by 2030 through the Policy on the Ratio of Female Board Members.

In line with the CMB's Corporate Governance Communiqué and the SDGs, we have established our Female Board Members Policy to ensure women's full and effective participation in decision-making processes and to provide equal opportunities, and we have implemented this policy as a signatory of the UNGC. The implementation, monitoring, supervision, development and updating of the policy are under the authority and responsibility of the Board of Directors. We publish the proposed amendments to the Female Board Members Policy on our company's corporate website upon the decision of the Board of Directors and the approval of the General Assembly.

We annually assess the progress made towards achieving the target of having 25% female members on our Board by 2030 at the latest. The Corporate Governance Committee acts as the Nomination Committee and is responsible for identifying suitable candidates in line with the Female Board Members Policy. The proposed candidates are evaluated by the Board of Directors and submitted to the General Assembly for approval.



At Aksa Energy, we adopt an approach that respects human rights for our employees and all stakeholders in the countries we operate. We always value differences and diversity and strive to create a working environment that adheres to universal human rights principles. To this end, we prepare a Communication on Progress every year within the scope of Aksa Energy’s Human Rights Policy, which we have established in accordance with UNGC principles. Published in 2016 and translated into all official languages, our Human Rights Policy is based on the Universal Declaration of Human Rights, ILO Conventions, United Nations Principles on Business and Human Rights, and OECD Guidelines for Multinational Enterprises.

We present our Human Rights Policy publicly on our corporate website. The Policy is managed by the Ethics Committee. Our policy covers our business partners and suppliers, particularly our employees, and we take a clear stance against child labor and forced labor. We follow a policy of positive discrimination for disabled individuals and increase the number of disabled employees. Number of disabled employee rate is 2.70% (12 employees of which 10 male, 2 female). The below table displays annual evolution regarding disabled employees.

To promote gender equality at workplace, we support and highlight women’s participation in workforce. The rate of female employees at our Headquarters is 50%, which we believe is a key indicator of the foregoing approach. We support women’s return to work after becoming mothers, and we see this as part of gender equality.

	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Number of employees with disabilities	10	3	10	3	10	2
	13		13		12	
Ratio of employees with disabilities (%)	3.50%	0.20%	2.66%	8.11%	2.50%	5%
	0.30%		3.15%		2.70%	

Contribution to Local Economy and Employment

We contribute to socioeconomic development through the employment opportunities we create and indirectly support the development of these countries.

We will maintain the value we attach to people and our employees and intend to continue our activities in line with these values.

We perform infrastructure work and repair projects to contribute to local economic development and create lasting value in the regions where we operate. As part of these efforts, we continue our activities on the awareness that energy generation is a critical element for national economies. Accordingly, we respond to the urgent energy needs of developing continents and countries such as Africa and Uzbekistan and increase energy access for local communities. We also contribute to socioeconomic development through the employment opportunities we create and indirectly support the development of these countries.

We evaluate complaints and requests through feedback mechanisms specifically designed to meet the needs of our stakeholders and the local community. Currently, we employ 68% of our employees at overseas plants from local communities. Through these efforts and our local employment policies, we reinforce the value we attach to our employees. For our efforts, we were given the 'Respect for People' award by Kariyer.net. We will maintain the value we attach to people and our employees and intend to continue our activities in line with these values.

Establishing open and effective communication channels with all our stakeholders is key. We manage our business relations on the basis of sustainability and contribute to the revitalization of the local labor market by working with subcontractors in the region in addition to the employment we provide at our power plants.

Social Responsibility

In line with our corporate social responsibility principles, we strive to minimize the negative impacts of our operations on local communities and closely monitor the potential consequences of such impacts.

We continue to add value to society through our social responsibility projects and strongly support our vision of leaving a more livable world to future generations.

At Aksa Energy, we consider all individuals, institutions and organizations directly or indirectly affected by our operations as our stakeholders. Accordingly, we act on a corporate social responsibility approach that aims to create value for our wide network of stakeholders.

In line with our corporate social responsibility principles, we strive to minimize the negative impacts of our operations on local communities and closely monitor the potential consequences of such impacts. Moreover, we care about the opinions of the local communities in the regions where our power plants are located and take steps in line with their suggestions. We carry out various social responsibility projects and activities to contribute to the economic, social and cultural development of the local communities in the impact area of our operations.

On 2 continents and in 5 countries, we hold various social aid campaigns to support the economic, social and cultural development of local people living in the regions where we operate. Particularly in Africa, we invest in power plants to provide electricity, an essential need, while simultaneously taking care to meet other essential needs of the local population such as education, health and food.

In the Antalya phase of our social responsibility project 'Energy for Tomorrow', we sustained our mission of raising awareness among future energy users by providing students with a training on energy and energy efficiency. Our team visited a total of 4 schools, namely Albay Süleyman Külahçı Primary School, Hilmi Caner Saraçoğlu Secondary School, Ilıcaköy Secondary School and Kovanlık Secondary School to provide students with a fun and informative experience. In addition to awareness-raising trainings on energy and energy efficiency, we also provided students with an interactive learning environment through educational games. In the near future, we will continue to meet more students in different cities and schools. We continue to add value to society through our social responsibility projects and strongly support our vision of leaving a more livable world to future generations.

GRI Content Index



**CONTENT INDEX
ESSENTIALS SERVICE**

2024

GRI 1: Core 2021

Aksa Enerji reported in accordance with the GRI Standards for the period of January-December 2023.

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 Turkish version of the report.

GRI Standard	Disclosure	Page numbers and/or descriptions	Exclusions
Corporate Profile, Corporate Governance and Effective Risk Management			
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report, p. inside front cover Corporate Profile, p. 18-35	-
	2-2 Entities included in the organization's sustainability reporting	About the Report, p. p. inside front cover	-
	2-3 Reporting period, frequency and contact point	About the Report, p. p. inside front cover	-
	2-4 Restatements of information	Environmental Performance, p. 70-91 Social Performance, p. 92-105	-
	2-5 External assurance	No external audit was commissioned within the scope of the report.	-
	2-6 Activities, value chain and other business relationships	Generation Portfolio, p. 22-25 Operations, p. 28 Corporate Governance Structure, p. 38 Policies, p. 45-49 Stakeholder Relations Management and Communication Channels, p. 68	-
	2-7 Employees	About Us, p. 18 Social Performance, p. 92-105	-
	2-8 Workers who are not employees	Sustainable Supply Chain Management, p. 67	-
	2-9 Governance structure and composition	Corporate Governance Structure, p. 38 Management Committees, p. 44 Sustainability Committee, p. 62	-
	2-10 Nomination and selection of the highest governance body	Shareholding Structure, p. 20 Corporate Governance Structure, p. 38 Board of Directors, p. 40-43 Management Committees, p. 44	-
	2-11 Chair of the highest governance body	Message from the Chairman and CEO, p. 14-15 Board of Directors, p. 40-43 Management Committees, p. 44	-
	2-12 Role of the highest governance body in overseeing the management of impacts	Message from the Chairman and CEO, p. 14-15 Board of Directors, p. 40-43 Sustainability Management, p. 60	-

GRI Standard	Disclosure	Page numbers and/or descriptions	Exclusions
Climate Change and Energy	2-13 Delegation of responsibility for managing impacts	Corporate Governance Structure, p. 38 Sustainability Management, p. 60	-
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Committee, p. 62 Sustainability Management, p. 60	-
	2-15 Conflicts of interest	Code of Ethics, Transparency and Anti-Corruption, p. 50-51	-
	2-16 Communication of critical concerns	Management Committees, p. 44 Code of Ethics, Transparency and Anti-Corruption, p. 50-51 Stakeholder Relations Management and Communication Channels, p. 68 Employee Satisfaction, p. 100 During the reporting period, Aksa Energy did not receive any critical issues.	-
	2-17 Collective knowledge of the highest governance body	Board of Directors, p. 40-43 Management Committees, p. 44 Sustainability Committee, p. 62	-
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance Structure, p. 38 Employee Satisfaction, p. 100	-
	2-19 Remuneration policies	The Economic Value We Generate, p. 30-33 Policies, p. 45-49 Human Resources Approach, p. 94-95	-
	2-20 Process to determine remuneration	Human Resources Approach, p. 94-95 Equal Opportunities and Diversity, p. 102-103	-
	2-21 Annual total compensation ratio	The Economic Value We Generate, p. 30-33	-
	2-22 Statement on sustainable development strategy	Sustainability Priorities, p. 64-65	-
	2-23 Policy commitments	Policies, p. 45-49	-
	2-24 Embedding policy commitments	Policies, p. 45-49 Sustainability Committee, p. 62	-
	2-25 Processes to remediate negative impacts	Environmental Management, p. 72-75 Combating Climate Change and Emissions Management, p. 76-78 Energy Management, p. 79-82 Waste Management, p. 83-85 Water and Wastewater Management, p. 86-89 Biodiversity, p. 90 Human Resources Approach, p. 94-95 Sustainable Supply Chain Management, p. 67	-
	2-26 Mechanisms for seeking advice and raising concerns	Management Committees, p. 44 Vision and Mission, p. 27 Code of Ethics, Transparency and Anti-Corruption, p. 50-51	-
	2-27 Compliance with laws and regulations	Code of Ethics, Transparency and Anti-Corruption, p. 50-51 Policies, p. 45-49	-
	2-28 Membership associations	Memberships, Initiatives We Support, p. 66	-
	2-29 Approach to stakeholder engagement	Stakeholder Relations Management and Communication Channels, p. 68	-
2-30 Collective bargaining agreements	Human Resources Approach, p. 94-95	-	

GRI Content Index

GRI Standard	Disclosure	Page numbers and/or descriptions	Exclusions
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Committee, p. 62 Sustainability Priorities, p. 64-65	-
	3-2 List of material topics	Sustainability Priorities, p. 64-65	-
	3-3 Management of material topics	Sustainability Priorities, p. 64-65	-
Climate Change and Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Message from the Chairman and CEO, p. 14-15 About Us, p. s.18 Generation Portfolio, p. 22-25 Combating Climate Change and Emissions Management, p. 76-78 Energy Management, p. 79-82	-
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy Management, p. 79-82	-
	302-4 Reduction of energy consumption	Energy Management, p. 79-82	-
	302-5 Reductions in energy requirements of products and services	Energy Management, p. 79-82	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Combating Climate Change and Emissions Management, p. 76-78	-
	305-2 Energy indirect (Scope 2) GHG emissions	Combating Climate Change and Emissions Management, p. 76-78	-
	305-3 Other indirect (Scope 3) GHG emissions	Combating Climate Change and Emissions Management, p. 76-78	-
	305-4 GHG emissions intensity	Combating Climate Change and Emissions Management, p. 76-78	-
	305-5 Reduction of GHG emissions	Combating Climate Change and Emissions Management, p. 76-78	-
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Combating Climate Change and Emissions Management, p. 76-78	-
Waste Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Policies, p. 45-49 Sustainability Priorities, p. 64-65 Environmental Management, p. 72-75	-
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management, p. 83-85	-
	306-2 Management of significant waste-related impacts	Waste Management, p. 83-85	-
	306-3 Waste generated	Waste Management, p. 83-85	-
	306-5 Waste directed to disposal	Waste Management, p. 83-85	-

GRI Standard	Disclosure	Page numbers and/or descriptions	Exclusions
Water and Wastewater Management			
GRI 3: Material Topics 2021	3-3 Management of material topics	Policies, p. 45-49 Sustainability Priorities, p. 64-65 Environmental Management, p. 72-75	
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Water and Wastewater Management, p. 86-89	-
	303-3 Water withdrawal	Water and Wastewater Management, p. 86-89	-
	303-4 Water discharge	Water and Wastewater Management, p. 86-89	-
	303-5 Water consumption	Water and Wastewater Management, p. 86-89	-
Air Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Priorities, p. 64-65 Combating Climate Change and Emissions Management, p. 76-78	
Biodiversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Biodiversity, p. 90	-
GRI 304: Biodiversity 2016	304-3 Habitats protected or restored	Biodiversity, p. 90	-
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Biodiversity, p. 90	-
Accessible Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Message from the Chairman and CEO, p. 14-15 About Us, p. 18 The Economic Value We Generate, p. 30-33 Energy Management, p. 79-82	-
Emergency Management and Business Continuity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainability Management, p. 60 Employee Satisfaction, p. 100	-
Contribution to Local Economy and Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	About the Report, p. inside front cover Human Resources Approach, p. 94-95 Employee Satisfaction, p. 100 Contribution to Local Economy and Employment, p. 104 Social Responsibility, p. 105	-
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Human Resources Approach, p. 94-95	-
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	The Economic Value We Generate, p. 30-33 Human Resources Approach, p. 94-95	
	401-3 Parental leave	Employee Satisfaction, p. 100	-

GRI Content Index

GRI Standard	Disclosure	Page numbers and/or descriptions	Exclusions
Occupational Health and Safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Policies, p. 45-49 Risk Management Approach, p. 52-53 Safe Working Environment, p. 96-97	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Risk Management Approach, p. 52-53 Safe Working Environment, p. 96-97	-
	403-2 Hazard identification, risk assessment, and incident investigation	Safe Working Environment, p. 96-97	-
	403-5 Worker training on occupational health and safety	Safe Working Environment, p. 96-97	-
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Risk Management Approach, p. 52-53 Safe Working Environment, p. 96-97	-
	403-9 Work-related injuries	Safe Working Environment, p. 96-97	-
Economics, Politics and Market Conditions			
GRI 3: Material Topics 2021	3-3 Management of material topics	About Us, p. s.18 The Economic Value We Generate, p. 30-33 Sustainability Priorities, p. 64-65	-
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	The Economic Value We Generate, p. 30-33	-
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Highlights from 2023, p. 34	-
	203-2 Significant indirect economic impacts	Highlights from 2023, p. 34	-
Social Responsibility Projects			
GRI 3: Material Topics 2021	3-3 Management of material topics	Policies, p. 45-49 Social Responsibility, p. 105	-
Corporate Governance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Management Approach, p. 36-57	-
Information Security			
GRI 3: Material Topics 2021	3-3 Management of material topics	Risk Management Approach, p. 52-53 Digitalization and Information Security Management, p. 54-55	-

GRI Standard	Disclosure	Page numbers and/or descriptions	Exclusions
Ethics and Transparency			
GRI 3: Material Topics 2021	3-3 Management of material topics	Policies, p. 45-49 Code of Ethics, Transparency and Anti-Corruption, p. 50-51	-
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Policies, p. 45-49 Code of Ethics, Transparency and Anti-Corruption, p. 50-51 Sustainable Supply Chain Management, p. 67	
	205-2 Communication and training about anti-corruption policies and procedures	Code of Ethics, Transparency and Anti-Corruption, p. 50-51	-
	205-3 Confirmed incidents of corruption and actions taken	Code of Ethics, Transparency and Anti-Corruption, p. 50-51	-
Equal Opportunities and Diversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Policies, p. 45-49 Sustainability Priorities, p. 64-65 Human Resources Approach, p. 94-95 Equal Opportunities and Diversity, p. 102-103	-
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Equal Opportunities and Diversity, p. 102-103 Human Resources Approach, p. 94-95	
	405-2 Ratio of basic salary and remuneration of women to men	There is no gender-based discrimination in compensation. Compensation is based on performance.	-
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Policies, p. 45-49 Code of Ethics, Transparency and Anti-Corruption, p. 50-51	-
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Equal Opportunities and Diversity, p. 102-103 Human Resources Approach, p. 94-95	-

