



KAZANCI HOLDİNG

Our path leads to a **sustainable future!**

Annual Report 2022



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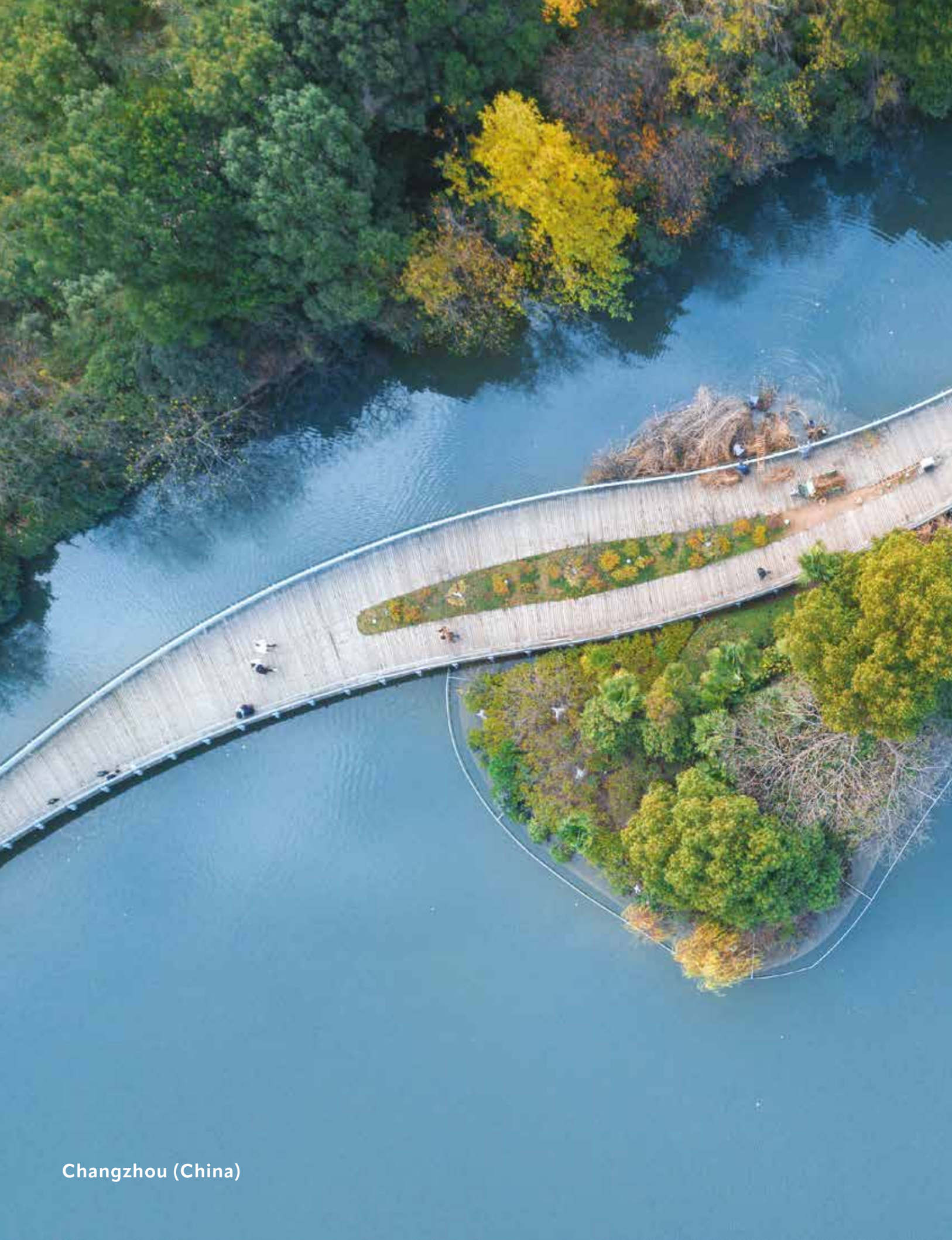
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An aerial photograph showing a multi-lane highway that curves through a valley. The hillsides are covered in green grass and have been terraced into agricultural fields. In the background, there are rolling hills under a clear sky. The overall scene is bright and scenic.

At Kazancı Holding, we are achieving remarkable success in the energy sector under the Aksa brand while rapidly expanding into the agriculture and tourism fields.

Adhering to our Global Strategy 2030 and its associated road map, we are strengthening our position as a global player in the energy sector and positioning our efforts for further progress.

We have a long journey, but the path ahead is clear and will take us far, enabling many more successful achievements and expanding our reach in many more countries.



Changzhou (China)



TRY **13.4**
Billion
EBITDA

The path to 2030...

Sustainability will always be our core driver. Acting with the aim of carrying the Aksa Group Companies to 2030 and beyond, we focus on three points: globalization, institutionalization, and sustainable high growth. In line with the Aksa Global Strategy 2030, we move towards new geographies and advanced technologies in our energy sector operations, while continuing to make a difference in agriculture and tourism.

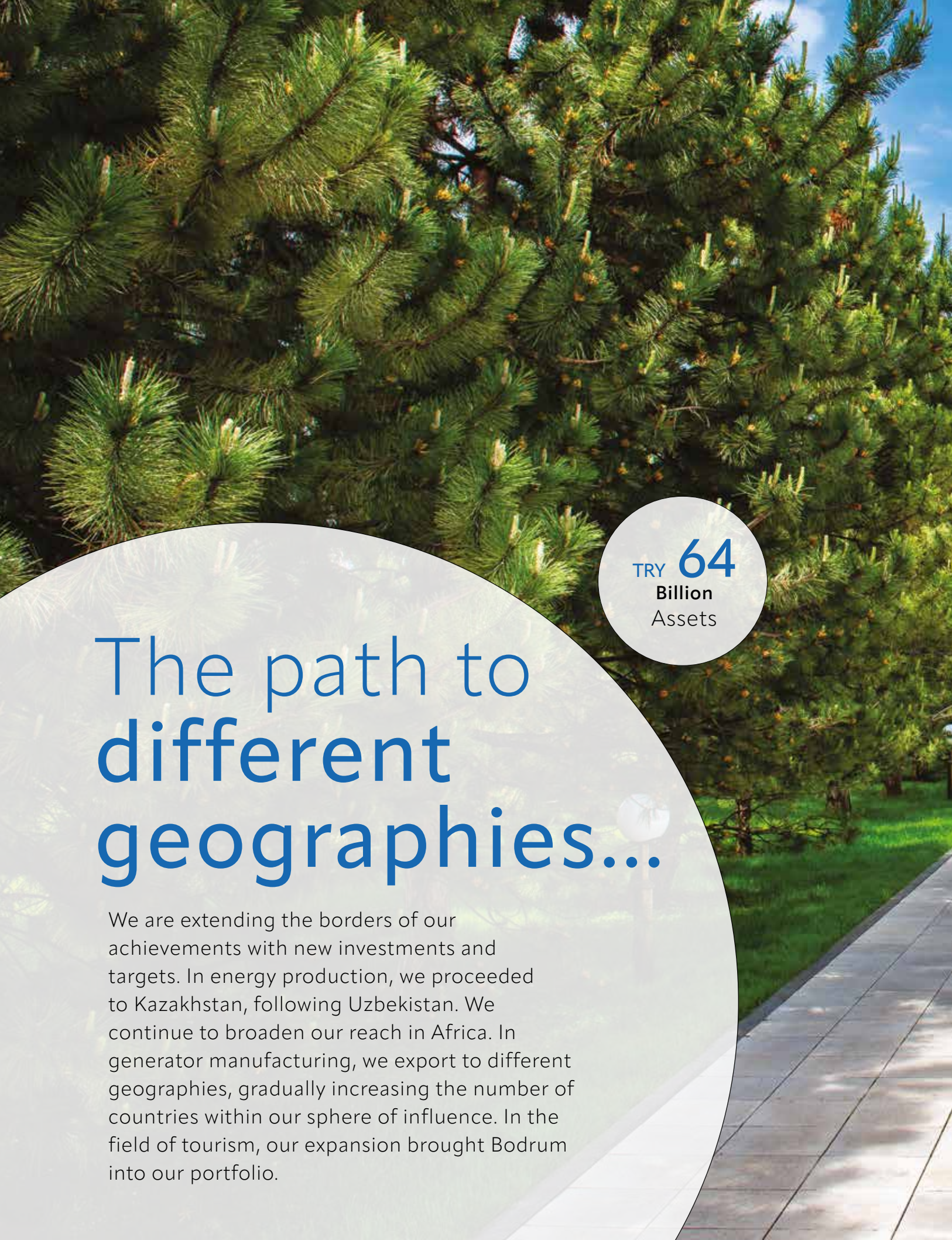
The path to the summit...

In addition to the energy sector, which is our core area of operations and in which our sphere of influence extends across continents, our ascent to the summit is marked by our differences in the agriculture and tourism sectors. Our performance consistently leads to success in various fields of operation, as the Aksa Group Companies – including Aksa Energy, Aksa Natural Gas, Aksa Power Generator, Aksa Electricity, Aksa Çoruh Electricity Services and Aksa Fırat Electricity Services – continue to climb the ladder of growth.

TRY **95.7**
Billion
Revenue



Trabzon (Türkiye)



The path to different geographies...

We are extending the borders of our achievements with new investments and targets. In energy production, we proceeded to Kazakhstan, following Uzbekistan. We continue to broaden our reach in Africa. In generator manufacturing, we export to different geographies, gradually increasing the number of countries within our sphere of influence. In the field of tourism, our expansion brought Bodrum into our portfolio.

TRY **64**
Billion
Assets



Tashkent (Uzbekistan)



The path to millions...

We touch the lives of millions of people on different continents through our products and the energy we produce. The number of our subscribers in the natural gas sector is increasing steadily: Now at 4.5 million, the number of our subscribers clearly indicates our growing strength. Every geography and every individual we reach builds on our success and strengthens our balance sheet.

TRY **12.8**
Billion
Gross Profit



Çanakkale (Türkiye)

A global player with its visionary identity

Operating in 24 countries with more than 10,000 employees on 4 continents and performing sales to 178 countries, Kazancı Holding has become a global power with investments across the world.

Kazancı in the World

Manufacturing in

4

continents

Operations in

24

countries

Sales to

178

countries



Aksa Energy

Türkiye, Ghana, Turkish Republic of Northern Cyprus, Congo, Madagascar, Mali, Uzbekistan, and Kazakhstan



Aksa Natural Gas

Türkiye



Aksa Electricity

Türkiye



Aksa Power Generation

Türkiye, USA, UAE, Algeria, China, Indonesia, Ghana, South Africa, Netherlands, Iraq, UK, Kazakhstan, Kenya, Uzbekistan, Singapore, Vietnam, Sudan, and the Philippines



Aksa Tourism

Türkiye



Aksa Agriculture

Türkiye

Leading brands adding value to our country

Kazancı Holding continuously increases the permanent added value established for the Turkish economy with its investments in agriculture and tourism sectors in addition to energy, as well as foreign exchange earnings and employment opportunities.

Kazancı in Türkiye

TRY **95.7**
Billion
Revenue

TRY **13.4**
Billion
EBITDA



Aksa Energy

Antalya, Bolu,
Şanlıurfa



Aksa Natural Gas

Adana, Afyon, Ağrı,
Amasya, Balıkesir,
Batman, Bayburt,
Bilecik, Bolu,
Çanakkale, Düzce,
Elazığ, Giresun,
Gümüşhane,
Hatay, Malatya,
Manisa, Mersin,
Ordu, Osmaniye,
Rize, Siirt, Sivas,
Şanlıurfa, Tokat,
Trabzon, Van

Natural gas
distribution services
are provided in
Mustafakemalpaşa,
Karacabey, and
Susurluk districts
of Bursa, Karadeniz
Ereğli district of
Zonguldak, İnönü
district of Eskişehir,
and Çarşamba and
Terme districts of
Samsun.



Aksa Electricity

Aksa Electricity
Sales

**Aksa Çoruh
Electricity Retail
Sales**

**Aksa Fırat
Electricity Retail
Sales**

**Çoruh EDAŞ and
Fırat EDAŞ**

Artvin, Bingöl,
Elazığ, Giresun,
Gümüşhane,
Malatya, Rize,
Trabzon, Tunceli



Aksa Power Generation

Adana, Ankara,
Antalya, Bursa,
Denizli, Diyarbakır,
Gaziantep, İzmir,
İstanbul, Kayseri,
Muğla, Samsun,
Şanlıurfa, Trabzon,
Tekirdağ



Aksa Tourism

Antalya, Kayseri,
and Muğla



Aksa Agriculture

Samsun, Tekirdağ

A success story of over a half century

Owing to its expertise and integrated service competence in the energy industry and positioned ahead of its competitor, the Group aims to grow within the sector through a long-term strategic focus and maintain its leading position.

About Kazancı Holding



Today, Kazancı Holding is a global actor performing production on 4 continents, with more than 10 thousand employees and operations in 24 countries, and exports to 178 countries around the world.

Founded in the 1950s, Kazancı Holding is one of the leading groups in the energy sector. Shaping its activities always based on the principles of customer satisfaction and trust during its journey exceeding half a century, the Group has become a global powerhouse through investments made all over the world with its visionary identity and innovative mindset.

Embarked upon its the journey, laying the foundation for the Group companies, with Watt Electric Motor Factory in 1968, Kazancı Holding initiated its manufacturing of generators in the 1980s, added its value chain the power plant installation and electricity generation in the 1990s, natural gas distribution in the early 2000s, and electricity distribution and sales in 2010, and achieved a unique position with its vertical and horizontal structuring in the energy sector over time.

Owing to its expertise and integrated service competence in the energy industry and positioned ahead of its competitor, the Group aims to grow within the sector through a long-term strategic focus and maintain its leading position. The Group continuously increases the lasting added value it creates for the Turkish economy with its investments in agriculture and tourism sectors in addition to energy, as well as foreign currency cash flow and employment opportunities it creates.

Today, Kazancı Holding is a global actor with production facilities on 4 continents, more than 10 thousand employees and operations in 24 countries, and exports to 178 countries around the world.

The subsidiaries of the Holding are among the leading companies in their respective fields due to their achievements.

Of the companies operating under the brand Akxa:

Building and operating power plants in Türkiye and abroad, **Akxa Energy** is Türkiye 's largest independent power producer listed on the stock exchange. Taking firm steps towards globalization since 2015, Akxa Energy operates in 7 countries with power plants located in Türkiye, Turkish Republic of Northern Cyprus, Ghana, Madagascar, Mali, Congo, and Uzbekistan. Akxa Energy's shares are traded on BIST Electricity, BIST Sustainability, and BIST Corporate Governance Indices.

Akxa Natural Gas offers natural gas distribution services to a population of approximately 16.6 million and 4.5 million subscribers with its 38,700 km of mains infrastructure and 173 offices, established and safely operated in 27 provincial centers, 260 districts and towns within the scope of 21 distribution licenses. Serving Türkiye's



most extensive distribution area, Aksa Natural Gas is the country's biggest private natural gas distribution company, distributing 10.5 billion m³ of natural gas with a 21% market share.

As one of the strongest brands in the Turkish energy sector with its customer-oriented and innovative approach, **Aksa Electricity** provides electricity sales and consultancy services throughout Türkiye, and serves in the position of an electricity supply company in its areas of responsibility of 9 provinces in the Çoruh and Fırat license regions.

Çoruh and Fırat Electricity Distribution Companies meet the electricity requirements of a population of 4 million and provide electricity to 2 million subscribers in their service regions by distributing 6.8 billion kWh of energy annually.

Aksa Electricity, an integrated retail company, always offers innovative, environmental-friendly, and alternative energy solutions to its customers and continuously boosts customer satisfaction with its uninterrupted distribution approach without compromising on quality standards.

The leader of the Turkish generator market, **Aksa Power Generation** is among Türkiye's biggest exporters, selling generators to 178 countries on 3 continents. Operating with 19 sales offices in Türkiye as well as 25 overseas offices across Asia, Europe, Africa, and America, Aksa Power Generation is among the top 5 power generator manufacturers in the world.

Aksa Tourism serves in the tourism sector under the Mirada Hotels & Resorts brand. Located in Göynük, Antalya, the 5-star Mirada Del Mar Hotel is a popular destination for vacation and congress tourism during the summer months and offers a comfortable accommodation experience. Mirada Del Lago and Mirada Del Monte Hotel on

Mount Erciyes play a key role in winter tourism, offering guests an atmosphere surrounded by stunning natural beauty in addition to 5-star comfort. Mirada Exclusive Bodrum, the newest member of the chain, promises its guests an accommodation experience of high standards.

Since 2005, **Aksa Agriculture** has positioned itself among the leading companies in the fields of livestock, dairy farming, fruit horticulture and field crops with the corporate structure it has introduced to the agricultural sector. The Company operates its two farms in Samsun and Tekirdağ at EU standards.

Shareholding Structure	Number of Shares	%
Ş. Cemil Kazancı	66,911,492	60.28
Ali Metin Kazancı	32,200,008	29.01
Mehmet Kazancı	6,531,250	5.88
Tülay Kazancı	5,356,250	4.83
Necati Baykal	1,000	0.00
Total	111,000,000	100.00

Energy Companies

AKSA ENERGY

35.4%

Share in Revenues



12 Active Power Plants

2,756 MW

Total Number of Power Plants Operated and Installed Capacity

Region of Operation

- Active power generation activities with investments in Türkiye, Turkish Republic of Northern Cyprus, Uzbekistan, Ghana, Mali, Madagascar, and Congo, and a power plant investment under construction in Kazakhstan

Competitive Advantages

- Geographical diversity provided by power generation activities in 7 countries
- Fast, flexible and sustainable power generation solutions
- Power plant installations with internal resources
- 25 years of experience in power plant installation, operation, and relocation

AKSA NATURAL GAS

38.9%

Share in Revenues



4.5 Million

Number of Subscribers

Region of Operation

- Natural gas distribution in 27 provinces and 260 districts and towns across Türkiye

Competitive Advantages

- Türkiye's biggest private natural gas distribution company
- The company providing services to the largest geographical distribution area in Türkiye
- Distribution operations in 21 license regions out of a total of 72 in Türkiye
- 21% market share

AKSA ELECTRICITY

18.8%

Share in Revenues



11 TWh

Total Electricity Sales Volume

6.49 TWh

Total Electricity Distribution Volume

Region of Operation

- Electricity sales across Türkiye, electricity distribution and supply in 9 provinces in Çoruh and Fırat regions

Competitive Advantages

- Electricity sales and consultancy service in 81 provinces
- Electricity supply and distribution in 9 provinces, 99 districts, and 3,483 villages
- License regions with lower loss/theft ratios than the targets set by EMRA
- 89 Customer Service Centers
- A broad service network across Türkiye
- Innovative, environmentally friendly and alternative energy solutions
- 6.65% market share with Aksa Electricity sales companies

AKSA POWER GENERATION

6.2%

Share in Revenues



178 Countries

Sales Network

AKSA TOURISM

1.2%

Share in Revenues of Akxa Agriculture, Akxa Tourism and Others



1,973 Beds

Total Bed Capacity

AKSA AGRICULTURE



16,900

Cattle Capacity

Region of Operation

- Production on 3 continents
- Sales to 178 countries

Competitive Advantages

- Power generator production facility with the world's largest production capacity
- Leader of the Turkish generator market and among the world's top five power generation companies
- The first and only Turkish generator company to manufacture in the USA
- The only generator company with the accolade of the Turquality brand
- Türkiye's first generator manufacturer with sales on its own e-commerce website
- Generator sets suitable for data center use approved by the Uptime Institute

Region of Operation

- Antalya, Kayseri and Muğla

Competitive Advantages

- A wide seasonal presence with summer, winter and congress tourism
- Serving a broad customer base with five and three-star hotels
- High number of overnight stays with a capacity of 1,973 beds

Region of Operation

- Tekirdağ and Samsun

Competitive Advantages

- Amongst the top 10 farms in Türkiye in cattle breeding and milk production
- EU-compliant production

A year full of records and successes

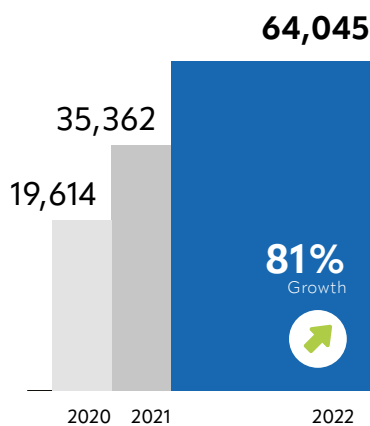
In 2022, Kazancı Holding continued its operations in the most efficient manner and achieved successful results, increasing its turnover by 172% and gross profit by 151%.

Kazancı Holding in Figures

Summary Financial Statements

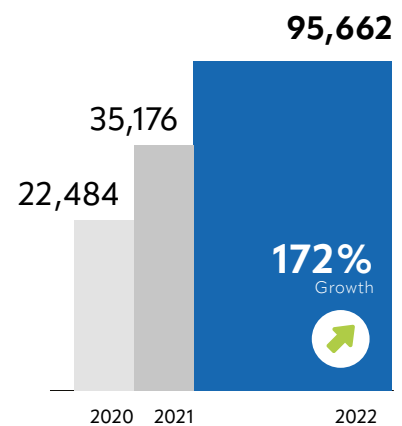
Million TRY	2021	2022
Total Assets	35,362	64,045
Current Assets	14,135	29,510
Fixed Assets	21,227	34,535
Total Liabilities	28,358	47,070
Short-Term Liabilities	17,762	32,005
Long-Term Liabilities	10,596	15,065
Total Shareholders' Equity	7,004	16,975

Assets (TRY Million)



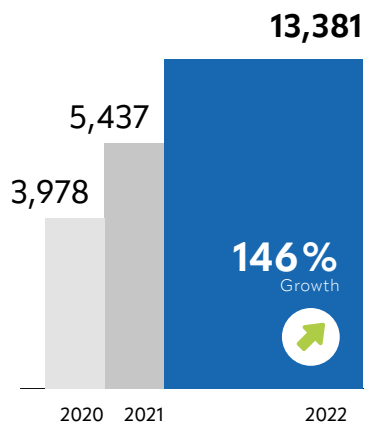
Increasing its asset size to TRY 64 billion, Kazancı Holding generated TRY 95.7 billion turnover as of end of 2022.

Turnover (TRY Million)



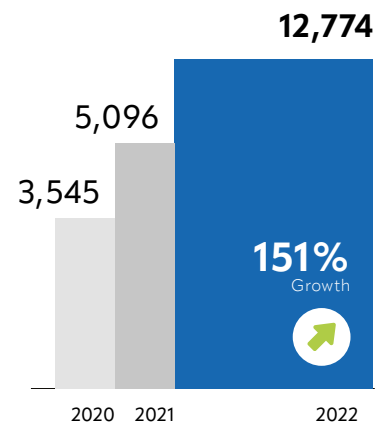
Million TRY	2021	2022
Revenue	35,176	95,662
Gross Profit	5,096	12,774
Operating Profit	4,299	11,808
EBITDA	5,437	13,381
Net Profit	109	5,815

EBITDA (TRY Million)



Maintaining its operational profitability in 2022, Kazancı Holding increased its EBITDA to TRY 13.4 billion and gross profitability to TRY 12.8 billion.

Gross Profit (TRY Million)



From the past towards the future, with firm steps

Milestones

1950

- Kazancı Holding's commercial foundations were established by the founder Mr. Ali Metin Kazancı.

1968

- Watt Elektrik Motor was established to serve as the foundation for the initiatives constituting the AKSA companies.

1984

- Mass production of the first generator models started.

1994

- Kazancı Holding A.Ş. was founded.
- Aksa Power Generation Istanbul factory was inaugurated.

1997

- Aksa Enerji Üretim A.Ş. was founded.
- Aksa Power Generator's first overseas office was inaugurated in Singapore.

2002

- The Group entered the natural gas distribution sector.

2003

- Northern Cyprus Kalecik Combine Cycle Power Plant started production operations.

2004

- Aksa Natural Gas received its first natural gas distribution license.
- Aksa Agriculture commenced commercial operations.
- Aksa Tourism's first hotel Mirada Del Mar Hotel launched operations.

2007

- All natural gas operations of the Holding were consolidated under the Aksa Natural Gas brand.
- The number of Aksa Natural Gas subscribers reached 100 thousand.
- Aksa Power Generation's first factory in China was inaugurated.
- Mirada Del Lago Hotel and Mirada Del Monte Hotel launched operations.

2008

- Aksa Energy Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant initiated electricity production.

2010

- Aksa Energy's IPO took place.
- Çoruh and Fırat electricity distribution regions were deployed, marking the first entry into the electricity distribution industry.
- Aksa Energy's Şanlıurfa Natural Gas Combined Cycle Power Plant launched electricity production.
- The number of Aksa Natural Gas subscribers reached 500 thousand.

2012

- Aksa Power Generation inaugurated its plant in China, which has the world's highest production capacity.
- The mains of Aksa Natural Gas reached 10,000 km.

2013

- Aksa Power Generation's factory in the USA was inaugurated.
- Aksa Natural Gas reached 1 million subscribers.

2015

- Aksa Energy's lignite power plant, Bolu Göynük Thermal Power Plant, initiated electricity production.

2016

- Aksa Natural Gas mains length reached 20,000 km and the number of subscribers reached 2 million.
- Aksa Natural Gas won EMRA's first energy tender conducted in Turkish lira for the distribution of natural gas in Ağrı provincial center and Doğubayazıt district.

2017

- Aksa Energy's power plants started production in Ghana, Madagascar, and Mali.

2018

- Aksa Power Generation's Miami and Uzbekistan sales offices were inaugurated.
- The number of districts and towns where Aksa Natural Gas operates has reached 180.
- One out of every 4 families in Türkiye is a subscriber to Aksa Natural Gas.

2019

- Aksa Natural Gas reached 3 million subscribers.
- Aksa Power Generation established a joint venture with Mitsubishi to produce high-tech generators.

2020

- Aksa Energy concluded an agreement with the Ministry of Energy of Uzbekistan for the establishment of a 740 MW natural gas combined cycle power plant in Tashkent and Bukhara.

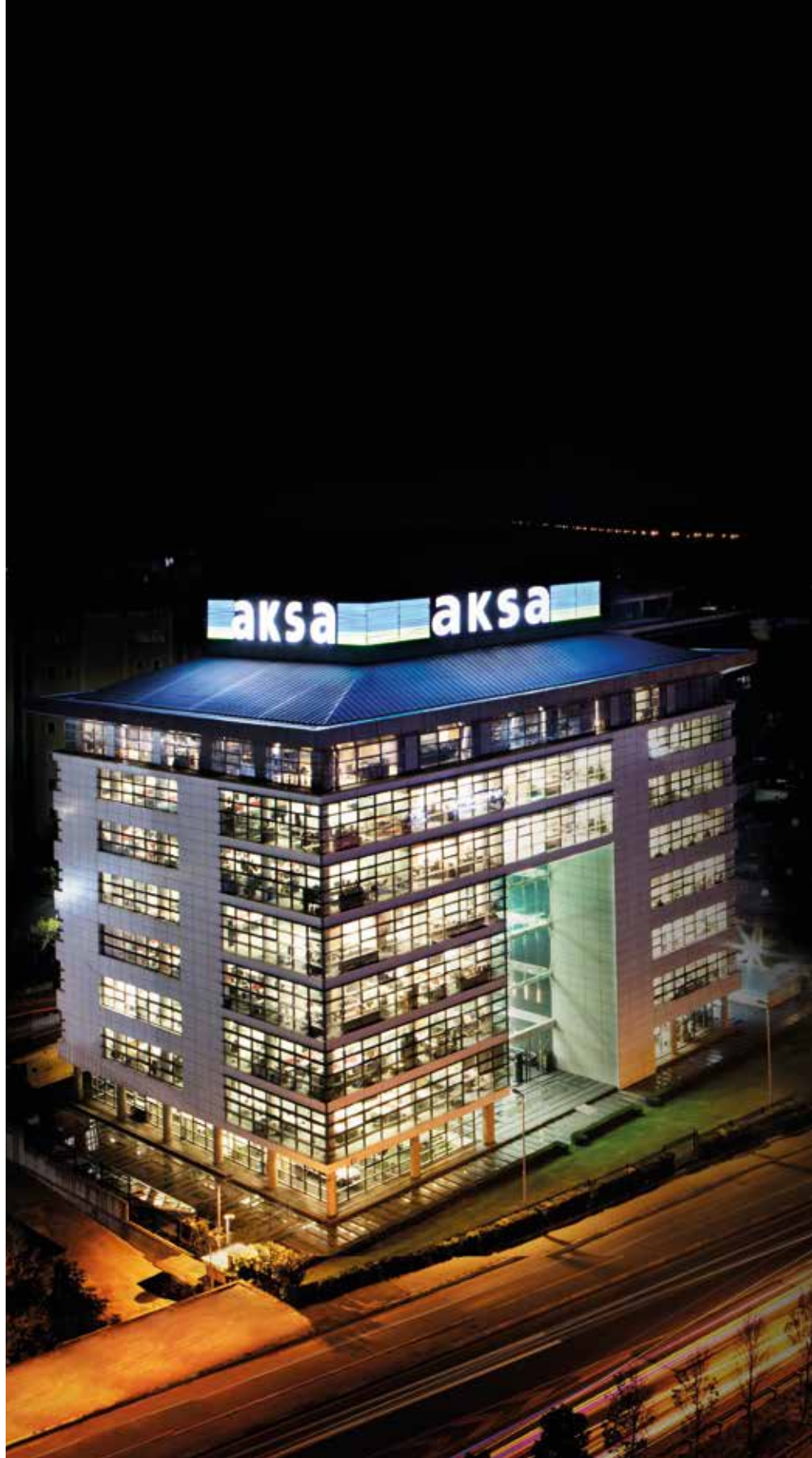
- Akxa Power Generation established its brand new trade center in Rotterdam, NL.
- The length of mains of Akxa Natural Gas reached 30,000 km.

2021

- Akxa Energy won the tender for the three solar energy plants, with a capacity of 35 MW in total, in Bingöl, Yozgat, and Kırşehir.
- Akxa Energy performed its pilot test production in Uzbekistan.
- Akxa Power Generation relocated its Türkiye production facility to its new plant in Çerkezköy, Tekirdağ.
- Kazancı Holding partnered with SAP and undertook one of the most extensive digital trans-formation projects in energy industry.

2022

- Akxa Energy ranked among Türkiye's 30 most valuable publicly traded companies.
- The number of Akxa Natural Gas subscribers reached 4,5 million.
- Akxa Power Center (APC) opened a new office in New Jersey, USA. Akxa Power Generation also continued to expand its sales and service network by opening offices in Kenya and Su-dan.
- Mirada Bodrum Exclusive Hotel started its operations.





Growing with a deliberative and visionary approach

We are proud to be a "Global Turkish Company" with investments around the world.

Message from the Chairman

Esteemed Stakeholders,

From our establishment, we have been among the leading brands and organizations adding value to our country. For years, the sole purpose of our Group Companies, leaders in various fields of energy, has been to contribute to Türkiye's development and economic independence and to serve our country. In 2022, I saw Kazancı Holding take firm steps towards its goals of globalization and sustainable high growth, and we continue to soar among Türkiye's largest companies while steadfastly working for our country. We are proud to be a "Global Turkish Company" with the investments we have made all over the world.

In 2022, a year characterized by economic and social fluctuations in Türkiye and around the world, we ceaselessly continued our investments in agriculture and tourism, as well as our areas of operation within the energy sector. We aim to continuously increase the value we create with our qualified workforce, our investments in digital transformation, and our robust financial structure.

We are taking firm steps towards 2030 with our global strength

With the steps we have taken in line with our goal of globalization, we have become a significant energy group opening up to the world from Türkiye. Today, we operate in 24 countries on four continents, with sales to 178 countries. This year, we laid the foundations of the Akxa Global Strategy 2030, intended to make Akxa Group Companies operating in the energy sector a stronger player in the global energy industry. We aim to be a group of companies that leads the sector and creates sustainable value for the world in energy generation, power generator production, and natural gas and electricity distribution through our new investments, particularly those in renewable energy.

We lead the energy sector with our expert human resources

Our priority has always been to improve human welfare in the geographies where we operate, in our country and worldwide. We exert maximum efforts towards this endeavor and, with the strength we derive from our most important asset, our human resources, we are taking significant steps towards diversifying our investments. In 2022, we continued to reinforce our experienced teams, with whom we achieve successful operations.

With the Akxa brand, we move towards the goal of becoming a powerful global player in the rapidly changing global energy markets, taking advantage of the wide range of opportunities presented by these markets. By merging our experience and competencies in the energy sector with a global vision, we will maintain our stable growth in international markets.

In the coming period, we will continue to successfully represent our country wherever we have a presence, increasing the global power of our brand through new investments. Acting with an awareness of the strength derived from our past, we will ceaselessly work together for the better, even under the most challenging circumstances. I would like to extend my gratitude to all our stakeholders, in 24 countries, for their valuable contributions, especially our more than 10,000 employees, our companions in carrying this great brand successfully into the future in this year through our endeavors, successes and struggles.

Best regards,



Ali Metin Kazancı
Kazancı Holding Chairman
of the Board of Directors



We develop fast and efficient solutions to changing needs

We continuously invest in providing quality and sustainable services to our customers and staying apace with emerging technological advancements.

Message from the Deputy Chairman and CEO



With the support of more than 10,000 employees on four continents, we increased our turnover by 172%.

Esteemed Stakeholders,

In 2022, we witnessed a year of economic fluctuations in Türkiye and around the world. Rising costs in the energy market and ever-increasing inflationary pressures had a significant impact worldwide and in our country. Russia's invasion of Ukraine produced a new crisis characterized by reduced energy and trade flows, while the rise in energy prices triggered an increase in the cost of living both globally and nationally. At Kazancı Holding, we upheld our contributions to the country's economy, working steadily and effectively during this critical period.

This year, we started planning the roadmap for the Aksa 2030 Global Strategy, built on the main centerline of "Globalization, Institutionalization and Sustainable High Growth." In line with the Holding's responsible approach, we took major steps in sustainability, focusing on creating the highest value for our stakeholders, and managing all operations and decision-making processes of Group Companies with an environmental, social and corporate governance perspective.

Today, we are among the leading and pioneering companies in the sectors in which we operate, thanks to the achievements of our companies in their respective fields. In 2022, we maintained our sustainable growth journey at full speed through our investments in agriculture and tourism, in addition to energy. We developed fast and efficient solutions to the changing needs in the sectors where we provide services. We continuously invest in providing quality and sustainable services to our customers and in staying apace with emerging technological advancements.

As of 2022, we operate in 24 countries with more than 10,000 employees on four continents, with sales to 178 countries. With the power plants we operate in Türkiye and abroad, we are Türkiye's largest independent power generator listed on the stock exchange.

Our transformation journey has begun

We are taking firm steps towards our 2030 goals, which we have set together with Our Group Companies.

Message from the Deputy Chairman and CEO

As Kazancı Holding, going beyond the borders of Türkiye, we operate in seven countries, with power plant investments in the Turkish Republic of Northern Cyprus, Ghana, Madagascar, Mali and the Republic of Congo, as well as Uzbekistan. In 2022, we also took steps into Central Asia through an investment into three natural gas cycle power plants with an installed capacity of 740 MW, a project we implemented in just 12 months. We concluded an agreement in Kazakhstan and intensive operations are ongoing to commission the Kyzylorda combined heat and power plant, with an installed capacity of 240 MW, in 2025. Furthermore, in Ghana, the first country in Africa where we started operating, we concluded a new 15-year electricity sales agreement, denominated in US dollars, with ECG, the Republic of Ghana's electricity company. Through this agreement, we aim to reduce our carbon footprint and contribute to the country's energy transformation by expediting the fuel transition process.

We extended the boundaries of our success across different sectors

In 2022, Kazancı Holding continued to climb the ladders of growth with six major companies: Aksa Energy, Aksa Natural Gas, Aksa Power Generation,



By the end of 2022, we achieved a turnover of TRY 95.7 billion.

Aksa Electricity, Aksa Tourism and Aksa Agriculture. Aksa Energy continues to invest in its 12 power plants in seven countries, in line with its sustainable high-growth strategy and without compromising operational excellence. Serving Türkiye's most extensive distribution area, Aksa Natural Gas is the nation's largest private natural gas distribution company, distributing 10.5 billion m3 of natural gas and retaining a 21% market share with 4.5 million subscribers. Providing electricity supply services to 2 million subscribers in the Çoruh and Fırat regions, Aksa Electricity meets the electricity requirements of a population of approximately 4 million. With 19 sales offices in Türkiye, as well as 25 overseas offices across Asia, Europe, Africa and America, the Company is among the top five power generator manufacturers in the world. Aksa Tourism, at the forefront of summer, winter and congress tourism with its facilities, continues to be one of the most effective building blocks of the country and the tourism sector. Aksa Agriculture is among the leading companies in the fields of livestock, dairy farming, orchards and field crops through the corporate structure it has brought to the agricultural sector since 2005.

We increased our turnover by 172% by the end of a year by breaking records

With group companies that have become a global power, we aim to be the market leader in every sector we operate in. As always, we efficiently managed our business processes, achieving record-breaking success in 2022. With the support of more than 10,000 employees on four continents, we increased our turnover by 172% and our gross profit by 151%. While expanding its asset size to TRY 64 billion, Kazancı Holding generated TRY 95.7 billion turnover as of the end of 2022. We maintained operational profitability, increasing our EBITDA to TRY 13.4 billion and gross profitability to TRY 12.8 billion. We intend to continue moving beyond our goals in different geographies by reinforcing our qualified human resources – a substantial part of our operational success.

Within the framework of our culture and principles at Kazancı Holding, we will take more agile and confident steps towards new goals in 2023. We will continue to add value to our country, adhering to our principle of operational excellence and making no concessions. We will keep investing in our country and the world without pausing, and we will break new records in operational and financial terms. In the global geographies where we operate, we will continue to raise the value we create through our collective contributions to society. We believe wholeheartedly that we can overcome any challenge with the support of our valuable colleagues and stakeholders.

Best regards,



Cemil Kazancı
Kazancı Holding Deputy Chairman
and CEO



Board of Directors



Ali Metin Kazancı
Chairman

Ali Metin Kazancı's professional career has begun in 1950. Ali Metin Kazancı, who laid the foundations of Kazancı Holding in this period, established the Watt Electric Motor Factory in 1968, which serves as the foundation of the initiatives constituting the group companies. Thanks to his successful ventures, Ali Metin Kazancı established various enterprises in the energy sector starting from 1983. In 1994, he consolidated these companies under the umbrella of Kazancı Holding. Ali Metin Kazancı continues to serve as Kazancı Holding's Chairman of the Board of Directors.



Cemil Kazancı
Deputy Chairman and CEO

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



Ömer Muzaffer Baktır
Deputy Chairman

Ömer Muzaffer Baktır graduated from Istanbul Technical University, Department of Mining Engineering in 1986. He started his professional career at Pamukbank. He served as Executive Vice President of Credits and Marketing at Halk Bank, CFO at Cengiz Holding, Member of the Executive Board of the Group's electricity distribution companies, and Deputy General Manager in charge of Marketing and Transformation at Ziraat Bank, respectively and he further served in the supervisory and boards of directors of various foreign companies of the same organization. Between 2017 and 2018, he served as the Chairman of the Board of Directors at Erdemir Group. Since February 5, 2018, he has been serving as the Deputy Chairman of the Board of Directors of Kazancı Holding, and is also the Chief Executive Officer of Aksa Power Generator and a Member of the Executive Board of Aksa Energy and Kazancı Holding.



Naci AĖBAL
Deputy Chairman

Born on January 1, 1968, in Bayburt, Naci AĖbal graduated from Istanbul University, Faculty of Political Sciences, Department of Public Administration. Mr. AĖbal completed his master's degree in Business Administration General Business Management (MBA) Program 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. Mr. AĖbal, who served as the General Directorate of Budget and Financial Control between 2006 and 2009 and as the Undersecretary of the Ministry of Finance between 2009 and 2015, served as a Board Member of TPRAŐ between 2004 and 2006, as a Board Member of PETKİM A.Ő. in 2006, as a Board Member of Turkish Airlines (THY) A.Ő. between 2006 and 2015, and as a Board Member of Vakıf Katılım Bankası A.Ő. between 2018 and 2021. Serving as a member of the Council of Higher Education between 2008 and 2015 and then between 2018 and 2020, Naci AĖbal was a member of the Board of Trustees of International Ahmed Yesevi University between 2008 and 2015 and a member of the Council of Turkish-Japanese Science and Technology University between 2019 and 2020. Mr. AĖbal, who served as an MP for the 25th and 26th terms in the Turkish Grand National Assembly, also was the Minister of Finance of the 64th and 65th Governments. Served as the Chairman of the Presidential Strategy and Budget between 2018 and 2020, Mr. AĖbal was further in charge as the Governor of the Central Bank between November 2020 and March 2021. Naci AĖbal has been serving as Deputy Chairman of the Board of Directors of Kazancı Holding since July 2022, Deputy Chairman of the Board of Directors of Aksa Energy since July 2022, and Deputy Chairman of the Board of Directors of Aksa Natural Gas since May 2023.



Tlay Kazancı
Board Member

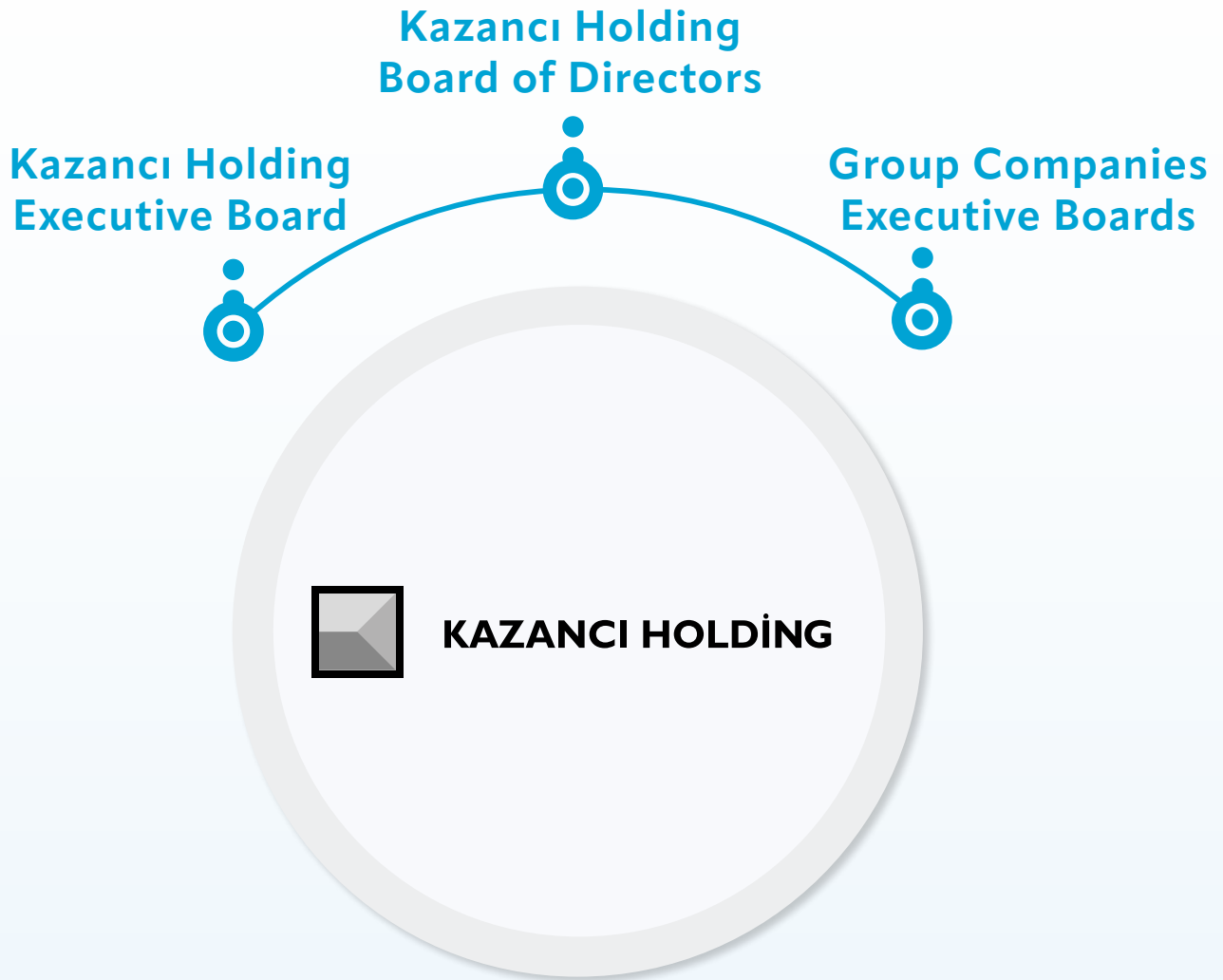
Tlay Kazancı, who is a Member of the Board of Directors of Kazancı Holding, has also been a Member of the Board of Directors of Aksa Enerji retim A.Ő. since April 2010. In addition to these positions, she is also a Member of the Board of Directors at Aksa Aksen Enerji Ticareti A.Ő.



BarıŐ Erdeniz
Board Member

BarıŐ Erdeniz graduated from DoĖuŐ College and completed his undergraduate studies in International Trade and Business Management at Yeditepe University in 2010. Mr. Erdeniz started his professional career as Business Development Director at Turmak Makina. He entered the energy sector through a company he founded in 2013 to operate in Electricity Sales. In 2014, he joined Kazancı Holding as a Management Consultant through the Erdeniz Management Consultancy company he founded, and in this position, he has carried out many successful projects contributing to the Holding's business processes in the fields of organizational development, operational efficiency and digital transformation, and has been assigned and appointed as a Member of the Board of Directors of Kazancı Holding as of August 2017. Mr. Erdeniz has spearheaded investments in operational excellence and digitalization across various departments at the Holding, including Human Resources, Information Technologies, Supply Chain, Law and Audit since 2017 and meanwhile, he is in charge of for the Electricity, Agriculture and Tourism operations of Kazancı Holding. Assigned as the Executive Committee Member of Aksa Energy as of January 2021, BarıŐ Erdeniz still holds the offices of Executive Committee Member of Kazancı Holding and Aka Power Generation and the Chairman of the Executive Board of Aksa Electricity.

Kazancı Holding Administrative Communication Structure



Kazancı Holding has entered a major corporate transformation journey that started with the end-to-end digitalization of all business processes. Within this context, Executive Boards are formed at Group Companies operating in the energy sector in order to manage business processes more effectively and efficiently.

Executive Boards functioning under the Kazancı Holding Board of Directors set the necessary strategic goals and policies to guarantee effective, efficient and adequate use of all resources to ensure continuity of each affiliate's business operations. The teams make decisions on new business areas and markets in line with the strategies, goals and plans in place and they are also responsible for evaluating the affiliate's operations in terms of performance criteria and implementing necessary improvements and changes.

Kazancı Holding takes more agile and confident steps toward its goals thanks to this new management approach that helps it to make right decisions at the right time.

Executive Boards

Kazancı Holding Executive Board

Cemil Kazancı	Chief Executive Officer
Necati Baykal	Executive Board Member
Ömer Muzaffer Bakır	Executive Board Member
Barış Erdeniz	Executive Board Member

Aksa Energy Executive Board

Cemil Kazancı	Chief Executive Officer
Korkut Öztürkmen	Deputy Chairman of Executive Board
Serdar Nişli	Executive Board Member
Cevdet Yalçın	Executive Board Member
Soner Yıldız	Executive Board Member
Abidin Volkan Karaçalı	Executive Board Member

Aksa Natural Gas Executive Board

Yaşar Arslan	Chief Executive Officer
Naci AĞBAL	Deputy Chairman of Executive Board
Alper Konyalı	Executive Board Member
Ahmet Yücel Yazıcı	Executive Board Member
Seçkin Odabaşı	Executive Board Member
Şinasi Gölbaşı	Executive Board Member
Sertaç Uraz	Executive Board Member

Aksa Electricity Group Executive Board

Barış Erdeniz	Chief Executive Officer
Ömer Kandemir	Executive Board Member
Fırat Doğan	Executive Board Member
Murat Kirazlı	Executive Board Member
Engin Inal	Deputy Chairman, Chief Financial Officer (CFO)

Aksa Power Generation Executive Board

Ömer Muzaffer Bakır	Chief Executive Officer
Necati Baykal	Executive Board Member
Barış Erdeniz	Executive Board Member

Senior Management

Aksa Energy Senior Management

	Responsibilities	Duty
Cemil Kazancı	Management	Chairman of the Board of Directors and CEO
Soner Yıldız	Operational Management	Deputy Chairman, Chief Operating Officer (COO)
Cevdet Yalçın	Deputy Chairman, Chief Financial Officer (CFO)	Deputy Chairman, Chief Financial Officer (CFO) (By Proxy)
Murat Kirazlı	Electricity Sales and Energy Trade	Deputy Chairman, Energy Trade and Sales
Abidin Volkan Karaçalı	Strategy	Chief Strategy Officer (CSO)
Murat Çaptuğ	West Africa Coordination	West Africa Coordination Director
Selim Dönmez	Investment Development	Investment Development Director

Aksa Natural Gas Senior Management

Yaşar Arslan	Group Presidency	Chairman
Alper Konyalı	1st Group- 2nd Group Regional Distribution Companies	Deputy Chairman
Ahmet Yücel Yazıcı	Technical Operations	Deputy Chairman
Şinasi Gölbaşı	Customer Processes, Retail Trade and Measurement	Sales, Marketing and Customer Relations Director
Seçkin Odabaşı	Planning and Investment Operations	Distribution Tariffs and Planning Director
Banu Gürel	Finance and Treasury Management	Finance Director
Sertaç Uraz	Çukurova Distribution Region	Aksa Natural Gas Çukurova Group Director
Çağrı Ata	Digital Transformation	Digital Transformation Director
Rıza Aktepe	Technical Services	Technical Services Director

Aksa Electricity Group Senior Management

Murat Kirazlı	Electricity Retail Sales	Retail and Sales Companies General Manager
Ömer Kandemir	Distribution Operations	Distribution Companies General Manager
Engin Inal	Financial Management	Deputy Chairman, Chief Financial Officer (CFO)
Mehmet Aydın	Çoruh Electricity Distribution	Çoruh EDAŞ Company Manager
Müjdat Çelik	Fırat Electricity Distribution	Fırat EDAŞ Company Manager

Aksa Power Generation Senior Management

Nazmi Atalay	Operational Management	Global Manufacture and Operations General Manager
Rıdvan Özer	Sales and Rental	Global Sales and Rental General Manager
Abidin Volkan Karaçalı	Marketing	Global Marketing General Manager

Kazancı Holding Senior Management

Serdar Nişli	Business Development	Business Development Group President
Ceyhan Baştürk	CFO Office	Deputy Chairman, Chief Financial Officer (CFO)
Meral Tunalı	Supply Chain	Supply Chain Director
Saruhan Türkmen	Information Technologies	Information Technologies Director
Gözen Kasımay	Audit	Audit Director
Serdar Paylaşan	Risk and Control	Risk and Control Director
Mehmet Akif Şam	Corporate Relations	Corporate Relations Director
Yeşim Ağaçkesen	Corporate Architecture	Corporate Architecture Director
Taner Gündükoğlu	Corporate Communications	Corporate Communications Director
Serkan İlban	Human Resources	Human Resources Director
Gözde Küçükçolak	Legal Department	Chief Legal Counsel

AKSA ENERGY

A global power beyond the borders of Türkiye

Aksa Energy, a global energy company with its operations in 7 countries, has become Türkiye's biggest publicly traded global electricity producer because of the fast and reliable solutions offered.



TRY **4.6**
Billion

Net Profit of the Parent Company

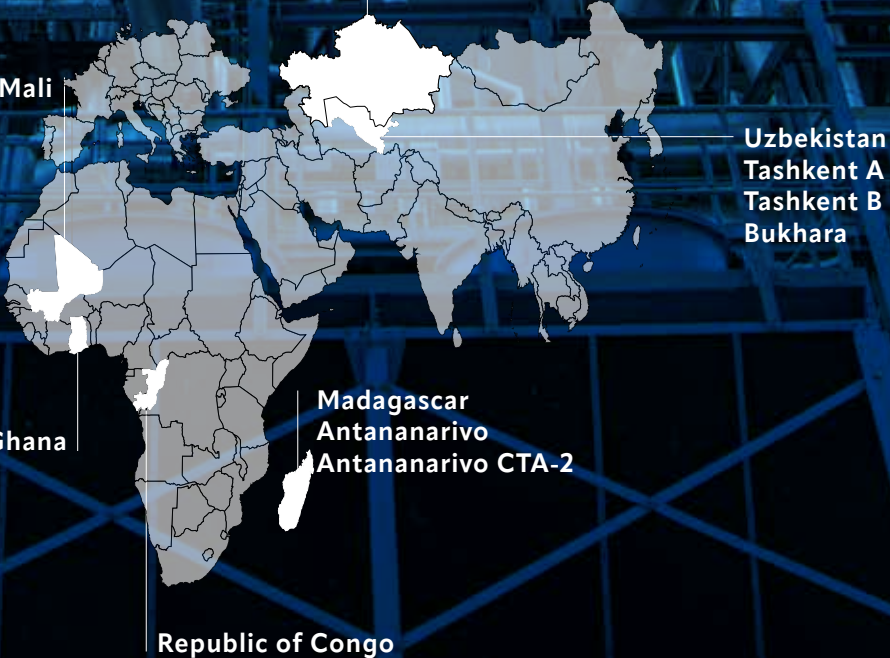
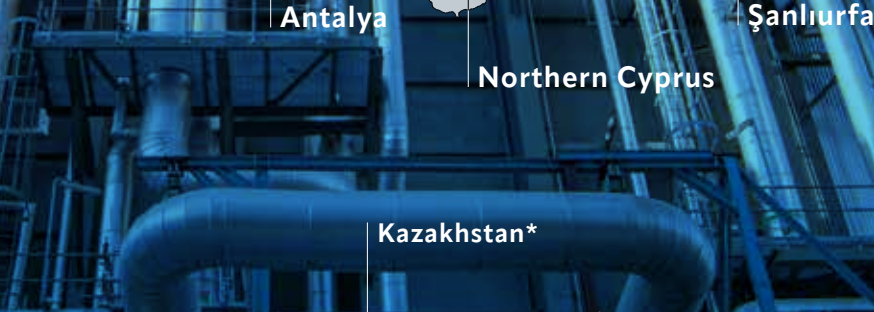
TRY **6.6**
Billion
EBITDA

TRY **45.6**
Billion
Revenue

2,756
MW

Total Installed Capacity

Energy Generation



* Under construction

Ever-expanding global service network

Aksa Energy, which started its globalization journey in 2015, has made significant investments abroad and aims to expand its global service network by pursuing new investment projects.

Aksa Energy

12
Active Power
Plants

In 2022, Aksa Energy continued its investments in its existing power plants and new countries such as Kazakhstan in line with its sustainable high-growth strategy, without compromising operational excellence in its 12 active power plants in 7 countries.

Established in 1997, the Company is the biggest publicly traded independent power producer in Türkiye, which is proceeding swiftly towards globalization, with its 12 active power plants in Türkiye and abroad. Aksa Energy performs all steps in power plant installation –in-house – from project development to procurement, construction and physical installation – with its highly skilled technical teams. To date, the Company has built and operated more than 30 power plants using various energy sources, including coal, fuel oil, biogas, natural gas, wind and hydroelectricity. Taking its experience in this field abroad with power plant installations in countries that have urgent energy needs, Aksa Energy provides fast and reliable solutions in energy generation.

In line with this strategy, Aksa Energy has transformed from a local energy firm into a global producer with its power plants in Türkiye, Turkish Republic of Northern Cyprus, Ghana, Madagascar, and Mali. The Company has undertaken major investments overseas on its globalization journey that it embarked on in 2015. Consolidating its presence in Africa with guaranteed energy sales agreements in foreign currency, Aksa Energy penetrated into the Asian market with Uzbekistan in 2020 and with Kazakhstan in 2022. The Company aims to expand its global service network further and closely monitors new investment opportunities in all geographies with energy needs.

With 20.58% of its capital in free float, Aksa Energy's shares are traded on the BIST Electricity, BIST Corporate Governance and BIST Sustainability indices under the ticker AKSEN.

Power Plant	Installed Capacity
Antalya	900 MW
Bolu, Göynük	270 MW
Şanlıurfa	147 MW
Northern Cyprus	153 MW
Tashkent A	240 MW
Tashkent B	230 MW
Bukhara	270 MW
Ghana	370 MW
Madagascar	66 MW
Mali	60 MW
Congo	50 MW
Total	2,756 MW

Number of Power Plants Operated In the Name of Madagascar	1
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Installed Capacity Operated In the Name of Madagascar	24 MW
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Number of Power Plants with Ongoing Investments By the End of 2022	1
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Kazakhstan - Kyzylorda	240 MW
Total	240 MW



Antalya
Natural Gas Combined
Cycle Power Plants

900 MW
Installed Capacity



Bolu, Göynük
Thermal Power
Plant

270 MW
Installed Capacity



Şanlıurfa
Heavy Fuel
Oil Power Plant

147 MW
Installed Capacity



Northern Cyprus
Heavy Fuel
Oil Power Plant

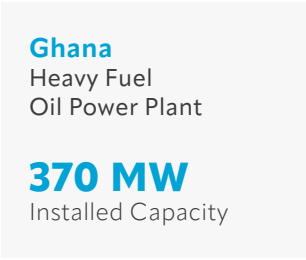
153 MW
Installed Capacity



Uzbekistan
Natural Gas Combined
Cycle Power Plants



Tashkent A
240 MW
Installed Capacity



Ghana
Heavy Fuel
Oil Power Plant

370 MW
Installed Capacity



Republic of Congo
Natural Gas
Power Plant

50 MW
Installed Capacity



Mali
Heavy Fuel
Oil Power Plant

60 MW
Installed Capacity



Tashkent B
230 MW
Installed Capacity



Madagascar
Heavy Fuel
Oil Power Plant

66 MW
Installed Capacity



Madagascar CTA-2
Heavy Fuel
Oil Power Plant

24 MW
Operated on Behalf of the Country



Bukhara
270 MW
Installed Capacity

Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant, among the most efficient power plants in Türkiye, has become Türkiye's first privately licensed power plant to achieve 100,000 hours of operation.



Aksa Energy has achieved an increase its net profit by 172% to TRY 4.6 billion compared to the previous year.

DEVELOPMENTS IN 2022

Aksa Energy Continues to Grow Stronger in Central Asia

In 2022, Aksa Energy has taken its first step into Central Asia with the investment in three natural gas cycle power plants with an installed capacity of 740 MW, commissioned in a short period of 12 months, and made the largest Turkish energy investment in Uzbekistan. With an investment of USD 450 million, the power plants in Tashkent and Bukhara started to provide our company with foreign currency-based cash flow as of the first quarter of 2022. With its success in this project, which has a 25-year USD-based guarantee of purchase agreement, Aksa Energy opened the doors of Kazakhstan.

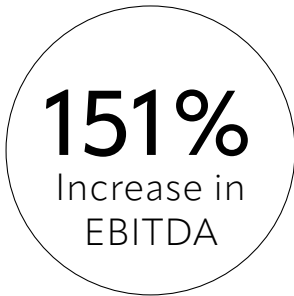
In the third quarter of the year, we have been awarded with the contract tendered by the Ministry of Energy of the Republic of Kazakhstan for the Kyzylorda combined heat and power plant, which shall have an installed capacity of 240 MW upon completion, and concluded a 15-year capacity agreement with the RFC institution affiliated to the ministry. Aiming to complete its project in 2025, which is the first step into Kazakhstan, Aksa Energy proceeds with its efforts in the region without pausing.

Energy Transformation and Long-Term Partnership in Ghana

In the Republic of Ghana, the first country in Africa where Aksa Energy has started to operate, a new 15-year electricity sales agreement denominated in US dollars was concluded with the country's electricity company ECG. Our Ghana Power Plant with an installed capacity of 370 MW, where the Company has initiated natural gas conversion and currently generates with dual fuel technology, shall accelerate fuel conversion with the new sales agreement concluded, thus continuing its contribution to the country's energy transformation by reducing our carbon footprint.

Energy Exports Contribute to Income Diversification in Congo

In 2021, a concession agreement has been concluded between Aksa Energy and the Republic of Congo for the right to increase the capacity of the natural gas power plant with an installed capacity of 50 MW in Pointe-Noire to 100 MW and operate it for 30 years. Starting its energy generation activities in the 25 MW unit of our natural gas power plant with an installed capacity of 50 MW in the Republic of Congo, the Company has generated cash flow from our operational activities in our power plant in 2022 by exporting the energy to the neighboring country, the Democratic Republic of Congo.



Aksa Energy increased its EBITDA by 151% to TRY 6.6 billion, the highest in Aksa Energy's history.

Antalya Power Plant Blazes a Trail with 100 Thousand Hours of Operation Time

Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant, among the most efficient power plants in Türkiye, has become Türkiye's first privately licensed power plant to achieve 100,000 hours of operation. With the awareness of making an uninterrupted contribution to Türkiye's energy supply security, we carried out comprehensive modernization work to prepare for the second 100,000-hour production of our power plant in the last quarter of 2022. This modernization work completed in two and a half months for EUR 16 million shall not only increase the efficiency of the power plant and save natural gas in electricity generation but shall also help us reduce our carbon footprint.

Our Achievements Beyond Borders Continue to Reflect in Our Financial Results

In 2022, Aksa Energy continued its investments in its existing power plants and new countries such as Kazakhstan in line with its sustainable high-growth strategy, without compromising operational excellence in its 12 active power plants in 7 countries. With the contribution of the power plants in Uzbekistan, it has managed to increase its net profit by 172% compared to the previous year to TRY 4.6 billion. With the strength it derives from a balanced generation portfolio diversified across different geographies, Aksa Energy increased its turnover by more than three-fold to TRY 45.6 billion, while raising its EBITDA by 151% to TRY 6.6 billion, the highest in Aksa Energy's history. As the Company continued its international and domestic investments without pausing, in this period, the ratio of its net financial debt to EBITDA stood at a multiplier of 1.12, well below the sector average.

Aksa Energy has been included in the FTSE Emerging European Countries Index, which is based on the market capitalization rankings of legal entities twice a year.



With its successful performance between December 2021 and June 2022, Aksa Energy increased its market capitalization by 141% and was included in the large-scale companies index, bypassing the medium-sized companies index.

Aksa Energy in the Large Scale Companies League of the FTSE Emerging European Countries Index

Aksa Energy also positioned itself in the FTSE Emerging European Countries Index, which is prepared twice a year based on the market capitalization rankings of companies. Within the scope of the evaluation result to be effective as of September 16, 2022, Aksa Energy increased its market capitalization by 141% with its successful performance between December 2021 and June 2022 and has been included in the large-scale companies index, bypassing the medium-sized companies index.

Giant Investment in Renewable Technology and Electricity Storage Facility Project

Investing in sustainable and highly innovative projects in battery and storage technologies, Aksa Energy applied to the Energy Market Regulatory Authority for 13 separate Stand-Alone Electricity Storage Facility Projects. Within the scope of the applications, a total of 1,813 MWe of newly installed power storage capacity is planned to be created. In line with its sustainable high-growth strategy, the Company shall continue to diversify its portfolio by investing more in renewable energy technologies.

Our Strategic Goals for 2030 Are Set

In 2030, aiming to diversify its generation portfolio domestically and internationally in terms of both resources and geography, Aksa Energy shall continue to progress in line with its strategic targets. It shall serve the energy supply security of countries with investments in natural gas-fired projects that shall assume the balancing role of the energy transformation while taking concrete steps towards becoming a strong energy company on a global scale that contributes to the global energy transformation with investments in renewable energy projects.



229%
Turnover
Increase

As of year-end 2022,
Aksa Energy achieved
a turnover of TRY 45.6
billion.

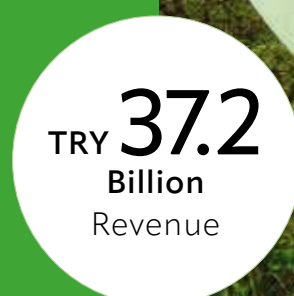
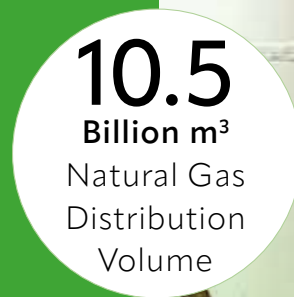
AKSA ENERGY IN FIGURES

Consolidated (TRY Million)	2021	2022	Change (%)
Revenue	13,887	45,638	229%
Parent Company's Profit/Loss	1,680	4,562	172%
Assets	20,649	33,232	61%
Shareholders' Equity	10,584	18,959	79%
EBITDA	2,609	6,559	151%
Net Financial Debt/EBITDA (x)	1.74	1.12	

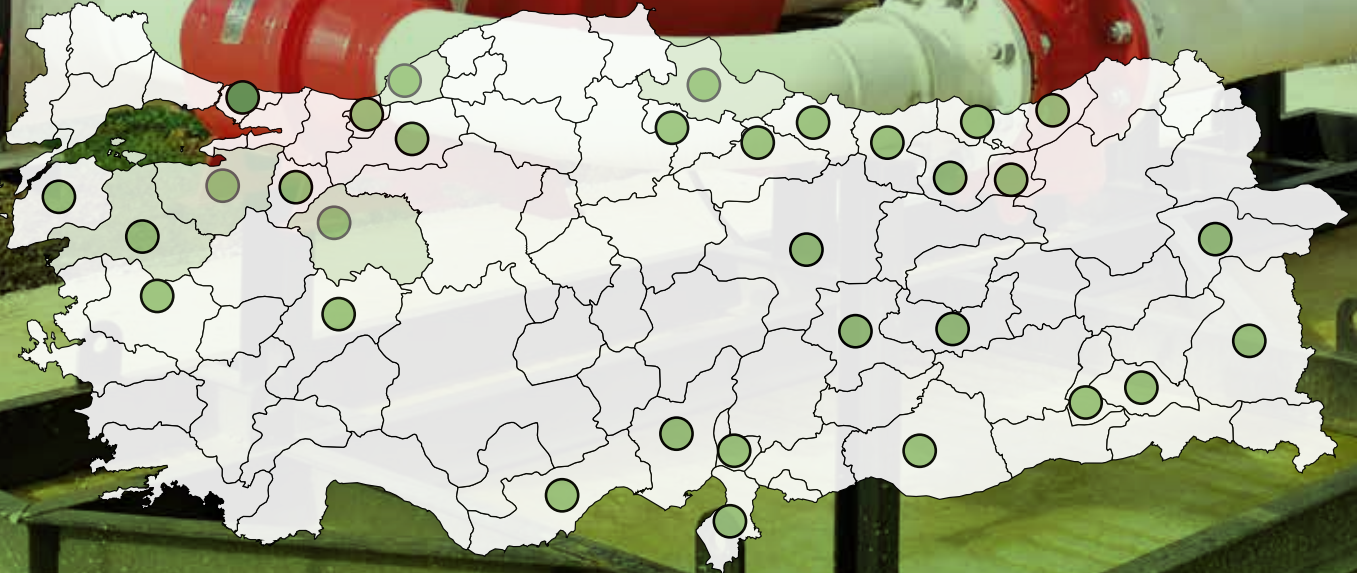
AKSA NATURAL GAS

Türkiye's biggest private natural gas distribution company

Increasing its network length to 38,700 km, Aksa Natural Gas is Türkiye's largest private natural gas distribution company with a 21% market share.



Natural Gas Distribution and Sales



Akso Natural Gas Head Office



Akso Natural Gas Distribution Regions*

* Natural gas distribution services are provided in Mustafakemalpaşa, Karacabey, and Susurluk districts of Bursa, Karadeniz Ereğli district of Zonguldak, İnönü district of Eskişehir, and Çarşamba and Terme districts of Samsun.

Türkiye's leading company in its sector

The number of subscribers of Aksa Natural Gas, which was 1.2 million in 2012, reached approximately 4.5 million by the end of 2022, and the total natural gas distribution rate, which was 5.2 billion m³, reached 10.5 billion m³.

Aksa Natural Gas

70
thousand km
Distribution
Network

Within the scope of the Strategy Plan 2030, Akxa Natural Gas aims to increase its network length by 81% to 70,000 km, the number of subscribers by 66% from 4.4 million to 7.3 million, and natural gas distribution volume by 61% from 10.5 billion cubic meters to 16.9 billion cubic meters.

Aksa Natural Gas was established in 2002 as a subsidiary of Kazancı Holding. The Company launched its natural gas distribution operations in Balıkesir region, and currently operates in 21 of 72 license regions across Türkiye. The company distributes and trades natural gas as its core business areas and holds LNG import and CNG sales licenses.

Aksa Natural Gas continues its natural gas distribution activities with its companies for which it has acquired license rights from the Energy Market Regulatory Authority (EMRA) and took over, in 21 regions. The company provides services in 27 provincial centers and 260 districts and towns within the borders of 31 provinces.

Aksa Natural Gas provides services for the largest geographical distribution area in Türkiye and allows access to the convenience of natural gas for 16.6 million people and 6.2 million potential subscribers. The number of subscribers of the Company, which was 1.2 million in 2012, reached 4.5 million by the end of 2022, and the total natural gas distribution rate, which was 5.2 billion m³, reached 10.5 billion m³. Bringing its total investment amount to TRY 7 billion and its network length to 38.700 km through an investment of TRY 2.1 billion during its operating cycle, Akxa Natural Gas is Türkiye's largest private natural gas distribution company with a market share of 21%.

Designing its operations with the mission of leaving a more livable world to future generations by delivering eco-friendly natural gas to millions of people, Akxa Natural Gas achieved a turnover of TRY 37.22 billion in 2022.

Aksa Natural Gas contributes significantly to the economic development of Türkiye through the employment opportunities it creates. In 2012, the Company had 911 employees. That number reached 3.588 as of the end of 2022.

Shaping its operations around the core principle of top-quality service, Akxa Natural Gas undertakes swift investments in all its distribution regions. The company completed most of its mandatory investments in its distribution regions before deadlines, bringing the comfort of natural gas to its subscribers in the fastest way possible.

Aksa Natural Gas considers ensuring customer satisfaction and continuously improving its service quality as a core priority. In line with this vision, it provides uninterrupted solutions for its subscribers' demands on a 24/7 basis through the Natural Gas Hot Line at 187 and its Solution Center Line at 444 4 187. Akxa Solution Center is widely recognized as a pioneer and model



21%
Market Share

Aksa Natural Gas operates with the awareness of accounting for 21% of the total length of the natural gas network reached in our country.

Having entered the sector 20 years ago as the natural gas distribution company serving the widest geographical area in Türkiye, the Company breaks new ground in the sector and operates with the awareness of accounting for 21% of the total length of the natural gas network reached in our country.

Growing with the investments it has made for 20 years all over Türkiye, Aksa Natural Gas successfully moves forward in line with its sustainability vision, focusing on growth without compromising its efforts to leave a livable world and clean and breathable atmosphere for future generations.

In its 20th year, Aksa Natural Gas upgraded its digital infrastructure to a higher level. As a result of its superior service approach at every location, Aksa Natural Gas has implemented SAP S4/H transformation activities and shall continue its update and development efforts in this regard. With this significant development, Aksa Natural Gas gathered all of its operational applications under a single roof, thus making customer processes 360-degree manageable. Working to provide quality and uninterrupted service to its subscribers for 20 years, Aksa Natural Gas takes firm steps into the future with all its operations and grows steadily with new investments.

in the sector thanks to its world class advanced technology and software infrastructure, state-of-the-art physical environment and high-quality service.

Aksa Natural Gas' Solution Center at 444 4 187 answered 88% of the 897,548 calls received in 2022, while the Natural Gas Emergency Line at 187 answered 96% of the 775,546 calls received. 85% of the calls received through both channels were resolved.

20 Years of Aksa Natural Gas

Since its establishment in 2002, Aksa Natural Gas has been providing uninterrupted and high-quality service to 4.5 million subscribers with a network length of 40 thousand kilometers from scratch. As the leading brand in its sector, it continues to work relentlessly to improve and make sustainable its services day by day, increasing its contribution to our country.

Aksa Natural Gas climbed 25 steps and ranked 39th in the Fortune 500 "Türkiye's Largest Companies" list.



Aksa Natural Gas increased its turnover by 252% year-on-year to TRY 37.22 billion.



Aksa Natural Gas made new investments of TRY 2.1 billion in 2022.

DEVELOPMENTS IN 2022

In 2022, Aksa Natural Gas distributed 10.5 billion m³ of gas, increased the number of its subscribers to 4.5 million and its turnover to TRY 37.22 billion, up 252% year-on-year. Recording new capital investment spending of TRY 2.1 billion during the fiscal year, Aksa Natural Gas expanded its natural gas distribution network from 34,181 km at year-end 2021 to 38,700 km at year-end 2022.

With the investments it has made to date, Aksa Natural Gas created a natural gas conversion market of TRY 94 billion, TRY 70 billion of which has been physically completed. The Company's energy savings to the national economy and its subscribers since its establishment reached TRY 604 billion by the end of 2022.

Aksa Natural Gas also ranked 64th in Fortune 500's "Türkiye's Largest Companies" list for 2021 on the basis of net sales, while climbing 25 places and ranking 39th according to the 2022 results of the same list.

Aksa Natural Gas achieved many important developments in 2022. Digital transformation efforts are at

the forefront of these developments. Thanks to SAP CRM/IS-U and all SAP ERP solutions, Aksa Natural Gas has raised all of its steps, especially customer service applications, above world standards. Aksa Natural Gas continues to update and develop the project by focusing on the principles of customer satisfaction and reliability and the project can be actively used from input processes to accounting records, from payment processes to the control of financial records, thanks to the flexibility it offers as well as its reliable and user-friendly reporting. Having gathered all its business processes under a single roof by making full use of the state-of-the-art technological facilities with this project, the Company has not only provided an even faster service but also minimized the margin of error and increased customer satisfaction without compromising on quality.

Within the scope of the Life Companion project, developed by Aksa Natural Gas in 2015 to ease processes for subscribers with disabilities, the number of registered subscribers rose to 5,513 as of the end of 2022. In 2022, within the scope of the project, 2,352 calls were answered, with an average response time of 3 seconds; solutions were provided for issues experienced by 170 disabled subscribers in collaboration with emergency teams.

Renewable Gas Production R&D Project

Aksa Natural Gas, which has been conducting R&D activities for more co-friendly alternatives to meet the increasing energy demand since its inception, launched the Renewable Gas Production R&D Project to increase the use of zero-emission hydrogen in parallel with Europe and to diversify the energy supply security of Türkiye. Their work is closely monitored by the Ministry of Energy and Natural Resources and the EMRA. Aksa Natural Gas successfully completed the process of mixing 20% hydrogen into natural gas in 2021 as part of its Gazbir-Gazmer project in cooperation with Yıldız Technical University. In this project, hydrogen not only serves as a decarbonizing agent but can also be used as a means to store and transfer renewable energy in times of oversupply. Aksa Natural Gas plans to develop the project and establish a hydrogen village in 2023.

Carbon Monitoring Project

Evaluating all business processes within the scope of sustainability, Aksa Natural Gas directs its operations from this perspective. Initiating preliminary preparation and feasibility studies for carbon



footprint calculation and disclosure, the Company launched the Carbon Monitoring Project to further reduce the amount of greenhouse gases caused by its operations. Aksa Natural Gas shall certify the greenhouse gas emission rate resulting from or indirectly caused by its operations after it is verified by 2024, and plans to transparently share all data with the public.

Digital Archive

Since the Company commenced operations in 21 license regions, it has been classifying, sorting, and scanning all of the printed documents that it archives within the framework of legal regulations in order to make them available for use through digital systems. Aksa Natural Gas has initiated the process to archive its documents that must be kept with

their original signatures in a center designed and operated in accordance with international standards and aims to minimize the number of printed documents required by 2023 by digitizing them during the transaction. In 2022, Aksa Natural Gas completed preparations for the project to scan over 40 million documents, selected a contractor in November, and started the document transfer and storage process in December, starting with the Aegean Region distribution companies. Thanks to the project, which is aimed to be completed in the first half of 2024, Aksa Natural Gas shall prevent waste of resources and manage all its processes even faster and more effectively.

Aksa Natural Gas received the SÜT-D 2023 Low Carbon Heroes Award, given to organizations that set an example in the effective fight against climate change by reducing greenhouse gas emissions with its Project for Low Carbon Solution in Meter Reading.

111.8
Tons
Carbon Emission
Savings

Some of Aksa Natural Gas' meter reading teams used electric motorcycles/bicycles instead of cars, resulting in a carbon emission reduction of 111.8 tons in one year.

GIS - NVİ Address Integration and Matching Efforts

In order to keep the address layers of the Geographic Information Systems (GIS), which Aksa Natural Gas has been using and developing since its establishment, up-to-date, Aksa Natural Gas started integration with the Spatial Address Registration System (MAKS) provided by the Directorate of Population and Citizenship Affairs (NVİ) in 2022. Matching all road, boulevard, neighborhood, square, avenue, and street numbering and building identification numbers with the inventory in the existing system within the scope of the work it plans to complete in 2023, Aksa Natural Gas aims to complete the integration and automatically update its addresses, particularly in SAP subscriber systems. At the end of the project, Aksa Natural Gas shall be fully compliant with the national address system and provide its subscribers and official institutions processing address-based data with even more reliable and up-to-date data.

JCR Eurasia Rating A.Ş. Long-term National Rating A+

Within the scope of the credit rating process carried out by JCR Eurasia Rating Inc., Aksa Natural Gas' credit rating was affirmed with the highest-level investment grade. The Long-Term National Rating is "A+ (tr) / (Stable Outlook)" and the Short-Term National Rating is "J1+ (tr) / (Stable Outlook)."

Low Carbon Hero for the Fourth Time in a Row

Aksa Natural Gas is aware of the importance of a clean and breathable atmosphere and conducts its activities accordingly. Aksa Natural Gas participated in the 8th Istanbul Carbon Summit organized by the Sustainable Production and Consumption Association with the main sponsorship of the Ministry of Environment, Urbanization and Climate Change and Istanbul Technical University and was awarded the SÜT-D 2023 Low Carbon Heroes Award, given to organizations that set an example in the effective fight against climate change by reducing greenhouse gas emissions with its Project for Low Carbon Solution in Meter Reading. As part of the Aksa Natural Gas project, some of the meter reading teams used electric motorcycles/bicycles instead of cars for a year, resulting in a carbon emission reduction of 111.8 tons. Aksa Natural Gas closely monitors the outputs of the application and aims to expand it to all of its regions with further enhancements and improvements.

AKSA NATURAL GAS IN FIGURES

Financial Indicators (TRY Million)	2021	2022	Change (%)
Revenue	10.561	37.224	252.5%
EBITDA	1.328	2.169	63.3%
Assets	10.132	18.393	81%
Equity	1.369	1.731	26.4%
Gross Profit	1.151	2.039	77.2%
Net Profit	623	844	35.4%
Operational Indicators	2021	2022	Change (%)
Natural Gas Distribution Licenses	21	21	-
Total Number of Subscribers (Number of Independent Sections-NIS)	3.996.059	4.416.857	10.5%
Total Number of Subscribers (Number)	3.363.464	3.750.448	11.5%
Number of Potential Residential Subscribers	5.635.319	6.201.381	10%
Network Length (km)	34.181	38.700	13.2%

Geographical Distribution Network Natural Gas Distribution Regions

- **Aksa Afyon**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Ağrı**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Balıkesir**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Bandırma**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Bilecik Bolu**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Çanakkale**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Çukurova**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Düzce Ereğli**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Elazığ**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Gemlik**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Gümüşhane Bayburt**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Karadeniz**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Malatya**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Manisa**
Doğal Gaz Dağıtım A.Ş.
- **Aksa M.Kemalpaşa Susurluk Karacabey**
Doğal Gaz Dağıtım A.Ş.

- **Aksa Ordu Giresun**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Siirt Batman**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Sivas**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Şanlıurfa**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Tokat Amasya**
Doğal Gaz Dağıtım A.Ş.
- **Aksa Van**
Doğal Gaz Dağıtım A.Ş.

FUTURE OUTLOOK

Within the scope of the Strategy Plan 2030, Aksa Natural Gas aims to increase its network length by 81% to 70,000 km, the number of subscribers by 66% from 4.4 million to 7.3 million, and natural gas distribution volume by 61% from 10.5 billion cubic meters to 16.9 billion cubic meters.

Another significant decision made by Aksa Natural Gas in its 20th year is to move its operational activities abroad in line with Kazancı Holding's globalization strategies. Aksa Natural Gas aims to become more active in international investment areas and to carry its service quality, built on 20 years of experience, to a global scale.



AKSA ELECTRICITY

Electricity sales across Türkiye

Aksa Electricity sells 9 TWh
electricity across Türkiye.

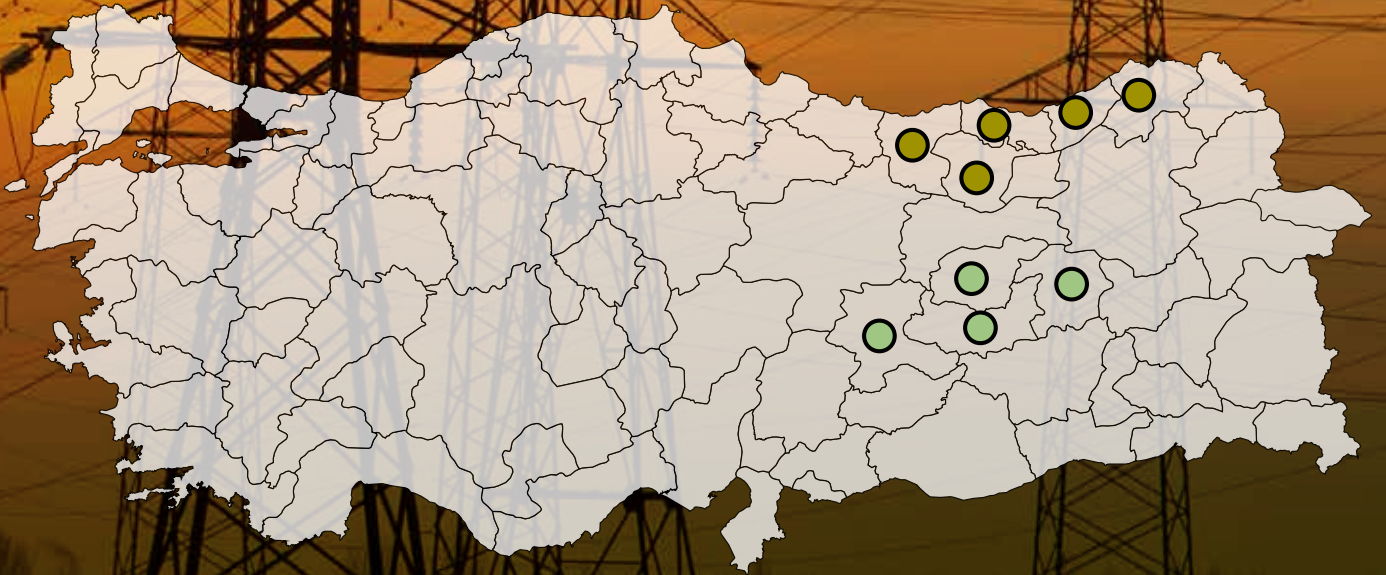
2.2 +
million
Subscribers

9
TWh
Sales Volume

TRY **2.3**
Billion
Investment

23.1%
Share in
Revenues

Aksa Electricity Group



● Çoruh Electricity Distribution Regions
Aksa Çoruh Retail Electricity Sales Region

● Fırat Electricity Distribution Regions
Aksa Fırat Retail Electricity Sales Region

○ Aksa Electricity Sales Regions

Quality and Distinctive Energy Solutions

Alongside delivering electricity supply services in its license regions, Akxa Electricity supplies electricity, provides consultancy, and offers alternative environmental energy solutions services to Türkiye's largest companies.

Akxa Electricity - Electricity Sales Companies



Akxa Electricity became Türkiye's largest seller of International Renewable Energy Certificates with 250 thousand MWh of I-REC Certificates

As one of the strongest brands in the Turkish energy sector with its customer-focused and innovative approach, Akxa Electricity offers electricity sales, consultancy, and alternative environmental energy solutions across Türkiye, while providing electricity supply services to a population of approximately 4 million and over 2.2 million subscribers in nine provinces in the Çoruh and Fırat license regions as the electricity supply company in charge. Akxa Electricity is an integrated retail company that is committed to delivering its customers innovative, environmentally-friendly and alternative energy solutions.

ELECTRICITY SALES COMPANIES

Akxa Electricity supplies electricity, provides consultancy, and offers alternative environmental energy solutions services across 81 provinces and electricity supply services in its license regions. The company is a leader in the Turkish electricity market with its innovative, human-focused business model and sustainable perspective.

Akxa Electricity sells approximately 9 TWh of electricity annually in 81 provinces and its license regions. The company's strong financial structure, efficiency-driven strategies and team of experts, as well as its effective integration with Group

Companies and wide service network across Türkiye, distinguish it from the competition. Akxa Çoruh Electricity and Akxa Fırat Electricity supply quality electricity to a population of approximately 4 million and over 2.2 million subscribers in 99 districts. These companies serve districts in the provinces of Trabzon, Rize, Giresun, Artvin, and Gümüşhane in the Çoruh region, and Bingöl, Elazığ, Malatya, and Tunceli in the Fırat region.

In addition, Akxa Electricity supplies electricity and provides consultancy and alternative energy solutions to Türkiye's largest companies. The Company consolidates its leading position in the electricity retail sector and continues to strengthen its portfolio.

Akxa Electricity's customer portfolio is comprised of the commercial subscriber group (24.9%), industrial subscriber group (46.0%), residential subscriber group (27.03%), and other segments (1.78%).

Akxa Electricity continued to work on sustainability-oriented environment projects in 2022. The Company has contributed to the reduction of carbon emissions and the conservation of natural resources by supplying its customers with



green energy produced entirely from renewable energy sources, allowing electricity consumers to make an informed and reliable choice. Aksa Electricity prefers using sustainable and eco-friendly green energy with the I-REC Standard (International Renewable Energy Certificate). Its commercial and industrial customers share this vision, as well. Aksa Electricity sold the highest number of International Renewable Energy Certificates in Türkiye with its I-REC certificate, amounting to about 250,000 MWh in 2022.

Aksa Electricity continues to develop eco-friendly business models and solutions tailored exclusively for its clients who desire to lower costs and use clean energy with its Akxa Solar brand. Within this context, Akxa Solar started to install solar energy systems through turnkey projects by managing all of the financing, permission, design, installation, operation, and maintenance processes.

Embedding its industrial expertise and integrated service competence across each and every field of electricity, Akxa Electricity continued to invest in EV charging solutions across Türkiye as such vehicles become more widespread as the means of transportation of the future without slowing down in 2022. The Akxa Charge continues to serve as a one-stop-shop and reliable solution partner in end-to-end installation, device supply, operation, maintenance, and management operations.

Aksa Electricity aims to utilize all its channels actively in order to reach customers. The company is focused on extending its service diversity accessible through digital channels. Akxa Electricity is also further expanding its alternative channels for payments and subscription transactions.

Future Outlook

In the coming year, Akxa Electricity aims to maintain its leading player position in the Turkish electricity market with an innovative human-centered business model and a focus on sustainable success. The company continually improves its service level with ongoing investments and sets operational standards with its innovative solutions. Akxa Electricity is committed to adding value to the national economy with its growing employment opportunities in the regions where it operates.

Aksa Electricity, which has recently enriched its innovative practices through eco-friendly solutions, plans to continue its projects aimed at combating the climate crisis, reducing carbon emission rates, and new investments that shall contribute to a sustainable future in Türkiye and in the world. Moreover, the Company shall keep focusing on value-adding alternative solutions to develop further its market position, which has already been strong, in electricity sales.

Continuous Improvement in Service Quality

Çoruh EDAŞ and Fırat EDAŞ annually expand their network and infrastructure investments to continuously improve their service quality and deliver quality electricity sustainably and uninterruptedly.

Aksa Electricity - Electricity Sales Companies



Çoruh EDAŞ's 29,551 km² distribution region includes a subscriber base of 1,513,140 in 5 provinces, 61 districts, and 1,538 villages.

The Electricity Distribution Companies of Kazancı Holding - Çoruh Elektrik Dağıtım A.Ş. (Çoruh EDAŞ) and Fırat Elektrik Dağıtım A.Ş. (Fırat EDAŞ) - distribute electricity to a population of approximately 4 million people in their license regions. Çoruh EDAŞ and Fırat EDAŞ annually expand their network and infrastructure investments to continuously improve their service quality and deliver quality electricity sustainably and uninterruptedly.

Responsible for the supply of general luminous energy and fixing faults in the region, Çoruh EDAŞ and Fırat EDAŞ are mainly engaged in the following activities:

- Installing electricity distribution lines in all provinces, districts, and villages in their license regions,
- Maintenance and repair of existing lines,
- Reading consumers' electricity meters,
- Identifying and replacing 10-year-old and defective meters,
- Establishing, and maintaining

the sustainability of remote reading systems in line with legal requirements,

- Conducting necessary activities so as to ensure that local power generators connect to the distribution system and generated energy is consumed within the region,
- Handling of subscription transactions, service severance-activation,
- Preventing loss and theft.

Novel technologies are leveraged in the management of failures at Çoruh EDAŞ and Fırat EDAŞ so as to ensure continuity of electricity supply. Operational units contribute to the improvement of customer satisfaction in 99 districts of service by working on prevention and quick resolution of power cuts.

Çoruh EDAŞ has been operating in the provinces of Artvin, Giresun, Gümüşhane, Rize, and Trabzon since 2010, delivering uninterrupted and high quality distribution services.



The Company's 29,551 km² distribution region includes a subscriber base of 1,513,140 in 5 provinces, 61 districts, and 1,538 villages. Within the distribution region, the Company operates 62,863.84 km of distribution lines - consisting of 47,378.31 km of low voltage and 15,485.53 km of medium voltage lines - and 13,121 transformer stations. In 2022, Çoruh EDAŞ distributed 3.64 TWh energy in the region. The loss/theft ratio for the region was 6.64%, which is well below the EMRA's target ratio of 7.50% for energy loss in 2022, and 27,343,715 KWh of electrical energy was accrued in the fight against illegal electricity use.

Firat EDAŞ has been operating in the provinces of Elazığ, Malatya, Bingöl, and Tunceli since 2011, delivering uninterrupted and high quality distribution services.

Firat EDAŞ's 37,365 km² distribution region includes a subscriber base of 1,098,630 in 4 provinces, 38 districts, and 1,947 villages. Within the distribution region, the Company operates 47,363 km of distribution lines - consisting of 31,344 km of low voltage and 17,310 km of medium voltage lines - and 13,836 transformer stations. In 2022, Firat EDAŞ distributed 2.6 TWh energy in the region. The loss/theft ratio for the region was 8.91%, which is well below the EMRA's target ratio of 9.82% for energy loss in 2022, and 31,451 KWh of electrical energy was accrued in the fight against illegal electricity use.



Firat EDAŞ's 37,365 km² distribution region includes a subscriber base of 1,098,61 in 4 provinces, 38 districts, and 1,947 villages.

Çoruh EDAŞ and Fırat EDAŞ boast an advanced technology infrastructure that allows monitoring of the distribution network up to the consumer connection point. Monitoring of the distribution network facilitates surveillance, maintenance, and remote control.

TRY **2.3**
Billion
Investment

Çoruh EDAŞ and Fırat EDAŞ continued to increase the value they generate for our country, the sector, and all stakeholders with investments of approximately TRY 2.3 billion in the 2022 operating period.

DEVELOPMENTS IN 2022

Çoruh EDAŞ and Fırat EDAŞ continued to increase the value they generate for our country, the sector, and all stakeholders with investments of approximately TRY 2.3 billion in the 2022 operating period. With these investments, 2,229.83 km of aerial lines, 493.33 km of underground lines, 176.13 km of lighting network lines, and 953.82 km of energy transmission lines were completed; 441 distribution transformers with a total installed capacity of 117.7 MVA were commissioned.

Çoruh EDAŞ and Fırat EDAŞ boast an advanced technology infrastructure that allows monitoring of the distribution network up to the consumer connection point. Monitoring of the distribution network facilitates surveillance, maintenance, and remote control. As part of the distribution network's transition to automation, projects to remotely monitor and control certain switching points of the medium-voltage distribution network are prioritized and ongoing. In the Fırat EDAŞ region where solar power is prevalent, 624 solar plants were integrated with the Company's monitoring system.

Çoruh and Fırat Electricity Distribution Companies are committed to ensuring supply continuity; boosting commercial and technical quality; meeting the growing energy demand of existing and new subscribers; and establishing new lighting facilities in accordance with the provisions of the general lighting regulation. To these ends, the Companies conducted the uninterrupted maintenance-repair efforts throughout the year. In 2022, within this scope:

- Some 791,621 fixtures with varying levels of power were overhauled, 32,536 fixtures, 109,677 light bulbs, and 85,192 components were used at these facilities.
- 8,556 transformers and 46,932 km of lines underwent monitoring and maintenance, and maintenance operations worth TRY 356,13 million were undertaken.
- In order to prevent power outages caused by bird strikes in the Fırat EDAŞ region, 43,741 meters were isolated and covered with spikes and 592 insulation circles were used.
- In the Çoruh EDAŞ region, 6,094 km of trees were pruned in order to prevent power outages caused by tree contact.

Leveraging technology effectively in all the projects they undertook with the vision of providing world-class service quality, Çoruh EDAŞ and Firat EDAŞ created a two-year roadmap as part of the digital transformation program and completed the installation of the Outage Management System (OMS) in all provinces within their responsibility areas. OMS operates in an integrated manner with other systems such as Remote Monitoring and Control System, Geographical Information System, Automatic Meter Reading System (AMRS), Consumer Information System and the Call Center. Thanks to OMS, subscribers affected by all outages, whether planned or unplanned, are recorded automatically. Çoruh EDAŞ and Firat EDAŞ also updated and enhanced their mobile workforce application in terms of both design and content. To this end, we aimed to increase energy continuity, while supplying quality energy by incorporating 662 push-to-talk systems, 305 tablets, 30 cors-enabled tablets, 3 drones, 18 partial discharge devices, and 4 isolation meggers in the distribution operations in two regions in 2022, to be used in distribution operations. Meanwhile, the new mobile app enabled consumers to be instantly updated on planned and unplanned outages and convey their requests, suggestions, and complaints via the app.

Due to the legal requirement to include general lighting, high consumption, and manufacturer meters in the AMRS, Çoruh EDAŞ and Firat EDAŞ rapidly continued installations in the field for remote meter reading in distribution regions. As of year-end 2022, consumption under AMRS made up 49.69% and 47% of total consumption in Çoruh EDAŞ and Firat EDAŞ license regions, respectively.

R&D PROJECTS

In 2022, Aksa Electricity continued to develop innovative projects with a focus on R&D activities, developing new projects and applications to support smart grid applications, especially in distribution networks, in line with increasing digitalization.

Digital Twin Model-DIGTWIN Project (ÇORUH)

With the project, which was initiated under the leadership of Çoruh EDAŞ and in partnership with VAN and GDZ EDAŞ Electricity Distribution Companies, an application shall be developed that shall enable the most appropriate protection settings to be realized by determining the causes of failures at the points with the highest number of failures at the MV level carrying out relay adjustment and coordination studies. The application focuses on creating a digital twin of the distribution network by using the Geographical Information System. The project is expected to be completed by 2023.

Digital Network Manager Project (ÇORUH AND FIRAT)

With the project, which has recently started under the leadership of Çoruh EDAŞ and with the partnership of Firat EDAŞ, current, voltage, temperature, partial discharge, humidity, etc. data shall be monitored with the help of sensors to be used in the network equipment (cable, transformer, breaker, surge arrester) determined in the distribution network, to investigate the basic conditions that cause failures and develop a health index algorithm that indicates the life of this equipment. The project is planned to be the infrastructure of the Asset Management Systems that shall be on the agenda of distribution companies in the coming period.

Next Generation Network Design Project (ÇORUH AND FIRAT)

Line designs suitable for the new generation network design, especially the energy transmission lines in the distribution networks, which have been adversely affected by the changing climatic conditions in recent years, and the related legislative amendment proposals shall be studied with the Next Generation Network Design R&D Project. All distribution companies in Türkiye are involved in the project, in which Çoruh EDAŞ and Firat EDAŞ are stakeholders.



Aksa Electricity develops new projects and applications to support smart network applications in line with increasing digitalization, especially in distribution networks.

Within the scope of process optimization efforts, the most comprehensive corporate ERP transformation in the sector continues in collaboration with SAP, one of the world's leading companies.

Project for Development of Action Plan Against Natural Disasters (ÇORUH AND FIRAT)

Within the scope of the project, Fırat and Çoruh EDAŞ and all electricity distribution companies that are involved in the project shall work to carry out studies that shall enable readiness for earthquakes and other natural disasters, to determine the necessary measures and coordination elements, to examine and develop pre/immediate/post-disaster solution methods and applicable systems for them. Project efforts are underway.

- Managing end-to-end flow on a map-based work order platform,
- Collecting and recording in the system all information/documents/photos and forms generated during the process with a mobile device,
- Online management of changes to be made in the field inventory with SAP and GIS integrations,
- Measurement and automatic reporting of staff occupancy rate, workforce, and work order performance.

Started in 2022, the project was commissioned in April 2023.

BUSINESS APPLICATIONS PROJECTS

Workforce Management System (SAP WFM)

In order to monitor the workforce management of the maintenance and breakdown activities carried out in the field, the infrastructure shall be changed and transition shall be made to the Workforce Management application of the SAP Brand. This application aims to establish a system that is managed with GIS Map bases, can be carried out with dynamic field operations, and can be reported in accordance with legal regulations and obligations. In this context, EMRA procedures and principles shall be taken as a basis and the items exemplified below are targeted:

Outage Analytics Dashboard

Network outage analysis is data analysis screens created to report and analyze outages and to identify regions in need of investment. It has been developed with GIS infrastructure and integrated with surrounding applications, aiming to provide smart data analysis. The data that can be obtained from the dashboard can be indicated as follows:

- Weekly, monthly, and annual outage analysis,
- Analysis structure broken down by province, district, etc,
- Review in switching element detail,



- View outage number-duration data,
- Investment plans,
- Impact of investment efforts on outages.

Project activities are being carried out successfully and it went live in 2023 to cover investment and network operations.

Index Reading Application Project

The "Index Reading Application" was developed by designing the index reading service, one of the main field activities of distribution companies, in line with customer satisfaction and field needs. With new practice;

- Average meter reading time of 2 seconds,
- High location accuracy,
- Ability to send notes collectively to the installations connected to the junction box,
- Selection of OBIS codes to be received with the management panel-TBKK,

- Ability to print "Loss/Theft Report" and "EDAŞ Invoice" with a blank roll,
- Ability to receive field management and reading reports with Dispatcher screen,
- Integration with the Vehicle Tracking System,
- Integration with the push-to-talk application,
- Routing function.

Dashboards for remote monitoring of field activities were designed and made available to the teams. Started in 2022, the first phase of the project was completed in March 2023 and the second phase is underway.

TAOSOS Project

In accordance with the procedures and principles communicated by TEDAŞ, the work carried out in the project, which started with the aim of centralization and accrual of general lighting AMRS data, was completed as of December 2022.

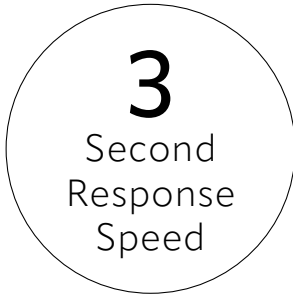
Video Confirmation System

This is a system that shall be established to enable the customer to be called from the field with a corporate identity and to ensure communication between the office and the field within the scope of occupational safety and customer satisfaction. Within the scope of the project, Akso Electricity primarily aims to reduce occupational accidents. The improvements planned to be made within the scope of the project are as follows:

- Voice push-to-talk feature - dialing via 186 when a customer is called,
- Video confirmation system (online-offline),
- Integration with radio systems,
- Group announcing and one-on-one announcing,
- Video call and live video streaming,
- Live video streaming to group and one-to-one,
- Keeping audio and video communication records.

The project is planned to be started in 2023 and completed in early 2024.

Aiming to enhance service quality and consumer satisfaction, Çoruh EDAŞ and Fırat EDAŞ maintained focused upon technology and digital transformation.



In 2022, 99.50% and 99.44% of all calls received respectively at Çoruh EDAŞ and Fırat EDAŞ call Centers were answered; while the average call response time was recorded as 3 seconds.

CONSUMER SATISFACTION

Aiming to enhance service quality and consumer satisfaction, Çoruh EDAŞ and Fırat EDAŞ maintained focused upon technology and digital transformation. Both companies implemented pioneering initiatives in the industry with investments to fulfill capacity requirements, improve supply quality and boost efficiency in 2022.

Çoruh EDAŞ and Fırat EDAŞ customers are increasingly more satisfied with the 186 – Fault Notification and Solution Center thanks to its continuously rising service quality. In 2022, 99.50% and 99.44% of all calls received respectively at Çoruh EDAŞ and Fırat EDAŞ call centers were answered; while the average call response time was recorded as 3 seconds.

Upon introducing the Call Center Satisfaction Survey in 2021 to respond to consumer demands and needs in a better and quicker manner, Çoruh EDAŞ and Fırat EDAŞ continue to measure satisfaction in all provinces across their service regions.

Through feedback, Çoruh EDAŞ and Fırat EDAŞ detected an increase in the rate of consumer satisfaction. They extensively analyze customer requests, suggestions, and complaints with the surveys they started to conduct across the region. Based on the survey results, they take effective and strategic actions toward the appropriate target.

Consumers in Çoruh EDAŞ and Fırat EDAŞ service areas are notified about the operations of the companies, and scheduled outages with SMS. Local authorities across the regions are also directly registered on this notification system. As a result, all notices and complaints originating from local authorities are considered a priority as part of the VIP designation on the platform and are addressed quickly.

Çoruh EDAŞ and Fırat EDAŞ schedule training sessions on consumer relations based on one-on-one communication principle in order to deliver top-notch and uninterrupted services to consumers and organize meetings with local governments to analyze consumer requests, feedback and complaints throughout the year. The Companies also use WhatsApp groups to connect with local governments on a 24/7 basis.

Çoruh EDAŞ and Fırat EDAŞ prioritize consumers whose quality of life critically depends on electrical devices with VIP designation. One-to-one communication channels are established with these special customers at their request. In addition to these, frequent gatherings such as various events and organizations are held with the entire stakeholders including the consumers, general public, NGOs, local and national media by making available all sorts of communication channels.

In order to change the perception of consumers in a positive way and to create different communication resources, Çoruh EDAŞ and Fırat EDAŞ actively use social media channels, and instant communication is established with consumers through the WhatsApp Index Line as well as the websites of the two companies (www.coruhedas.com.tr and www.firatedas.com.tr).

FUTURE OUTLOOK

Çoruh EDAŞ and Fırat EDAŞ make investments to add value to our nation, the industry and all their stakeholders by delivering top notch and uninterrupted electricity in their distribution regions. Both companies made investments worth a total of TRY 12.3 billion from 2010, the year they were privatized, to the end of 2022.

The field automation and SCADA integration operations for 850 distribution centers in Çoruh EDAŞ and Fırat EDAŞ are completed. These stations are controlled and commanded via the SCADA control centers in HQs in Trabzon and Elâzığ.

They revamped their operation organization and processes to meet the electrical connection demands of new structures more quickly. They update their business processes by conducting surveys in order to measure consumer satisfaction with the Call Center performance.

Moreover, the Companies continue their training activities uninterruptedly within the scope of supportive occupational health and safety, while regularly conducting the required audits.

Çoruh EDAŞ and Fırat EDAŞ keep on their efforts in line with the goals listed below in the new 5-year tariff period, which started in 2021, now continuing with further responsibilities associated with service quality:

- Ensuring the continuity of their respective networks and reducing failure frequency with planned and predictive maintenance,
- Reducing the number and duration of outages with faster failure interventions,
- Providing responses in a shorter time via digitalization of connection applications,
- Monitoring information at every point of the networks by boosting technical quality and traceability rates,
- Keeping the network live with appropriate investment planning and execution,
- Responding quickly to consumer requests and complaints via the Call Center,
- Operating safely in full compliance with applicable occupational health and safety laws, rules and regulations,
- Combatting and taking precautionary measures against illegal use of electricity.

Çoruh EDAŞ aims to boost the technical quality of the electrical energy it delivers with an investment of TRY 1,931.6 million planned in 2023 along with scheduled failure maintenance-repair work. With these efforts, the Company targets reducing the average outage time and frequency per consumer. In 2023, it plans to lower the technical and non-technical loss and theft rate to 6.58% – below the 7.33% target set by EMRA for the year.

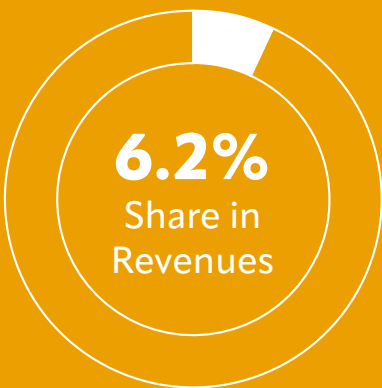
In 2023, Fırat EDAŞ aims to raise its service quality with capital investments of TRY 1,700 million. The company shall continue its planned maintenance and repair efforts to reach the quality target in a way that shall not disrupt the service. Plans are currently underway to develop R&D projects that identify potential faults more rapidly and effectively, and to prepare maps for distribution facilities.



AKSA POWER GENERATION

Türkiye's leader
and the world's
prominent
power
generator
manufacturer

For many years Akxa has been the leader of the Turkish power generator market, and it is among the top 200 industrial enterprises and export companies in Türkiye.



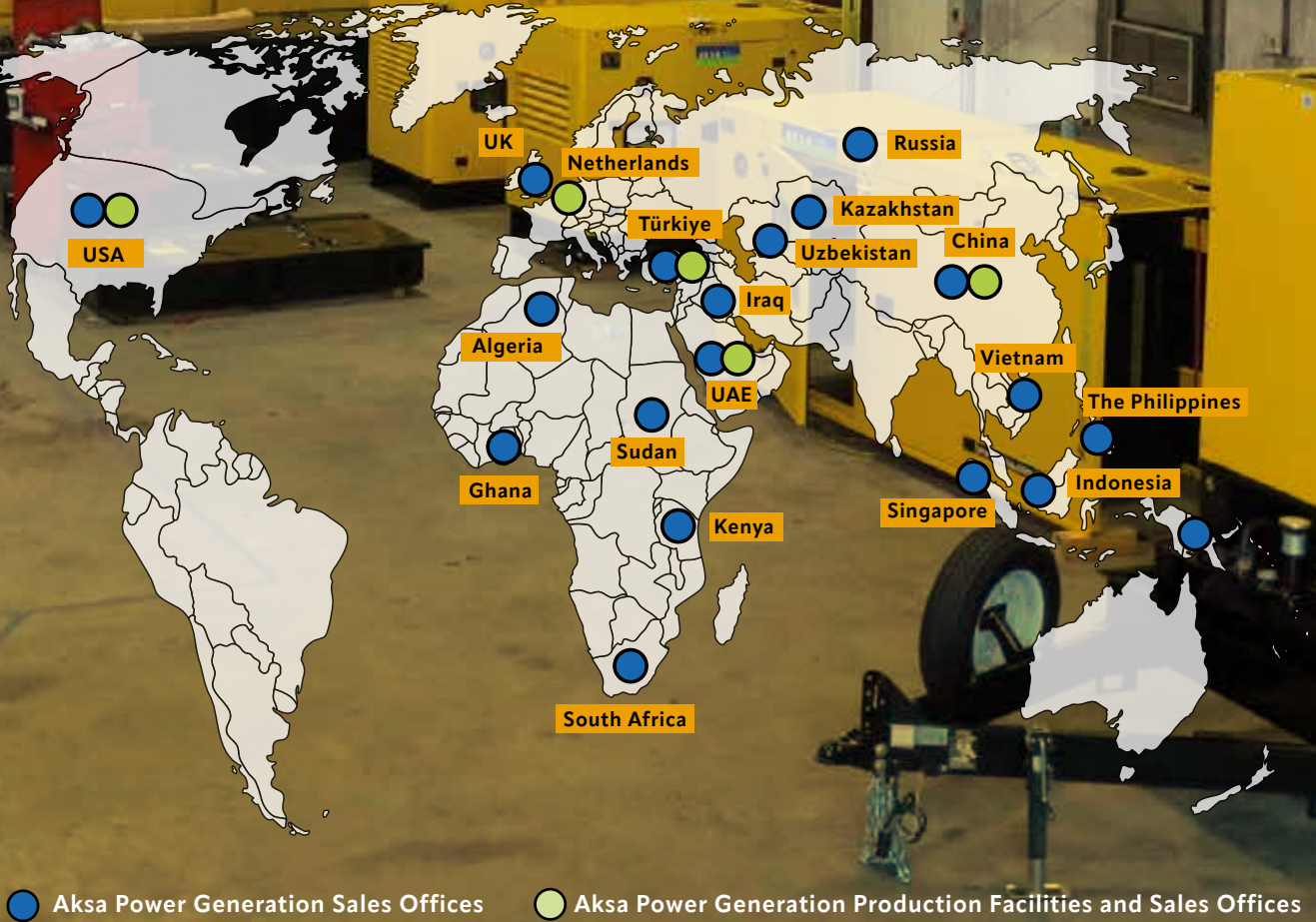
200
thousand m2 +
Sales Points
in Türkiye

178
Sales to
Countries

TRY 4
Billion
Export

TRY 6
Billion
Revenue

Power Generator Manufacturing and Sales



Added value to the national economy

Driven by global growth targets, Akxa Power Center (APC) expanded its areas of operation by opening a new office in New Jersey, USA. In addition, Akxa Power Generation expanded its sales and service network by opening an office in Kenya and Sudan.

Akxa Power Generation



Akxa Power Generation ranks among the top 5 power generator manufacturers globally with its production facilities in Türkiye, China, and the USA and 24 overseas offices in Asia, Europe, Africa, and America.

Akxa Power Generation laid its foundation with the electrical motor factory established by Ali Metin Kazancı in 1968. Manufacturing its first power generator in 1984, the Company became a specialist in the field of machine and hardware production in a short time, becoming one of the leading power generator manufacturers in the world. Having successfully maintained its leadership in the Turkish power generator market for many years, Akxa Power Generation is among the largest exporters in Türkiye with sales to 178 countries, continuously adding value to the national economy without interruption.

Akxa Power Generation makes a difference with the novel products it developed, technology, and innovation, and continuously boosts the global power of its brand by setting the standards in its field of activity. One of the first companies in the world to manufacture power generators that run on natural gas and the indisputable leader in the projects of synchronized power generators, the Company -with R&D investments- has recently focused its efforts on power generators that consume less fuel, make less noise and are more environmentally friendly.

OPERATIONS

Manufacturing and Sales

Relocating its Türkiye-based production facility to Çerkezköy in 2021, Akxa Power Generation tripled its capacity through this facility complies with the 4.0 standards, spanning an indoor area of 40,000 m². Akxa Power Generation manufactures power generators between 1 kVA and 3,125 kVA which can run on petrol, diesel, and natural gas, supplementary marine power generators, lighting masts, and power generator hardware in its factories in Türkiye as well as in China (Changzhou, in an indoor area of 80,000 m²) and the USA (Louisiana, in an indoor area 5,400 m²). Akxa Power Generation also operates in trade centers in Dubai and Rotterdam-Dordrecht. The company produces customized solutions for various industries, such as data centers, mining, health-care, construction, and telecommunication.

In this respect, Akxa Power Generation added to its product portfolio the hybrid power generator, which is designed completely based on its research and development efforts, and which can derive its energy from renewable sources, such as wind and solar energy, making it the technology for the future.



Providing fuel savings of up to 70% and offering an affordable and efficient alternative to consumers as an environmentally friendly power generator, the hybrid power generator also comes equipped with a Remote Management System, allowing users to remotely access and check data entries.

The Company ranks among the top 5 power generator manufacturers globally with 25 overseas offices in Asia, Europe, Africa, and America. As of the end of 2021, the Company conducts overseas activities via sales offices in the UK, South Africa, Ghana, Algeria, United Arab Emirates, Iraq, Kazakhstan, Uzbekistan, China, Indonesia, Vietnam, the USA, the Netherlands, Singapore, the Philippines, Sudan, and Kenya.

After-Sales Services

Akso Power Generation operates 81 service points across Türkiye with a team of 300 expert staff and 150 vehicles providing 24/7 after sales support and service year round. Thanks to its extensive network, the Company can respond to any technical issues customers might experience as quickly as possible.

The Company started to rebuild its structure named as service organization as After-Sales Services in 2021 to increase the quality of support services. As part of this, several innovative project studies were initiated regarding the product support, central stock management, and digitalization.

Expert teams at regional offices and APCs, coupled with ample stock of spare parts for the most frequently needed parts, differentiate Akso Power Generation from the competition in terms of service quality. The Company is ceaselessly continuing its investments in a training network and coaching technical staff that would introduce authorized services in Türkiye as its latest innovation in the industry.

Aksa Power Generation Rental delivers exploration, installation, service and transportation solutions, serving with Türkiye's biggest power generator fleet in its product range between 1 kVA and 1,625 kVA.



With the new factory laid on an indoor area of 40,000 m² and equipped with cutting-edge technology, Aksa Power Generation shall continue to provide tailor-made solutions to various sectors.

Rental Branch

Aksa Power Generation Rental provides power generator rentals in Türkiye and abroad at the head offices in two regions in Istanbul (Çatalca and Asian side), Dubai and at Kazakhstan Atyrau, offering a large product range consisting of fuel and diesel based power generator sets with an experienced staff.

Aksa Power Generation Rental can also provide package deals to meet its customers' periodic and ongoing energy needs - including exploration, assembly, service, and transportation solutions. Aksa Rental boasts Türkiye's biggest power generator fleet with capacities ranging from 1 kVA-1,625 kVA. It provides services at the desired power by synchronizing with the system installation.

Aksa Rental Mobile Power Generators are designed for situations that might require an urgent energy supply and constitute a first in this field in Türkiye. The system can supply energy up to 400 kVA with a single mobile power generator, and up to 1,200 kVA with synchronized gensets.

Thanks to their exceptional insulation, Aksa Mobile Power Generators are classified as "Super Quiet." Their advanced operating properties have allowed Aksa Mobile Power Generators to provide energy for major events and they are preferred for many large-scale projects and construction sites.

Second-Hand Power Generators

Second-hand power generators are appraised on-site by highly qualified engineers specialized in providing reliable and professional services for second-hand power generator purchases and sales, and are evaluated under the best terms and at optimal pricing.

Second-hand power generator groups, which have passed quality control tests and underwent extensive overhauls are put on sale and are placed under warranty along with a periodic maintenance agreement. Upon customer request, old power generators can be removed from their existing locations and replaced with new ones that provide the best power range for their requirements.

Aksa Power Generation is a sector leader in second-hand power generator purchase and sales thanks to:

- Quality control testing prior to the second-hand sale,
- Support provided by expert technical teams,
- Best sales prices reflecting the value of approved products,
- Comprehensive post-sales support,
- Warranty for second-hand power generators,
- Spare parts support, and
- Offering instant solutions implemented by a widespread service network

It is also the leading organization of the sector in the purchase-sale of second-hand power generators.

DEVELOPMENTS IN 2022

In Q4 2021, Akxa Power Generation commissioned its plant in Çerkezköy, Tekirdağ to manufacture power generators at the Industry 4.0 standards. The current production capacity was almost tripled with the renewed Türkiye Production Center. With the new factory laid on an indoor area of 40,000 m² and equipped with cutting-edge technology, Akxa Power Generation shall continue to provide tailor-made solutions to various sectors such as data centers, mining, health-care, construction, and telecommunication. In addition, the Company started to meet 60% of its energy needs for its operations with solar energy, through solar panels installed on the roofs of plants in 2022.

Akxa Power Generation's Çerkezköy Facility is a smart factory that can track the entire manufacturing process from sheet metal cutting stage - the first manufacturing operation of the Manufacturing Execution System - to the test stations that are the last control points. Additionally, it has a structure that enables continuous control of processes digitally.

Ever since the beginning of the pandemic, Akxa Power Generation has focused upon uninterrupted continuity of its operations and protection of its employees under the motto "human first." To find solutions to the power generator failure demands and needs of all hospitals across Türkiye, Akxa Power Generation provided on-site maintenance and response services with free of charge service support, and offered rapid solutions for many hospital projects at home and abroad.

Moreover, Akxa Power Generation is the first and only Turkish company to obtain conformity approval for Uptime Institute TIER III and TIER IV standards in its data center power systems. It generated rapid and



reliable solutions for the data center demands of customers all around the world with its growing product portfolio.

Driven by global growth targets, Akxa Power Center (APC) expanded its areas of operation by opening a new office in New Jersey, USA. In addition, Akxa Power Generation expanded its sales and service network by opening an office in Kenya and Sudan.

Akxa Power Generation is a member of Europgen - one of the platforms consisting of the most prestigious power generator manufacturers in Europe and in the world. The Company extended its footprint in

global arena with a New Trade Center opened in the Netherlands at the end of 2020, growing its global brand value with this membership each and every day.

Akxa Power Generation delivered energy sponsorship for popular arts and culture events in Türkiye throughout the year. Accordingly, Akxa Power Generation met the energy needs at the TEKNOFEST organization that has taken place across the group regularly since 2018 with an aim to raise awareness of technology and science.

Aksa Power Generation aims to rank among the top three power generator producers in the world by 2025.



Aksa Power Generation achieved a turnover of TRY 6 billion, up 136% year-on-year.

FUTURE OUTLOOK

Long-term global targets lie at the heart of Aksa Power Generation's growth strategy. The Company aims to rank among the top three power generator producers in the world by 2025. Aksa Power Generation keeps an eye on potential opportunities across the Asian Pacific, African, South American and European markets to expand its worldwide sales network. It aims to grow its customer base and reinforce its leading position in Turkish market with its innovative customer-focus approach.

Aksa Power Generation adapts rapidly to the changing needs of sectors it serves and creates solutions thanks to its flexible nature, and it expands the R&D investments continuously to provide quality and sustainable service to the customers and to catch up with the technology of the future.

Aksa Power Generation continues to create products and systems that shape the industry by prioritizing energy efficiency. As one of the first producers of natural gas power generators in Türkiye, the Company intends to expand its product range with a focus on hybrid solutions including the natural gas co-generation, trigeneration, and other gas implementations as well as energy storage. Aksa hybrid power generators are economic, effective, and eco-sensitive power generator systems that are compatible with today's technology in which renewable energy resources are used in addition to other power generator systems. Providing up to 70% fuel savings with integrated batteries and optional solar panels and wind turbines, hybrid power generators respect the environment with their low sound levels and low exhaust emissions. Aksa Power Generation aims to expand its hybrid energy solutions to leave a cleaner environment for future generations.



Domestic Sales Points

Akso Power Generation provides services at the following 19 APCs (Akso Power Center) located across Türkiye:

- Akso Adana
- Akso Anatolia
- Akso Ankara
- Akso Antalya
- Akso Beyoğlu
- Akso Bodrum
- Akso Bursa
- Akso Çorlu
- Akso Denizli
- Akso Diyarbakır
- Akso Gaziantep
- Akso İzmir
- Akso Kağıthane
- Akso Kayseri
- Akso Marmaris
- Akso Samsun
- Akso Şanlıurfa
- Akso Trabzon
- Akso Trakya

AKSO POWER GENERATION IN FIGURES

	2021	2022	Change (%)
Turnover (TRY Million)	2,545	6,007	136%
EBITDA (TRY Million)	340	1,289	279%
Revenues from overseas sales (USD Million)	183	244	34%

AKSA TOURISM

Sustainable growth in tourism

Aksa Tourism's hotels sold 116,443 rooms and 225,717 beds in 2022. Aksa Tourism hotel's occupancy rate was 48.3% in 2022.



* Total turnover distribution of Aksa Tourism and Aksa Agriculture.





Tourism Enterprises



● Antalya - Mirada Del Mar Hotel

● Kayseri - Mirada Del Lago Hotel
and Mirada Del Monte Hotel

● Muğla - Mirada Exclusive Bodrum

The goal is to be the best in the sector

Aiming for excellence in the tourism sector, Akxa Tourism opened its latest hotel Mirada Exclusive Bodrum in Asarlık, one of the most beautiful bays of Bodrum, in June 2022.

Akxa Tourism



Akxa Tourism has 927 rooms and 1,892 beds in 4 hotels as of year-end 2022.

Adopting an innovative approach, Kazancı Holding makes investments that create value for Türkiye in every business area where it operates. Kazancı Holding established Akxa Tourism with the brand Mirada & Resorts in 2004 and officially entered the tourism sector in 2005 with Mirada Del Mar Hotel in Antalya.

Akxa Tourism later renovated the two social facilities it acquired in Erciyes Mountain, Kayseri in 2006, introducing them to Turkish tourism in 2007 as 4-star and 3-star hotels, respectively. In 2021, it upgraded the Kayseri-based Mirada Del Lago Hotel to 5 stars.

Always aiming for excellence in the tourism sector, Akxa Tourism opened its latest hotel Mirada Exclusive Bodrum in Asarlık, one of the most beautiful bays of Bodrum, in June 2022.

Akxa Tourism renovated the hotels to provide higher quality service to its guests. As of year-end 2022, Akxa Tourism operates 4 hotels with a total of 927 rooms and 1,892 beds.

Mirada Del Mar Hotel

Aiming for excellence in the tourism sector, the 5-star Mirada Del Mar Hotel is Kazancı Holding's first investment in the sector. It is located in the Göynük town in Kemer, Antalya.

Mirada Del Mar Hotel's architecture and landscaping boast a unique design; it is located on an area of 100,000 m² surrounded with pine trees, with a total of 542 rooms each with a view of the sea, forest, or garden. Additionally, it contains 14 meeting halls, largest of which can seat 800 people, all equipped with the latest technology, that can be used for various gatherings and events.

Akxa Tourism undertook a number of renovations in the facility and rooms to deliver better service to Mirada Del Mar Hotel guests, including installation of water purification and energy monitoring systems to ensure energy efficiency for ecological purposes.



Mirada Del Lago

Situated in Erciyes, Kayseri, Mirada Del Lago Hotel is the first and highest bed capacity hotel in Mount Erciyes. Located 28 km from the airport and designed by observing modern architecture, the hotel upgraded from 4 stars to 5 stars in 2021.

The Hotel is located 300 meters away from ski slopes that are 37 km long, where cable car and chairlift services are also available. Mirada Del Lago Hotel contains a main restaurant and an à la carte restaurant where exceptional dishes can be sampled.

It contains an indoor pool with heating, a sauna, and traditional Turkish bath, as well as a conference room equipped with the latest technology, which can seat 150 people, for various gatherings and events.

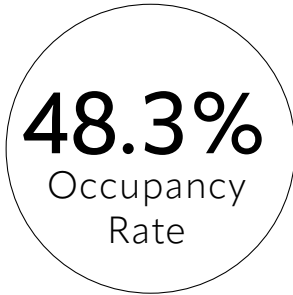
Mirada Del Monte

The 3-star Mirada Del Monte Hotel houses 96 beds in 54 rooms and is located only 50 meters away from the winter sports activity center, serving its guests on the slopes of the highest mountain in Central Anatolia, Mount Erciyes, since 2007.

Mirada Exclusive Bodrum

Aiming for excellence in the tourism sector, Kazancı Holding opened its latest hotel Mirada Exclusive Bodrum in Asarlık, one of the most beautiful bays of Bodrum, in June 2022. Serving with a capacity of 226 rooms and 510 beds in 2022, Mirada Exclusive Bodrum is expected to serve at full capacity in 2023.

Thanks to the measures quickly taken by the management team and the sensitivity of all employees to comply with these measures, Mirada Hotels & Resorts managed the pandemic process in the best way considering the conditions of the period.



The average occupancy rate of Aksa Tourism Hotels was 48.3% in 2022.

DEVELOPMENTS IN 2022

The economic impacts of the COVID-19 pandemic, which affected the whole world, continued in 2022. However, the tourism sector has revived with the increased demand after the pandemic.

Aksa Tourism obtained the Safe Tourism Certificate, as required by the Ministry of Culture and Tourism of the Republic of Türkiye, from Bureau Veritas, an international certification body, by adopting all the measures as part of the fight against the pandemic, together with normalization, welcomed its guests safely.

Thanks to the measures quickly taken by the management team and the sensitivity of all employees to comply with these measures, Mirada Hotels & Resorts managed the pandemic process in the best way considering the conditions of the period.

Aksa Tourism has increased its investments in Mirada Del Lago Hotel in Kayseri, thus, the hotel's status raised from 4 stars to 5 stars in 2021. The Company continues to expand its operations in the tourism industry every passing day with Mirada Exclusive Bodrum that is opened in June 2022.

AKSA TOURISM IN FIGURES

Operational Data	2021	2022	Change (%)
Number of Rooms	687	927	36.54%
Bed Capacity	1.450	1.892	38.34%
Number of Rooms Sold	80.061	116.443	44.96%
Number of Beds Sold	160.213	225.717	44.96%
Occupancy (%)	31.3	48.3	54.31%



4
Hotels

Growing its brand value in tourism industry with the hotels in its portfolio, the Company keeps focusing on its value-added operations aimed at the future with an ever-growing excitement.

FUTURE OUTLOOK

Aiming to achieve sustainable growth in the tourism market, Akxa Tourism continues its investments in line with guest expectations each year. The Company plans to further expand its bed capacity as possible market opportunities arise over the medium term.

Akxa Tourism includes the growth model in the accommodation industry among its 2023 goals and beyond

With Mirada Exclusive Bodrum facility targeted to be fully operational in 2023, the group's corporate identity efforts have also accelerated. Growing its brand value in tourism industry with the hotels in its portfolio, the Company keeps focusing on its value-added operations aimed at the future with an ever-growing excitement.

AKSA AGRICULTURE

In the top 10 in meat and milk production

Alongside dairy and livestock farming, Aksa Agriculture's value-driven operations include fruit gardening, grain farming, silage corn production, sunflower, sugar beet, paddy (rice) cultivation.



* Total turnover distribution of Aksa Tourism and Aksa Agriculture.

A circular graphic with a white background containing the text "23,627 Tons Milk Production". The background of the page shows a green field with a red structure in the distance.

Category	Value
Milk Production	23,627 Tons

A circular graphic with a white background containing the text "7,524 Heads Breeding Cattle".

Category	Value
Breeding Cattle	7,524 Heads

A circular graphic with a white background containing the text "4,989 Heads Dairy Cattle".

Category	Value
Dairy Cattle	4,989 Heads



Agricultural Enterprises



● Tekirdağ - İnanlı Agricultural Enterprise

● Samsun - Gelemen Agricultural Enterprise

Sustainable agriculture in EU standards

In 2022, Akxa Agriculture produced 23,627 tons of milk. The Company has 7,524 heads breeding cattle in its farms.

Akxa Agriculture

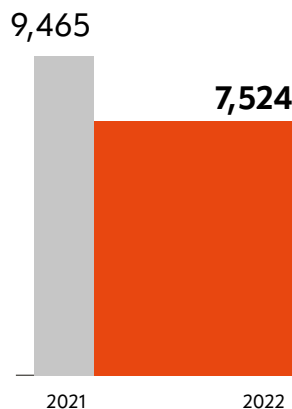


Akxa Agriculture maintains agricultural production by expanding its product diversity at its Gelemen Enterprise, which has 8,000 decares of cultivated land - with 450 decares being dedicated to growing fruits - through the Good Agricultural Practice.

In order to convey its longstanding corporate experience to the agriculture industry, Kazancı Holding rented İnanlı and Gelemen Agricultural Enterprises for 30 years, after they were opened for lease by the General Directorate of Agricultural Enterprises in 2005. Two farms run by Akxa Agriculture in line with the EU standards contribute to the development of agriculture and livestock industry in Türkiye through a sustainable perspective.

Akxa Agriculture is among the top 10 farmers in meat and dairy production in Türkiye with a capacity of 16,900 cattle in total. Alongside dairy and livestock farming, the Company's value-driven operations include fruit gardening, grain farming, silage corn production, sunflower, sugar beet, and paddy (rice) cultivation.

Breeding Cattle (Heads)

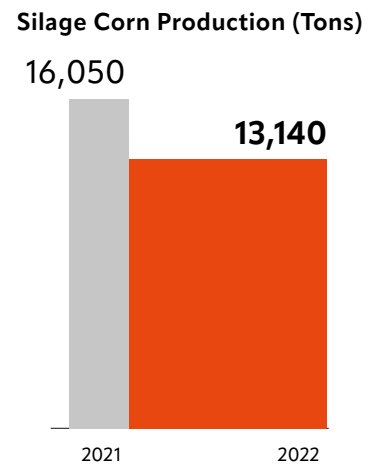
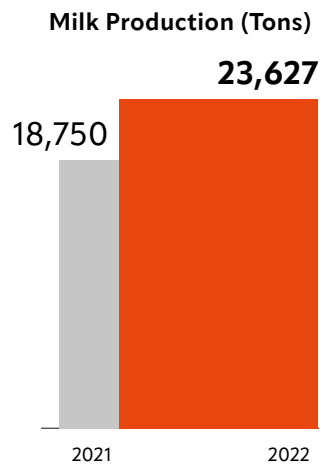


Dairy Cattle (Heads)





Aksa Agriculture is among the top 10 farmers in meat and dairy production in Türkiye with a capacity of 16,900 cattle in total.



Aksa Agriculture engages in dairy cattle breeding, milk production, sheep and goat breeding, as well as agricultural production activities at its İnanlı Plant in Tekirdağ.



In 2022, 23,627 tons of EU-approved certified chilled raw cow milk was produced with a production capacity of 2,240 milking heads by the end of 2022.

İnanlı Enterprise

Aksa Agriculture engages in dairy cattle breeding, milk production, sheep and goat breeding, as well as agricultural production activities at its İnanlı Plant in Tekirdağ.

In this enterprise where the Company employs zoo-technicians, veterinarians and agricultural engineers who are experts in their fields, 23,627 tons of EU-certified chilled raw cow milk was produced in 2022. And, it reached a production capacity of 2,240 milking heads by the end of 2022.

İnanlı Enterprise adopts pioneering practices in livestock operations that it designed to minimize its environmental impact. Upon the completion of the barn investment and penetrating into the Turkish meat market in 2017, Aksa Agriculture completed the infrastructure, superstructure and recycling revisions in the barn in 2020.

In addition to breeding and dairy cattle farming, Aksa Agriculture cultivates two sets of crops annually at İnanlı Enterprise. 22 thousand tons of pellet feed are produced yearly alongside wheat, vetch, silage corn, and dry hay on an area of 11,163 decares.

As a result of regular investments made since 2015, İnanlı Enterprise includes the following as of year-end 2022:

- 4 closed system barns with 480-head capacity,
- Two closed system barns with 240-head capacity,
- Four closed system barns with 200-head capacity,
- Semi-open system barn with 500-head capacity,
- Open system feeding barn with 6,000-head capacity,
- Calf sheds with 450-head capacity,
- Delivery barn with 250 animal capacity,
- 2 German Rotary milking facilities with 40 units,
- 40-unit parallel milking system,
- 8 silage wells with 2,000-ton capacity, 3 silage wells with 1,500-ton capacity, and 2 silage wells with 1,500-ton capacity,
- Pellet feed facility with a production capacity of 5 tons/h,
- Drip irrigation system covering a 4,000 decares area.



İnanlı Enterprise



Gelemen Enterprise

Gelemen Enterprise

Since 2017, Aksa Agriculture Gelemen Enterprise have undertaken efforts to choose suitable types of crop and to increase the yield by considering the crop productivity of previous years as well as the area's geographical and environmental properties. The yields for barley, wheat, sunflower, and corn are above the regional average at the Gelemen Enterprise. Furthermore, the enterprise commenced rice production in 2018 and continues with its activities based on a cooperative production model formed with local farmers who know the region's characteristics well.

Always adopting an environmentally-sensitive approach across its operations, Aksa Agriculture commissioned a 1.5 MW biogas recycling facility to repurpose and recycle solid animal waste at Gelemen Enterprise with GZL Energy in 2020. In addition, the Company has fulfilled its mission on environmental waste and air pollution by making use of solid/liquid animal manure, enterprise feed residues, plant and vegetable residues recycled from livestock farming operations in 2021 at its biogas facility.

As a result of regular investments made since 2015, Gelemen Enterprise includes the following as of year-end 2022:

- Barn with three 5,200 m² closed areas and three 3,000 m² open areas,
- Barn with three 5,000 m² closed areas and three 3,800 m² open areas,
- Barn with 2,000 m² indoor area and 1,035 m² outdoor area,
- Barn with 1,270 m² indoor area and 950 m² outdoor area,
- Totaling nearly 33,870 m² indoor area and 22,350 m² outdoor area, Breeding cattle barns with a capacity of 20,000 heads,
- 450 decares of net covered apple orchard,
- Drip irrigation system covering a 3,000 decares area.

Aksa Agriculture continued to increase its input for the Turkish agriculture and animal livestock with the investments it made in 2021

455
Merino
Sheep

Aksa Agriculture increased the 230 heads of merino sheep purchased in 2021 by 50% to 455 heads in 2022.

DEVELOPMENTS IN 2022

Aksa Agriculture continued to provide input for Turkish agriculture and animal livestock with the investments it made in 2022, which was spent in the shadow of climate events caused by global warming, especially drought.

The Company raised the number of cattle; the total number of dairy animals to 4,989; and the capacity utilization rate of the farm to 100% by the end of the year at the İnanlı Enterprise, the largest milk production facility in Thrace region. Maintaining its daily milk production of 65 tons in the previous year, it increased its annual production by 26% to 23,627 tons.

Through the "Rutting Tracking System" that was deployed in September 2021, pregnancy performance from insemination increased by 95% compared to 2021 and female birth rates by 20% in 2022. Tapping into this boosted performance, the goal is to enhance the quality of the herd further more by focusing on the use of female seeds with high genetic criteria.

Aksa Agriculture increased the 230 heads of merino sheep purchased in 2021 by 50% to 455 heads in 2022.

Aksa Agriculture continued sunflower, wheat, barley, and oats cultivation at the İnanlı Enterprise, whose cultivated area grew to 11,163 decares year-on-year. Despite the negative impact of drought, food issues, rise in commodity prices, as well as rises in meat and milk prices on production and capacity utilization, the Company has uninterruptedly sustained its efforts and investments aimed at increasing efficiency.

Samples taken from each animal and milk were analyzed in the laboratory environment as part of full health screening procedures in İnanlı Enterprise in 2022. As a result, findings were clean and the enterprise continued to hold the "Disease Free Enterprise" and "EU Certified Dairy Farm" certifications.

Maintaining its investment in an eco-friendly manner, Aksa Agriculture has completed the administrative approvals of the SPP project, which shall have an installed capacity of 850 kW at the İnanlı Enterprise, and it is commissioned. The project shall also enable the enterprise to use sun-powered energy in its operations.

Focusing on livestock breeding and agricultural production at the Gelemen Enterprise, Aksa Agriculture imported 3,000 cattle from, mainly including Angus, Hereford and crossbreeds from Uruguay, during the accounting period.

Gelemen Enterprise started a new project in 2022 with the breeding of Simmental breed pregnant heifers brought from Germany and Austria, and contributed to the country's animal husbandry by selling pregnant heifers to the people of the region and many local producers in Türkiye.

Aksa Agriculture maintains agricultural production by expanding its product diversity at its Gelemen Enterprise, which has 8,000 decares of cultivated land - with 450 decares being dedicated to growing fruits - through the Good Agricultural Practice. Starting sunflower cultivation for the first time at the Gelemen Plant in 2019, the Company expanded its sunflower production area in 2022, and Gelemen became the only sunflower cultivation plant in the region registered with the FRS (Farmer Registration System). In this area, it has reached a productivity above the Türkiye's average.

Gelemen Enterprise began to produce sugar beet seedlings in 2018. Through the increased production areas every passing year, the enterprise continued to produce seedlings on an area spanning 259 decares in 2022.

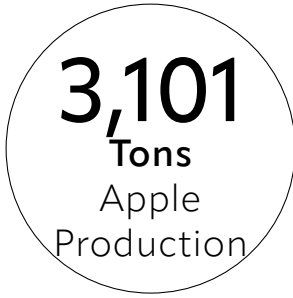
In addition, Aksa Agriculture undertakes the "Warranty Productivity Model" in rice project. Accordingly, the Company has entered into an agreement, concerning the allocation of land, with a rice producer that is familiar the climatic and geographical conditions of the region. Quality crops are produced in the soil processed through cutting-edge fertilizers and eco-friendly pesticides. Aksa Agriculture aims to increase performance-driven productivity and quality every single day through this system.

Aware of its environmental responsibilities, Aksa Agriculture completed the biogas recycling project first launched in 2018 at Samsun Gelemen Enterprise to repurpose and recycle solid animal waste. The biogas facility was commissioned in 2020. Production operations were launched in 2021 in the facility. The facility continued production in 2022.

Aksa Agriculture has completed a major part of the SPP project with a power of 1,101.6 kWp / 732 kWe and that it started to carry out at the Gelemen Enterprise in 2021. The SPP project, the installation phase of which was completed in 2022, has been commissioned and contributes significantly to the region's electricity and the enterprise.



With this program, Aksa Agriculture shall further develop its activities scientifically and institutionally by equipping its employees with the latest academic information.



In 2022, Aksa Agriculture produced a total of 3,101 tons of apples, achieving great success over the apple yield per decare in Türkiye.

FUTURE OUTLOOK

In the coming period, Aksa Agriculture plans to establish a study program with expert instructors actively serving at leading national universities, especially from the field of dairy farming. With this program, Aksa Agriculture shall further develop its activities scientifically and institutionally by equipping its employees with the latest academic information.

Aksa Agriculture imported 4,965 cattle from Uruguay and collected domestic livestock from various regions of Türkiye in its Gelemen Enterprise. This way, it not only provided significant input to Turkish economy, but also responded to

the increasing workforce demand through the local employment opportunities it created. Further support shall be extended for both the local employment and the regional economy with a focus on apple production as well as livestock breeding in the coming period.

In 2022, Aksa Agriculture Gelemen Enterprise produced a total of 3,101 tons of apples in its 450 decares of fruit growing activities, achieving great success over the apple yield per decare in Türkiye.

AKSA AGRICULTURE IN FIGURES

İnanlı Enterprise		
	2021	2022
Milk Production	18,750 tons	23,627
Dairy Cattle Breeding	4,640 heads	4,965 heads
Breeding Cattle Farming	4,500 heads	3,317 heads
Silage Corn Production	16,050 tons	9,254 tons
Hay Production	4,500 tons	10,864 tons
Walnut Production	8 tons	7 tons
Cereal Production	308 tons	585 tons
Sunflower Production	92 tons	25 tons
Cereal Stalk	167 tons	448 tons
Pasture Grass	473 tons	308 tons

Gelemen Enterprise		
	2021	2022
Breeding Cattle Farming	4,965 heads	4,207 heads
Pregnant Heifer Breeding	-	248 heads
Silage Corn Production	3,326 tons	3,919 tons
Grass Silage Production	6,388 tons	2,629 tons
Apple Production	1,608 tons	3,101 tons
Hay Production	570 tons	681 tons
Wheat Production	252 tons	338 tons
Rice Production	1,556 tons	1,556 tons
Sunflower Production	203 tons	163 tons
Barley Production	660 tons	1.059 tons
Sugar Beet Seedling Production	10,950,000 pieces	11,250,000 pieces



Pursuing **sustainable growth** and embracing social responsibility

Kazancı Holding Companies closely monitor a wide range of sustainability issues, from social impacts to environmental impacts, from climate change to commercial sustainability.

Sustainability Strategy

Kazancı Holding conducts its business operations with awareness of the potential social impacts on its stakeholders. The Holding prioritizes the financial, cultural, and social development of local residents in the regions where it operates.

Kazancı Holding and the Group companies that do not define growth only as financial success based on the perspective brought by the sustainability approach perform continuous improvement activities for the environmental effects arising from their operations, considering value chain.

Kazancı Holding companies are driven by the awareness of sustainable development and social responsibility in their operations and adopt an environmentally-sensitive approach to minimize their impact on the environment. The Group Companies participate in exemplary practices on the issues that are vital for a sustainable earth, such as the sustainability of natural resources, cutting waste down to the bare minimum, and preventing soil, air, and water pollution.

Kazancı Holding conducts its business operations with awareness of the potential social impacts on its stakeholders. The Holding prioritizes the financial, cultural, and social development of local residents in the regions where it operates. To these ends, the workforce needed in operational areas is recruited locally, creating employment opportunities for residents while significantly contributing to Türkiye's economy. Kazancı Holding also shares the added value it creates by executing social responsibility initiatives that benefit society.



Effective use of resources for a **sustainable** future

Aksa Natural Gas regards the protection of the environment as the prerequisite of sustainable development and works to minimize the environmental impacts of its operations.

Environmental Sustainability



Aksa Natural Gas disposed of 43.6 tons of hazardous and non-hazardous waste in 2022.

AKSA NATURAL GAS AND THE ENVIRONMENT

Environmental Policy

Aksa Natural Gas sees protection of nature as critical to achieving sustainable growth. The Company shapes its business operations around minimizing its environmental footprint and contributes to efforts for preservation of the environment. Aksa Natural Gas shall continue working toward the goal of leaving a healthy environment for future generations while abiding by all legal and regulatory requirements. With this vision, Aksa Natural Gas has formulated an Environmental Policy based on the following principles:

- Safely minimizing the environmental footprint of the Company's operations in collaboration with all its stakeholders and leaving a healthy environment for future generations,
- Adding value to the environment and quality of life by ensuring continuous improvement in compliance with applicable environmental legislation, under the scope of ISO 14001:2015 Environmental Management System,
- Using natural resources in an efficient manner to minimize waste and prevent pollution at the source,

- Preventing and keeping under control the possible environmental impacts of subcontracted companies,
- Supporting all stakeholders deemed relevant in terms of environmental training and practices to actively promote environmental sustainability and development.

Environmental Risk Management

All operations of Aksa Natural Gas are designed to fulfill all requirements of environmental regulations. To ensure sustainability of its operations, the Company meticulously identifies environmental impact and other related factors and regularly updates inputs and outputs of all business processes.

At each company in licensed regions, Aksa Natural Gas review the environmental risks identified by the Environmental Committee on a yearly basis and keep them under control through a proactive approach. The Company sorts such identified risks according to their severity:

- Striving to eliminate risks at the source,
- Replacing high hazards with lesser ones,
- Implementing engineering measures,
- Making use of ergonomic approaches.

With ISO 14001:2015 Environmental Management System, Aksa Natural Gas aligned its strategical approach with the environmental management system, while also improving the organization's environmental performance.

The Company applies the requirements of the Environmental Management System to all of its business operations and is audited by relevant accredited organizations on a yearly basis to maintain its system certification and validate its compliance with the system.

Waste Management

Waste management and environmental permits are key components of the environmental management approach at Aksa Natural Gas. Distribution companies in Aksa Natural Gas license regions reduce, reuse, recycle and dispose of wastes arising from their activities in accordance with the relevant regulations and fully fulfill the obligations imposed by the regulations.

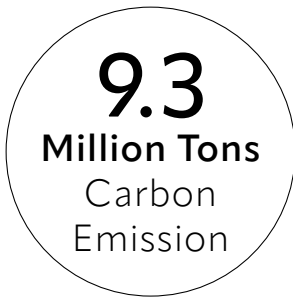
Different types of waste are sorted accurately and kept in storage areas under appropriate conditions. Waste is prevented from contaminating the soil and water during storage. All waste is then delivered to disposal firms licensed by the Ministry of Environment and Urbanization within the time frames set out by the Waste Management Regulation. Aksa Natural Gas disposed of 43,6 tons of hazardous and non-hazardous waste in 2022.



Aksa Natural Gas designed and put into service the Environmental Management Module as an additional module in the development studies of the Aksa OHS software it uses across distribution companies. In this application, all hazardous and non-hazardous waste is monitored with unique waste codes, and current amount of waste is tracked and instantaneously reported upon demand.

Waste management training for Company personnel, especially waste management teams, are completed on an annual basis. The division of labor is determined for everyone and employee awareness is raised as regards collection of waste by category.

Understanding that the biggest threat facing natural resources today is uncontrolled consumption, Aksa Natural Gas is committed to ensure efficient use of natural resources at all of its distribution companies.



Aksa Natural Gas brought about a 9,3 million tons reduction in carbon emissions in just one year by replacing coal use with natural gas in its license regions.

Natural Resource Management

Understanding that the biggest threat facing natural resources today is uncontrolled consumption, Aksa Natural Gas is committed to ensure efficient use of natural resources at all of its distribution companies. Under the "Zero Waste" Project launched by the Presidency of the Republic of Türkiye in 2019 and supervised by the Ministry of Environment and Urbanization, Aksa Natural Gas continued its efforts at 21 of its Regional Directorates in 20220. Putting the Zero Waste Management System in place, the Company assumed responsibility for sustainable resource management and preservation of natural resources.

Climate Change

Using clean energy resources with the smallest environmental footprint has become not simply a choice but an obligation for the future of our country and the world. Natural gas stands out as a highly important and widely available source of energy that is high quality, safe and clean, since it provides advantages to sustainable energy policies and carbon economy management. Thanks to expansion projects, natural gas which became accessible for Türkiye's 81 provinces in 2018 is widely offered to use within the borders of the relevant province.



Impact of Natural Gas on Reducing Carbon Emission

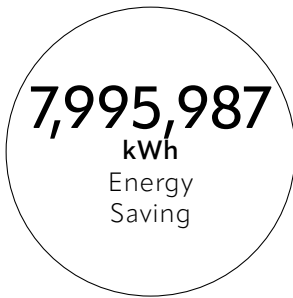
Carbon emissions are ever-increasing as a result of uncontrolled population growth, the use of fossil fuels, industrialization, increase in global energy requirement, increasing urbanization requirements, reduction of green areas, and uncontrolled release of greenhouse gases into nature, leading to climate change. In recent years, when the effects of climate change have been increasingly experienced, the whole world has realized that the damage to nature must be reduced. Aksa Natural Gas also endeavors to generalize environmental-friendly natural gas and raise awareness on this issue,

and in this context, it implements practices and projects to minimize carbon emissions. Natural gas, which is cleaner than other types of fuel, contains almost no sulfur and organic sulfur compounds. For this reason, natural gas does not pollute the atmosphere like other fuels. Due to its low carbon content, its carbon dioxide emission, which creates a greenhouse effect in the atmosphere and is toxic to human health, is half compared to solid fuels. In other words, use of natural gas reduces carbon emissions significantly.

Aksa Natural Gas, continuing its efforts to expand the use of natural gas throughout Türkiye and to raise awareness of citizens about the environmental effects of carbon-intensive fuels such as coal, plays an active role in reducing air pollution in the cities where it operates.

Operating in 27 city centers and 260 districts and towns, Akxa Natural Gas achieved a reduction of 9.3 million tons in carbon emissions in just one year by replacing coal use with natural gas in its license regions. This is equivalent to the amount that a forest of 392 million trees can eliminate.

Aksa Natural Gas supports its customers with the sustainable and eco-friendly projects such as green energy supply, electric vehicle charging station and installations of solar power systems which offer end-to-end energy solutions



In 2022, Electricity Distribution Companies saved 8,564.92 kWh of energy by sending 1 ton of 548,836 kg of plastics and metals and 30,872 wooden timbers to the recycling facilities.

AKSA ELECTRICITY AND THE ENVIRONMENT

Electricity Sales Companies

Aksa Electricity Sales Companies strive to establish the necessary framework to help evaluate and minimize their operations' impact on the environment, protect and efficiently use natural resources, and support the efforts aimed at contributing to the environment.

As part of this, Aksa Electricity raised its contribution to environmental sustainability with the environmentally-sensitive business models that it has recently developed. The company supports customers who want to limit their environmental impacts with sustainable and eco-friendly projects such as green energy supply, electric vehicle charging stations, and installations of solar power systems that offer end-to-end energy solutions. Through the sales of I-REC certificates performed by Aksa Electricity in 2021, a total of 115

thousand tons of carbon emissions were mitigated, thereby preventing the destruction of 280,544 trees. On the other hand, the total amount of carbon emissions mitigated within SPP projects of the Company corresponds to 155,301.30 tons.

Aksa Electricity also raises awareness of its customers on the protection of the environment through its communication efforts to direct them to electronic bills instead of paper ones.

Electricity Distribution Companies

Environmental Policy

In possession of ISO 14001:2015 Environmental Management System quality certificate, Aksa Electricity distribution companies regard environmental protection as a prerequisite for sustainable growth and service. In this regard, one of the primary objectives of Çoruh EDAŞ and Fırat EDAŞ is to hinder the possible environmental effects which may arise from investment, troubleshooting and maintenance-repair activities.

Furthermore, Çoruh EDAŞ and Fırat EDAŞ that primarily aim to leave a livable environment for future generations by abiding all of the necessary legal regulations implemented an Environmental Management Policy comprised by the following principles:

- To take necessary precautions during business processes to reduce the amount of waste generated at the source as a result of their activities in the "electricity distribution" market,
- To ensure the disposal of waste that cannot be prevented at the source without damaging the environment with the aim of hindering pollution,
- To comply with all of the environmental legislations related to their industry of operation and to fulfill all responsibilities within this scope,
- To improve the Environmental Management System continuously,
- To monitor and control the environmental impacts of business operations regularly,
- To ensure employee participation in environmental management activities and to consistently bolster up environmental awareness and consciousness,
- To deliver future generations the environment that was left to us, without polluting it.

Assessment of Environmental Risks

Electricity distribution companies perform all of their operations within the framework of the legislation and strictly adhere to the applicable laws, rules, and regulations related to the environment, and conduct regular risk assessments. As part of this, they bring the prior environmental risks under control by reviewing them

every year with proactive approaches. In line with the national occupational standards, Electricity Distribution Network Operation and Maintenance teams and Field Technical Operation teams implement environmental protection standards and methods by means of the training provided within the environmental protection activities. With the aim of reducing environmental risks, Field Technical Operation teams also;

- Conduct sorting and classification processes for the recycling of recyclable materials,
- Separate hazardous and dangerous waste from other materials in compliance with instructions and store them temporarily according to their code by taking precautions as necessary,
- Prevent waste in temporary storage areas from contacting soil and water and store it

in accordance with waste management regulations,

- Deliver waste stored properly to licensed waste disposal companies authorized by the Ministry of Environment,
- Ensure necessary occupational health and safety precautions are taken to shield from possible damaging environmental impacts caused by certain functions of the devices, equipment, and instruments used,
- Assess and eliminate security shortcomings inside and outside of buildings within the electricity distribution network,
- Determine locations to securely store flammable and combustible material or support such efforts,
- Attach great importance to preventing environmental impacts within the scope of this environmental management awareness.



Environmental Sustainability

Waste management and environmental permits make up the most significant part of the environmental management system of Çoruh EDAŞ and Firat EDAŞ.

Waste Type	Waste Amount	Energy Saving	Energy Savings Per Unit
Waste metal	1,524,485 kg	978,719	642 kWh for 1 ton of scrap metal
Waste plastics	24,351 kg	140,603	5,774 kWh for 1 ton of scrap plastics
Waste wooden timbers	38,872 pieces	7,445,599	4,100 kWh for 17 trees

Waste Management

Waste management and environmental permits make up the most significant part of the environmental management system of Çoruh EDAŞ and Firat EDAŞ. They reduce, reuse, recycle and dispose of wastes arising from their activities in all provinces within license regions in accordance with the legislation by giving these processes to the relevant licensed institutions authorized by the Ministry of Environment, and fully fulfill the obligations imposed by the legislation.

In 2022, Electricity Distribution Companies saved 8,564.92 kWh of energy by sending 1 ton of 548,836 kg of plastics and metals and 38,872 wooden timbers to the recycling facilities.

Permits and Certificates

Each province where Çoruh and Firat Electricity Distribution companies operate was granted "Zero Waste Certificate" as part of

- Environmental Permit Exemptions,
- Letters on Waste Water Connection,
- Medical Waste Agreements,
- Waste Management Plans and
- Zero Waste Regulation

In 2022, EIA Out of Scope letter and Hazardous Waste Temporary Storage Area letters were obtained.

Within the scope of Zero Waste Certification studies, it is aimed to reduce the amount of garbage, contribute to recycling and the

national economy, ensure the protection of natural resources, and benefit the species that live in nature and fed by nature by separating the wastes accumulated in indoor bins at their source. In addition, hazardous, non-hazardous, and packaging wastes generated/likely to be generated in indoor bins and as a result of field activities are collected in temporary waste storage areas and given to companies licensed by the Ministry of Environment, Urbanization, and Climate Change.



Aksa Energy continues without respite to analyze the impact of its existing generation units on the environment. Also, the Company regularly conducts environmental impact assessments for new-generation facilities to be built.



Aksa Energy expedited its environment investments and the total value of such investments climbed to TRY 10 million in 2022.

AKSA ENERGY AND THE ENVIRONMENT

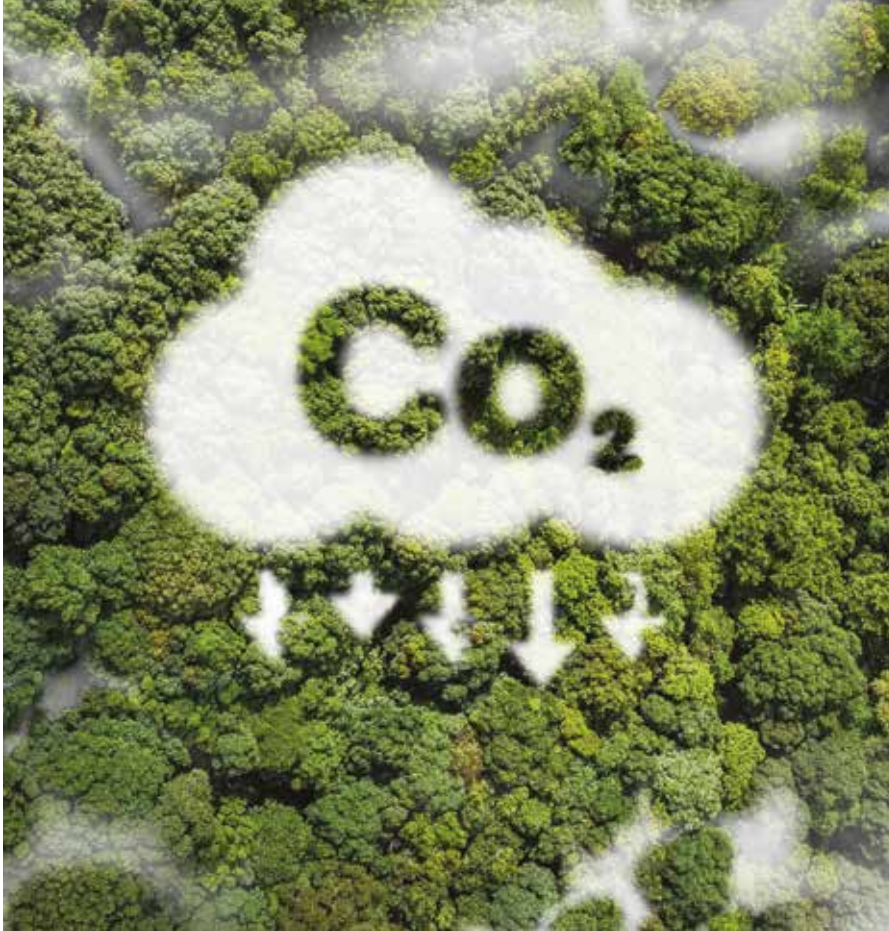
With the principle of "efficient use of resources," Aksa Energy runs its operations in an environmentally conscious manner for a sustainable future and aims to continuously improve its sustainability performance. The Company strives to make a difference in the sector through its efforts to minimize the environmental effects of energy generation operations, as well as through environmental management practices that cover every step of the value chain.

For the purpose of bringing this understanding into a corporate structure and ensuring that it is adopted and implemented by all stakeholders, Aksa Energy applies an Environmental Policy based on four pillars: climate change, natural resource management, waste management and biodiversity.

Establishing a Framework Environmental Management System in order to determine the objectives and targets related to the Environmental Policy, to manage, monitor, and control the activities in accordance with this policy, the Company has been granted the following certifications: ISO 14001 Environmental Management System, ISO 9001 Quality Management

System, ISO 50001 Energy Management System, ISO/IEC 27001:2013 Information Security Management System, and ISO 45001 Occupational Health and Safety Management System. Bolu Göynük Thermal Power Plant, Şanlıurfa Natural Gas Combined Cycle Power Plant, and Antalya Ali Metin Kazancı Natural Gas Combined Cycle Power Plant are also covered by the ISO/IEC 27001:2013 Information Security Management System.

In addition, the documentation process was completed for the prioritized dissemination and improvement of the practices related to Integrated Management Systems (ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 50001 Energy Management System and ISO 45001 Occupational Health and Safety Management System), already in effect at the Company head office, at Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant. Works are also ongoing at the Ghana Fuel Oil Power Plant. Documentation and action management of all management systems have been moved to the online document management system. Thanks to this system, which allows remote control and management of the management systems, the works continued without interruption in the pandemic period when travel restrictions were imposed.



The coordination and construction of this system in domestic power plants continues under the leadership of the QHSE (Health, Education, Environment-Quality) department at the Company Head Office. The HSE-Q team has been continuing its endeavors to implement this document management system at our foreign power plants. As of 2020, the Company has initiated to operate at the Ghana Heavy Fuel Oil Power Plant under the ISO 14001 Environmental Management System and ISO 45001 OHS Management System.

Aksa Energy continues without respite to analyze the impact of its existing generation units on the

environment. Also, the Company regularly conducts environmental impact assessments for new-generation facilities to be built. The Company fully complies with the environmental legislation in its domestic activities, and there has not been any environmental penalty since the establishment of the power plants operating in the country.

Aksa Energy proceeds with its activities in Uzbekistan power plants with an installed capacity of 740 MW, the investment of which started in 2020, taking all environmental impacts into consideration. Aksa Energy, introducing efficient and clean energy such as natural gas to Uzbekistan with these

power plants, has taken all environmental precautions by evaluating its ecological impacts before construction and operation. Maintaining its sensitivity to the soil, water, and air in Uzbekistan, the Company continuously monitors the effectiveness of the environmental measures it took. Aksa Energy obtained all the necessary legal environmental permits in this respect and became the first private natural gas power plant project in Uzbekistan to receive environmental permits.

Aksa Energy actively encourages responsible environmental management processes among all stakeholders, especially employees. To this end, the Company administers training programs to its employees and raises awareness among suppliers.

Aksa Energy expedited its environmental investments and the total value of such investments climbed to a substantial level of TRY 10 million in 2022. The Company shall continue making these investments in the future to minimize its environmental impact and increase its performance.

The most significant example of the importance Aksa Energy attaches to environmental investments is Bolu Göynük Thermal Power Plant. Bolu Göynük Thermal Power Plant, the first power plant with fluidized-bed boilers and wet flue gas purification systems in Türkiye, has met all legal and regulatory requirements stipulated by environmental legislation since it was commissioned in 2015 due to its advanced combustion and treatment technologies. The facility is also in possession of "Environmental Permit and License Certificate" on Air Emission, Waste Water Discharge, and Regular Storage. This certificate was renewed in 2022 and the

Aksa Energy aims to contribute to the global fight against climate change and plans to invest in the field of renewable energy in the medium- and long-term.



Aksa Energy has been awarded contract for Mini YEKA GES-3 tenders in Bingöl, Yozgat, and Kırşehir, and started to work for its GES portfolio with a total installed capacity of 35 MW.

Environmental Permit and License Certificate effective until 2027 was obtained.

In addition to these investments, the Company demonstrates the importance it attaches to health issues by its "Covid-19 Safe Production Certificate," granted by the Turkish Standards Institute (TSE) in 2020, which acknowledges the highest-level precautions implemented in Bolu Göynük Thermal Power Plant. The document was renewed in 2021 when the relevant obligations continued to be fully implemented. In addition, to reduce carbon emissions at the power plant, the necessary permits have been obtained for the establishment of a solar power plant with an installed capacity of 35 MW at the power plant, and the efforts are underway.

The Company started to convert the machines at the Ghana power plant into a dual-fuel system in 2022. Emissions of the machines, which started to generate energy with natural gas, which is clean energy, decreased by 70% in NO_x, 25% in SO_x, and up to 40% in CO compared to the previous year. In addition, the assembly of Continuous Emission Measurement Systems in all power plant chimneys was completed

and commissioned during the year. Emissions at the power plant are monitored live.

Climate Change

Climate change is among the most critical challenges facing the world today. Aksa Energy is acting with the awareness of the impact of the market it operates on the environment and climate change, and of its own corporate responsibilities in this regard. Since 2015, the Company has regularly prepared Greenhouse Gas Emission Reports to track greenhouse gas emissions from its current power plant portfolio. After receiving the approval of the independent verification firm authorized by the Ministry of Environment and Urbanization, the reports are presented to the Ministry of Environment and Urbanization. Greenhouse Gas Emission Reports for 2022 have started to be prepared as of the beginning of the year, and the relevant reports were submitted to the Ministry of Environment and Urbanization within the statutory period.

As another sign of its transformation into a sustainable and socially responsible company, Aksa Energy concluded The Trillion Tonne Communique in 2015, which is a declaration presented to the



world from companies that are sensitive to climate change and demand measures to combat it, and the Company designs its energy investment in this context.

Aksa Energy considers energy efficiency a crucial component of its environmental policy to minimize the environmental impact of its activities and reduce greenhouse gas emissions. With the combined cycle power plant technology, the Company utilizes the heat of waste gas emitted during production to generate energy for internal

consumption, thereby cutting its energy consumption by 10% per unit. Waste heat is used to derive energy at all natural gas-fired plants and at the Northern Cyprus Kalecik Fuel Oil Power Plant. Oxicat filters are also used in natural gas power plants in order to reduce greenhouse gas emissions.

Aksa Energy controls emissions on a real-time basis through continuous emission measurement systems installed in domestic power plants and the air emissions of domestic power plants are monitored online by the Ministry of Environment and Urbanization.

Aksa Energy aims to contribute to the global fight against climate change and plans to invest in the field of renewable energy in the medium- and long-term. Within this scope, the Company won Mini YEKA GES-3 tenders in Bingöl, Yozgat, and Kırşehir, and started to work for its GES portfolio with a total installed capacity of 35 MW. In Bolu, a solar power plant with an installed capacity of 35 MW shall be established at the plant site, and its hybrid conversion shall be made in order to reduce carbon emissions.

Aksa Energy continues its operations with a special focus on possible environmental impact on species living in its areas of operation.

Aksa Energy regularly monitors, evaluates, and reports the impact of its operations on biodiversity.

Natural Resource Management

At Aksa Energy, innovative initiatives for efficient water use constitute the main practices for the conservation of natural resources, which are declining at an alarming rate. The Company, which shapes its operations with an effective management system to minimize water consumption, uses water from various sources, including network, surface and ground, depending on the region in which the Company's power plants are located.

In this context, the decarbonization systems in Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant help conserve water in production processes.

With a EUR 5.3 million investment, Aksa Energy installed decarbonization facilities at Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant. With these facilities, over 325,312 m³ of water was saved in the plant in Antalya, and over 1,382,544 m³ of water in the plant in Bolu in 2022.

Moreover, Çatak Pond was created through a TRY 17.5 million investment at Bolu Göynük Thermal Power Plant. The seawater desalination system installed at Aksa Energy's Northern Cyprus Kalecik Heavy Fuel Oil Power Plant meets 100% of the facility's water requirements.

Waste Management

All waste is disposed of in keeping with applicable laws, rules and regulations, and in line with the Company's Environmental Policy.

Hazardous and non-hazardous waste arising from the Company's production processes is recycled at the intervals specified in Waste Management Policies. Hazardous waste released by processes is stored in temporary waste storage areas on the plant sites, where its contact with the external environment is cut off to prevent jeopardizing human health and the environment. Later, these materials are transported in licensed vehicles to recycling or disposal facilities. Packaging waste is sent to recycling companies contracted by municipalities in the regions

where the facilities are located. Akxa Energy has recycled 31,515.71 tons of hazardous waste in 2022.

The ash originating from the Bolu Göynük Thermal Power Plant is no longer taken to a temporary ash storage area but instead stored in the South Regular Ash Landfill, which was completed in 2017 and granted environmental permit by the Ministry of Environment and Urbanization.

As a result of the importance Akxa Energy attaches to waste management and the works carried out in this context, Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant and Bolu Göynük Thermal Power Plant were granted the "Zero Waste" Certificate in January 2021.

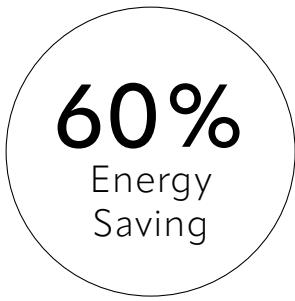
Protection of Biodiversity

Akxa Energy continues its operations with a special focus on possible environmental impact on species living in its areas of operation. The Company regularly monitors, evaluates and reports the impact of its operations on biodiversity.

In this context, Akxa Energy cooperated with Hatay Nature Conservation Association (TAKODER) from 2015 to 2021. Within the scope of this collaboration, Akxa Energy first sponsored a Conservation Project for Hatay Mountain Gazelles to support conservation of the mountain gazelles and their habitats in Türkiye. Afterwards, the Company contributed to the project for the determination of the current status of the striped hyenas residing nearby Kırıkhan



In 2022, Aksa Power Generation won the "Awareness Raising Company Award" at the "Environmental Awards" organized by the TULIP Sustainability Center for the sustainability-oriented practices it has developed.



Aksa Power Generation has started to supply 60% of the internal energy consumption from the solar power which is a renewable energy resource.

Gölbashi village in Hatay and obtaining information about living spaces and their ecology in 2016 and 2017. Photo-traps were placed in the animals' habitats to be able to observe the striped hyenas. Thanks to this initiative, it was also confirmed that the rock gerbil (*Gerbillus dasyurus*), which was thought to be extinct, still lived in Türkiye.

As part of the project undertaken in cooperation with TAKODER in 2018, a study was carried out to determine the presence and ecology of red deer (*Cervus ephalus*) in the vicinity of Yedigöller National Park. The project helped identify the species' population size and density, distribution, habitat, nutrition and food resources, social behavior, relationship with humans, and the elements that pose a threat to the species, as well as the measures to be taken to protect them. The study also presented notes to raise awareness among the public and to preserve and sustain the population of red deer, the symbol of the region's biological diversity.

In 2019, Aksa Energy initiated activities in Bolu for the conservation of brown bears (*Ursus arctos*), the biggest predator and the only bear species living in Türkiye. This initiative aimed to identify the threatening factors in the geographic areas that the species inhabits while establishing protection measures in the Yedigöller region of Bolu province to preserve species in the region and to raise awareness among the public. Informational signage was planned to be placed in road networks and areas where tourism activities are conducted; and ecological bridge passages were identified. Additionally, measures taken to protect the species were reported to the Bolu Branch of the Nature Conservation and National Parks.

Adding a new initiative to its protection of biodiversity in 2020, Aksa Energy carried out a project in Bolu, where it operates, for the bobcat (*Lynx lynx*). Within the scope of the project, the Company focused on the lynx species, which

is threatened according to the International Union for Conservation of Nature (IUCN) Mediterranean Biodiversity assessment, and contributed to analysis to identify the factors that threaten the species and set forth protection recommendations. During the project, carried out to contribute to the sustainability of these lynxes – rare in Türkiye and generally found in Bolu – other species were determined, and various ecological data collected. That these lynxes still inhabit relevant region is an indication that the ecosystem is functioning properly.

Aksa Energy started to examine the habitation areas of Mediterranean monk seals in the coastal area of Northern Cyprus in 2021. The breeding, sheltering, and wandering areas of seals in this zone shall be identified and mapped with the project.

*Received within Kazancı Holding; also covers Aksa Energy Headquarters and the specified power plants.

AKSA POWER GENERATION AND THE ENVIRONMENT

Aware of its responsibility towards the world and future generations, Aksa Power Generation focuses its operations on environmental sustainability. With this understanding, Aksa Power Generation effectively manages waste, works on improvements to reduce the consumption of natural resources, undertakes efforts to reduce the use of energy resources, and utilizes renewable energy.

Aksa Power Generation successfully meets all the requirements set by the Ministry of Environment, Urbanization, and Climate Change and obtained an Environmental Permit and License for its new factory in Çerkezköy.



Aksa Power Generation sends the packaging, nylon, and parcel waste from its sold products to ÇEVKO under the agreement concluded with this entity.



In 2022, Aksa Power Generation sent a total of 2,184 tons of non-hazardous waste for recycling and 44 tons of hazardous waste for disposal to the relevant licensed organizations.

For the powder coating process at its new factory, the Company established a process line that is more insulated, generates less waste, and reduces unnecessary consumption of powder coating by applying the powder coating effectively. In addition, the Company began to use electrical transporters instead of fuel transporters (forklifts etc.) within the factory. Thus, the consumption of non-renewable fuels was reduced, and the quantity of hazardous waste arising from the maintenance-repair of these transporters was also minimized.

Acting with the awareness of the importance of renewable energy in the combat against the climate crisis, Aksa Power Generation utilizes a solar energy system for the energy consumption of its Çerkezköy factory. In this way, it has started to obtain 60% of the internal energy consumption from the sun which is a renewable energy resource. These sustainability-oriented practices developed at the new factory enabled the Company to secure the Institution Creating Awareness Award at the "Environmental Awards" organized by the TULIP Sustainability Center in 2022.

The Company has also initiated "Zero Waste" activities for 2022. The Company is committed to carrying out effective activities in this context and obtaining the Zero Waste Certificate in 2023.

Aksa Power Generation shaped its sustainability approach on environmental measures and best practices. To this end, Aksa Power Generation established the Environmental Management System, which pledges to:

- Fulfill its legal and regulatory obligations in Türkiye and in other countries where it operates, to periodically evaluate them and ensure their continuity,
- Always strive to improve its environmental performance,
- Work to raise environmental awareness of its employees, their families, and society at large,
- Ensure the re-utilization of waste generated as a result of its business activities,
- Minimize the amount of waste causing water, air, and soil pollution and undesirable impacts such as noise and vibrations and to dispose of non-recyclable waste in the required manner,
- Ensure that energy, raw materials, and natural resources are used efficiently,
- Consider environmental impacts when evaluating new investments,
- Inform suppliers and subcontractors providing goods and services about the environment.

Aksa Power Generation's environmental protection efforts can be divided into the following three categories:

Generation

- When dyeing the cabins and chassis it produces, Aksa Power Generation uses TGIC-free Triglycidyl Isocyanurate and lead-free polyester powder coatings, which are both ecofriendly and non-toxic to human health.
- Wastewater generated at the Company's Istanbul-based production facilities is discharged to Çerkezköy Organized Industrial Site's Channel after processing at the treatment plant to prevent any negative impact on the environment. As part of this, Aksa Power Generation has permission for Conduit-Type Sewer Connection for Çerkezköy Organized Industrial Zone.
- In response to market demand, Aksa Power Generation supplies its customers with diesel engine gensets certified at European EU Stage 2, and American EPA (Environmental Protection Agency) Tier 2 and Tier 3 emission levels.



Aksa Agriculture organized training in 2022 to enhance employee awareness of the Zero Waste Project.



Aksa Agriculture sent 7,874 kg of hazardous waste for recycling in 2022.

Recycling and Disposal

- Aksa Power Generation sends packaging, nylon and parcel waste from its sold products to ÇEVKO (Foundation for Environmental Protection and Packaging Waste Processing) under an agreement concluded with this entity. The packaging waste generated during production is collected separately and delivered to licensed recycling facilities for reuse.
- Waste oil generated during engine testing is sent to licensed firms for recycling.
- Waste sludge generated at the water treatment facility is dispatched to licensed hazardous waste disposal facilities.
- Waste batteries consumed in production or at the staff's homes are collected and sent to the municipality for recycling.
- Cooking oil used in the company cafeteria is collected and delivered to licensed firms for recycling purposes.
- Aksa Power Generation manufactures its gensets in line with Waste Electrical and Electronic Equipment (WEEE) and Restriction of Hazardous Substances (ROHS) standards.

- In 2022, Aksa Power Generation contracted with licensed institutions for non-hazardous waste and hazardous waste generated as a result of its processes, and delivered to the relevant licensed institutions a total of 2,184 tons of non-hazardous waste for recycling and 44 tons of hazardous waste for disposal.

Preventing Noise Pollution

As the only Turkish genset manufacturer to conduct its own sound testing, Aksa Power Generation produces 28 different products that comply with the universally accepted IEC 34 (International Electrotechnical Commission) standards and undergoes the audits performed by notified body.



AKSA AGRICULTURE AND THE ENVIRONMENT

Environmental Policy and Practices

Aksa Agriculture Business Units ensure reduction, sorting and recycling of the waste which is generated during its operations, at the source and the disposal of the waste that cannot be recycled, with the ideal procedures. Within this context, leaving a more livable world to future generations and protecting natural resources based on the works and processes as part of the Environmental Law make up the ground of Aksa Agriculture's environmental policy.

In line with this policy, Aksa Agriculture held training for its employees in 2022 to raise their awareness of the Zero Waste Project.

In addition, within the scope of the Environmental Policy, the Company;

- Has placed accumulation equipment in areas where it is needed to enable that its employees can sort waste at source.

- With the aim of preventing environmental pollution, it follows and complies with the legal and international legislations and meticulously obeys the commitments of Environmental Impact Assessment (EIA) to continuously improve the environmental performance of its enterprises.
- It endeavors on ensuring that all rainwater channels in the area of barns are cleaned at regular intervals, and rainwater that contacts with manure is taken into the manure ponds. Besides, it performs field cleaning periodically.
- It carries out regular health controls of cattle in the facility and applies specific equipment and procedures for the medical waste caused by medical responses.

In addition to these, Aksa Agriculture kicked off its revision activities for improving the waste storage areas in its facilities. The process is continued.

Waste Management

Aksa Agriculture sent hazardous and non-hazardous waste generated at Gelemen Facility to the authorized institutions that hold environmental permits and licenses. The waste that cannot be sent away are kept in the existing waste storage areas without giving harm to environment.

In 2022;

- 7,874 kg of hazardous waste was sent to recycling.
- 77,990 kg of non-hazardous waste was sent to recycling.
- 511,040 kg of organic waste was sent to landfill area.
- Manure from livestock activities is sorted as liquid and solid. The solid part is used as part of Green Energy at biogas facilities while the liquid part is utilized for agricultural purposes both in the enterprise and in the surrounding farmer lands.

Aksa Tourism aims to expedite its global sustainability practices in the tourism industry by joining the National Sustainable Tourism Program for the first time in cooperation with the Global Sustainable Tourism Council (GSTC).



In 2022, Aksa Tourism sent a quite high amount of surplus products to recycling/disposal: 240 kg of hazardous waste and 7,905 kg of vegetable waste oil.

AKSA TOURISM AND THE ENVIRONMENT

Aksa Tourism adopts the mentality of "sustainable development and sustainable environment" in all its activities. In parallel with this mindset, the Company is committed to minimizing its waste, preventing pollution at the source, reducing its negative impacts on the environment, monitoring developments in technology to prevent pollution, and continuously enhancing its environmental performance.

To manage the Company's targets and priorities of sustainability, and to improve its performance, the quality, food safety, environmental and sustainability policy applied for its hotels is consistently taken into account and upgraded. Aksa Tourism warns its suppliers to take the necessary environmental precautions in all processes related to its activities in its hotels in its portfolio, provides trainings on environmental awareness to its employees, and invites its stakeholders to embrace this awareness by organizing encouraging activities to increase this awareness in its guests.

Aksa Tourism began to save significant amount of water with the "Gray Water Project" which was initiated in 2019 and put into practice

in 2020, and ensures treatment and use of the waste water supplied from faucets and showers in the toilets of guests' bathrooms.

Aksa Tourism has set up bulletin boards and panels in its premises to share its environmental consciousness with its guests and raise their awareness on ecological issues. Keen to learn its guests' suggestions and ideas on the protection of the natural environment, Aksa Tourism designed a questionnaire in four languages to collect these.

The Company also aims to reduce electricity consumption and enhance energy efficiency with an investment in an automation system that shall help monitor the entire consumption at its Antalya facility.

In the hotel, which has energy cards in the guest rooms, the air conditioners turn off automatically when the balcony or window is opened, depending on the automation.

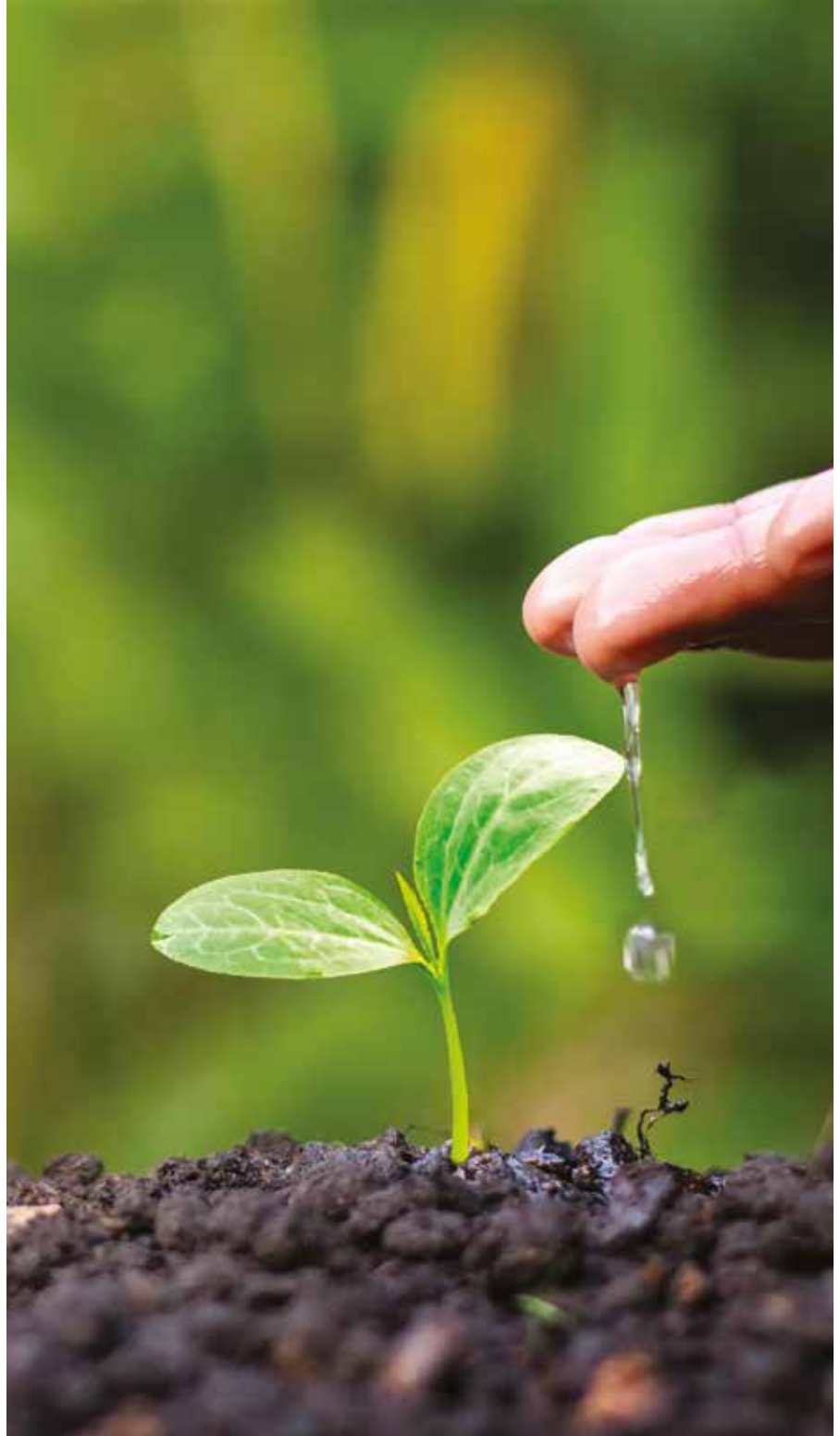
The Mirada Exclusive Bodrum hotel, which joined the Company in 2021, also preferred comfort power plants with Eurovent certification. HYH High Performance Hoods, Fume Washers, Air Filtration Devices aim to reduce greenhouse gas emissions by filtering oily smoke and odor by 99%, as well

as reducing the risk of fire to zero. Unused textile wastes are delivered to licensed companies affiliated with Bodrum Municipality and recycled. The hotel also aims to save electricity by increasing the number of dimmer switch systems.

In line with its waste management plan, Aksa Tourism disposes all types of waste in accordance with legal and regulatory requirements. In 2022, the Company sent a quite high amount of excess products to recycling/disposal: 240 kg of hazardous waste and 7,905 kg of vegetable waste oil.

Aksa Tourism that periodically verifies its environmental protection-purpose data through the measurements within regulations aims to certify and ensure the continuity of its environment activities in this field by obtaining Green Star and ISO 14001 Environmental Management System certifications. Aksa Tourism aims to accelerate global sustainability practices in the tourism industry by joining the National Sustainable Tourism Program for the first time in cooperation with the Global Sustainable Tourism Council (GSTC), the world's top environmental and sustainability platform.

Aksa Tourism shall continue to enable its employees to act in line with its approach about environmental sustainability by raising their awareness on this subject, to support the projects which shall contribute to protection of national values and cultural richness and to encourage its employees to volunteer in the relevant social activities performed.



We carry our energy to the future

Aksa Energy creates lasting value through infrastructure and repair projects that support local economic development in the regions where it operates and supports its stakeholders through various donations.

Corporate Social Responsibility



Consisting of volunteer corporate communication employees of the Group Companies, the team traveled more than 8,500 kilometers with the Energy for Tomorrow project, reaching approximately 2,500 students in 25 village schools in 23 cities and providing them with comprehensive trainings on energy.

ENERGY FOR TOMORROW

In 2019, Kazancı Holding's energy companies – Aksa Energy, Aksa Natural Gas, Aksa Power Generation, and Aksa Electricity – joined forces for a major social responsibility effort: "Energy for Tomorrow." As part of the project "Energy For Tomorrow," Corporate Communications teams of the Group Companies traveled to all parts of Türkiye and provided energy courses at the middle schools in villages.

From the beginning of the project in March 2019 to outbreak of the pandemic, the team of volunteering corporate communications employees from Group Companies travelled more than 8,500 kilometers and reached approximately 2,500 students in 25 village schools in 23 cities. The team visited village schools in Van, Ağrı, Elazığ, Malatya, Balıkesir, Çanakkale, Trabzon, Rize, Amasya, Tokat, Ordu, Giresun, Zonguldak, Düzce, Bolu, İzmir, Manisa, Bursa, Bilecik, Adana, Mersin, Hatay and Osmaniye to provide comprehensive energy education to students in 5th, 6th, 7th and 8th grades.

The "Energy for Tomorrow" team covered every aspect of energy during the trainings, including energy resources, energy efficiency, efficient use of energy, energy literacy, the concept of clean energy,

and energy generation. As well, the team explained the Group's energy operations.

To reinforce students' knowledge, an energy themed math game was developed specifically for the project in line with the math curriculum of the Ministry of National Education. Numerous experiments were used to educate the students in an entertaining way. At the conclusion of each event, students were presented with an Energy Encyclopedia, various stationery items and backpacks.

The educational content of the project -suspended due to the pandemic as of March 2020 was turned into an animated cartoon and shared on YouTube. In 2021, the Energy Encyclopedia, which provides information for children on many topics such as energy resources, energy efficiency, energy literacy, and clean energy, and the website www.enerjimizyarinlara.com, which includes the project cartoon, were created and the digital platform was made available to all children on April 23rd and presented to them as a gift.



AKSA NATURAL GAS

Life Companion

Aksa Natural Gas firmly believes that providing equal opportunity to all segments of society is of utmost importance for the economic and social development of our country. In this context, the Company closely monitors the problems experienced in everyday lives of disabled citizens in Türkiye, representing more than 9 million people. In line with this vision, Aksa Natural Gas launched the "Life Companion" project in 2015 to facilitate the lives of disabled subscribers by providing much faster service in its areas of operation in case of emergency.

As part of the project, those who register in Aksa Natural Gas' subscriber system and indicate that they are disabled are given priority in their calls to "187 (Natural Gas Emergency Line)" or "444 4 187 (Solution Center)." These special status subscribers are connected to a customer representative in 3 seconds on average. In addition, natural gas emergency teams are sent to their location without waiting for an explanation of the request. Providing emergency services for disabled subscribers who live alone in the event of a hazardous situation, Aksa Natural Gas gives priority to disabled subscribers who are connected to a customer representative for support and immediate assistance.

The number of disabled subscribers registered with Can Yoldaşı reached 5,513, and the Company responded to 2,352 incoming calls with an average call response speed of 3 seconds as of the end of 2022. The emergency teams reached 170 disabled subscribers and resolved their problems.



Aksa Energy carries out activities that contribute to the economic, social, and cultural development of local communities in its area of operation.



**Aksa Energy
donated a total
of TRY 5,645,951
during the year.**

AKSA ENERGY

With the ultimate goal of creating value for all its stakeholders, Aksa Energy conducts activities that contribute to the economic, social and cultural development of local residents in the Company's impact area.

The human resources required in the Company's regions of operation are recruited locally, thus creating job opportunities in those communities and regions. As of the end of 2022, the local employment rate of the Company was 66.7% in Ghana, 63% in Madagascar, 64% in Mali, 76.7% in Cyprus, 59.2% in Uzbekistan, and 73.7% in Congo.

Lasting value is created through infrastructure works and repair projects which aid the development of the local economy in the regions where the Company operates; complaints and requests communicated through the feedback mechanisms specialized to meet the diverse requirements and demands of stakeholders and the local public are assessed and Aksa Energy provides support to its stakeholders with various donations. In this context, the Company donated a total of TRY 5,645,951 during the year.

Aksa Fotofest 2022

Aksa Energy holds a photography contest named Aksa Fotofest regularly in order to contribute to the world of culture and art in Northern Cyprus as well as to support photography. Amateur artists find the opportunity to represent the local culture in different media through their works, thanks to the competition organized with a different theme every year. The themes of the competition, which was held for the 7th time in 2022, were determined as "Cyprus Traditional Cuisine" and "Cyprus Traditional Handicrafts." Within the scope of this year's competition, 6 people were awarded in 2 different categories, and 39 works were found worth exhibiting.

Sponsorship of the Turkish Republic of Northern Cyprus Football Leagues

Aksa Energy became the naming sponsor of the Turkish Republic of Northern Cyprus football leagues within the scope of the sponsorship agreement worth TRY 3 million concluded with the Cyprus Turkish Football Federation in 2021. With the protocol, names of the leagues were changed to AKSA Super League, AKSA 1st League, And AKSA A2 League for two years.

AKSA ELECTRICITY

Your Energy, Your Painting

Aksa Electricity organized the fourth "Your Energy, Your Painting" painting contest in 2022. The contest was held on the Company's social media accounts with the participation of 5th, 6th, 7th, and 8th grade students in 81 provinces across Türkiye in order to draw attention to renewable energy with the theme "We Get Our Energy from the Sun," awarding 15 children with their paintings.

You have a message from the ÇODEM (Children Support Centers) children!

Aksa Electricity donated books determined by the Ministry of National Education for each employee serving in the Fırat and Çoruh regions to the libraries of the Child Support Centers of the Ministry of Family and Social Policies in Trabzon and Elazığ.

Energy Encyclopedia Introduced to Students during Libraries Week

In order to leave a better world for future generations, Aksa

Electricity continues its efforts to raise awareness and convey the importance of energy resources to more children. Within the scope of Libraries Week, Aksa Electricity met with kindergarten students under the leadership of the Giresun Provincial Directorate and shared the "Energy Encyclopedia," which explains the concept of energy in all its aspects, with all students, raising awareness among children about energy efficiency.



Çoruh EDAŞ shall keep pursuing the practices which aim to protect natural resources and to make recycling widespread based on sustainability principles, and shall add value to people and environment.

Bridge piers, walls, as well as Çoruh EDAŞ's distribution panels acquired an aesthetic look thanks to the female artists' paintings under the project, which is co-run with the Metropolitan Municipality of Trabzon and International Women Artists' Association Femin&Art.

Çoruh Electricity Distribution

Zero Waste Certificate

Çoruh EDAŞ was entitled to receive the "Zero Waste Certificate" given by the Ministry of Environment, Urbanization and Climate Change in all of the relevant provinces by completing the training on waste management in the regions where it provides electricity distribution service. Çoruh EDAŞ shall keep pursuing the practices which aim to protect natural resources and to make recycling widespread based on sustainability principles, and shall add value to people and environment.

Your Family is in Your Trust, Your Energy in Ours!

During the pandemic that affected the whole world and our country, the motto of Çoruh EDAŞ most emphasized on online channels was "Your Family is in Your Trust, Your Energy in Ours!." From the moment the Covid-19 case started to appear in our country, the Company activated its WhatsApp Communication Line in order to communicate instantly with its subscribers and resolved the requests and complaints of its subscribers as soon as possible.

Women's Touch on Çoruh EDAŞ Distribution Panels Make Trabzon Streets Much More Beautiful

Launched with the support of Çoruh EDAŞ, the project helped ornament the streets of Trabzon with arts. Bridge piers, walls, as well as Çoruh EDAŞ's distribution panels acquired an aesthetic look thanks to the female artists' paintings under the project, which is co-run with the Metropolitan Municipality of Trabzon and International Women Artists' Association Femin&Art.

Each Drop of Blood Means a Life Saved

Driven by its social responsibility and solidarity mindset, Çoruh EDAŞ aims to raise public awareness on the importance of blood donation. In this regard, the Company's employees launches a blood donation campaign periodically to support Turkish Red Crescent Society under the motto "Each Drop of Blood Means a Life Saved."



Firat Electricity Distribution

Zero Waste Project

Within the project of Firat EDAŞ aiming at contributing to zero waste activities, designated waste containers were placed in the Company's offices in Elazığ, Tunceli and Bingöl, and the labels that showed the instructions on how to use the containers were hung on the walls. The project was generalized to all provincial directorates to ensure its sustainability. As a result of such activities, Firat EDAŞ gained the right to receive Zero Waste Certificate in three provinces.

Donate Blood With Your Energy, Save Lives

Firat EDAŞ supports Turkish Red Crescent Society through regularly organized blood donation campaigns. In addition to blood donations, the Company encourages volunteers to donate stem cells as part of the campaign.

Free the Birds

As part of the "Free the Birds" social responsibility project, efforts are carried out to prevent the factors that may constitute a hazard for birds' natural migratory roads. In

this regard, placement of spikes and isolation activities have been conducted for 8,138 poles in the distribution region which is an important migratory bird stopover site since commencement of the project. Within the scope of the project, 43,741 meters were isolated and covered with spikes, and 7,430 insulator insulations and 592 insulation loops were used.

Aksa Power Generation organized various aid activities for the regions that were affected by natural disasters, particularly fires and floods, in our country.

As part of its social responsibility activities, Aksa Tourism provides educational support to successful students identified by the affiliated municipalities by awarding scholarships.

AKSA POWER GENERATION

Aksa Power Generation organized various aid activities for the regions that were affected by natural disasters, particularly fires and floods, in our country.

In this context, in order to meet the energy needs of the regions hit by natural disasters, power generators were delivered to the disaster areas in need of energy, primarily to local governments and public institutions, and it worked in constant communication and harmony with local governments.

Aksa Power Generation shall continue to provide the necessary support for emergency cases that may occur in all operating regions through its expert staff and expansive power generator stock.

AKSA TOURISM

As part of its social responsibility activities, Aksa Tourism provides educational support to successful students identified by the affiliated municipalities by awarding scholarships.

Planning to develop a new corporate social responsibility initiative in the coming period, the Company targets benefiting from the products in the production farms of the Foundation for Children with Leukemia (LÖSEV) in food purchases for hotels, thereby providing financial support for treatment of the children with leukemia.



A more agile organization with digital transformation

Kazancı Holding signed Europe's largest and most comprehensive SAP digital transformation program in 2022 and continued to embrace the principles of sustainability and user-orientation.

Information Technologies

All ERP-ISU processes, finance, logistics, and natural gas in particular, were redesigned in line with Kazancı Holding's centralization, simplification, and singularization strategies.

To manage its operations spreading across four continents, in the most efficient and the most reliable way, it develops pioneering initiatives in digital transformation and remote management and strives to incorporate all kinds of new technologies into its infrastructure to adopt a more agile holding structure. Maintained to prepare Kazancı Holding for future by ideally benefiting from the opportunities created by digital technologies, the digital transformation program is at the heart of the studies within this scope.

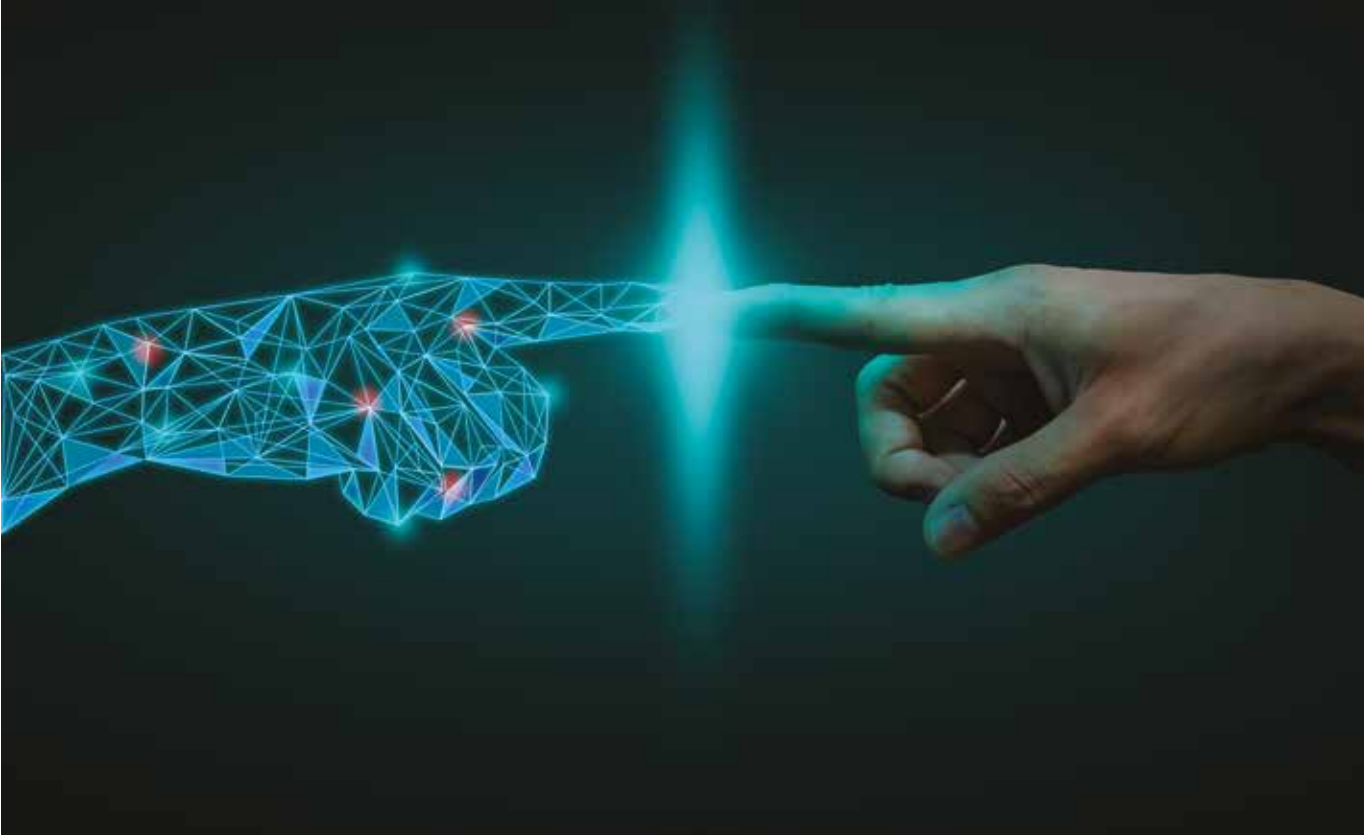
With the large-scale digital transformation program launched in 2016, Kazancı Holding adopted the principle of user-orientation and achieved operational excellence by centralizing and standardizing information technologies. Further strengthening its management muscles with advanced analytical applications, artificial intelligence, and robotics, the Company took steps to maximize customer satisfaction.

Kazancı Holding signed Europe's largest and most comprehensive SAP digital transformation program in 2022 and continued to embrace the principles of sustainability and user-orientation.

Kazancı Holding shapes its road map and investments in the field of Information Technologies (IT) for the purpose of consistently developing business manners of its Group Companies with a focus on operational excellence, customer satisfaction, and profitability. In 2022, it put the following projects into practice.

SAP TRANSFORMATION PROJECTS

In this project started by Aksa Natural Gas in the last quarter of 2019 to move all invoicing-collection, customer and field operations end-to-end into SAP application, test processes commenced in March 2021 and transition for the first region was performed in November 2021. The generalization of this project, the first S/4HANA project in the energy sector in Türkiye, to all regions has been completed in 2022.



In the program, in which the ERP systems of all Group Companies shall be rebuilt in SAP S/4HANA environment, Kazancı Holding and Aksa Natural Gas transitions have been commissioned and the S4 Hana Transformation projects of Tourism Companies have been initiated.

All ERP-ISU processes, finance, logistics, and natural gas in particular, were redesigned in line with Kazancı Holding's centralization, simplification, and singularization strategies.

Within the scope of the project, line improvement works were carried out for the regions, and infrastructure/ cabling renewal works were completed in the regions where they were needed.

BUSINESS INTELLIGENCE PRACTICES

In 2018, with its widespread use on Power BI Report Server, one of the Business Intelligence Group reporting platforms included in the organization, the need for performance improvement emerged. The infrastructure design has been revised and the data platform and applications have been unbundled in order to provide services with a global application architecture on highly up-to-date technology.

- Aksa Agriculture & Tourism Budget Planning System was launched.
- The Power Generator Order - Dispatch - Open Order Model, which follows the end-to-end ordering processes of the Power Generator Sector covering both domestic and international markets, has been established.
- The dashboard for Kazancı Holding Collective Payment System was designed.
- Operation dashboards containing the data of the processes of Power Generator Production and Operations were designed (EMBS, KPI Dashboard).
- In the Electricity Distribution Group, nearly 35 Dashboards, such as Scrap Pricing, Occupancy Ratios, Panel-Based Meter Reading Report, Transformer Occupancy, Outage Analysis, Subscriber Consumption Data Dashboards, were designed.
- Continuous improvement and development were achieved according to the instructions of EMRA in Edvars (Electricity Distribution Data Warehouse and Reporting System) reports.
- Tok Dashboard was launched for use in the energy sector.
- The On-Time Delivery Rates Report, which analyzes the procurement processes/ performance of the Supply Chain Directorate, went live.
- In the Electricity Retail Group, GIB queries were integrated into the reporting system and Aksa Customer Solutions Premium System report studies were initiated.

Aksa Mobile Project aims to enable all employees to get access to the information obtained from different platforms, via a single central mobile application.

Within the scope of the Holding infrastructure renewal project, up-to-date network and security devices with higher capacity were procured.

System and Infrastructure

Within the scope of the PI system project, security infrastructure work was carried out in 7 domestic and foreign power generation plants. Firewalls were installed in redundant architecture in all switchboards and encrypted communication was ensured and all traffic was started to be recorded.

Within the scope of the Holding infrastructure renewal project, up-to-date network and security devices with higher capacity were procured. In this new architecture, a topology operating at higher speeds without loss and having a layered security architecture has been created.

SOFTWARE DEVELOPMENT

Aksa Mobile Project

Aksa Mobile Project aims to enable all employees to get access to the information obtained from different platforms, via a single central mobile application. Development of the application to be uploaded to mobile phones by users was completed in Phase I. User-friendly screens where employees can log in with their user name and password from the home screen were designed. The application was uploaded to Android and iOS markets in 2022. It is aimed to integrate all approval processes into the application.

Paperwork 5.0 Transformation Project

The Paperwork application, a workflow and document management system used by the Holding, EPSAŞ, and power generator companies, was upgraded to version 5.0 with updated technology and new features.

AKSA Charging Project

The establishment of vehicle charging stations and the design of the mobile application and management panel were completed in Phase 1. Improvements were made in charging stations and mobile applications in line with regulatory demands.

Aksa Portal Version Upgrade Project

The project enabled the transition of the portal system, which is used jointly by the Holding and all its companies, to Sharepoint 2019 version with up-to-date technology and features. In addition, structural improvements have been made.

Meal Request Management System

With the application developed, meal menus are presented to employees, meal requests are received, and service is provided with capacity management in cafeterias at specified time intervals. The aim is to integrate the application into AksaCep.

TAOSOS Project

Within the work on centralization and accrual of General Lighting OSOS (Automatic Meter Reading System) data, the data from automatic meter reading system (OSOS) of general lighting facilities are transferred to data set in real time to be sent to TEDAŞ. Additionally, they are matched with superordinate identity information produced by the related platform, and transferred to TEDAŞ OSOS system. Commissioned in 2021, the project ensured the transfer of all information specified in the Procedures and Principles on the Collection of OSOS data and Payment, and improvements were made in line with the requests in 2022.

EPSAŞ PaperWork Processes

Additional improvements in existing flows and forms requested by Aksa Electricity Retail Sales Companies have been completed, and analyses have been initiated for Retail Sales Agreement Cancellation and Internet Sales Process development requests. In 2023, the improvements are aimed to be completed.

Power Generator PaperWork Processes

Work has started on the Power Generator Overseas Payment Approval System for the Power Generator Group. In 2023, the development is aimed to be completed.

Kazancı Holding Service and Meeting Room Reservation Management System Enhancements

With the improvements made on the portal, users' service and meeting room requests were carried out and managed through the system.



A line balancing study was carried out to ensure line balancing in production processes, increase efficiency, and optimize resources.

Çoruh EDAŞ and Fırat EDAŞ Workforce Management Implementation Project

The project aims to develop an OHS-, efficiency-, and sustainability-oriented application that is map-supported, developed with up-to-date technology, and integrated with external systems related to a large number of operations for fault, maintenance, and repair activities at Çoruh EDAŞ and Fırat EDAŞ companies. Work on the project has started and the project is aimed to be completed in 2023.

Çoruh EDAŞ and Fırat EDAŞ Field Billing Application Project

The project aims to carry out field billing activities at Çoruh EDAŞ and Fırat EDAŞ with a map-supported application developed with the latest technology. Work on the project has started and the project is aimed to be completed in 2023.

Line Balancing

A line balancing study was carried out to ensure line balancing in production processes, increase efficiency, and optimize resources. This allows the production line to run more efficiently. Balancing the load distribution between the different workstations in use is a critical element to optimize production processes and make energy production more efficient. The benefits of the project, which started in 2021 and ended in 2022 on the Power Generator Factory side, are as follows;

- **Increased Productivity:** Production line balancing optimized the load distribution between workstations, resulting in more efficient and balanced business processes. This reduces lost time and increases production speed.
- **Resource Optimization:** Load differences between workstations are minimized through balancing. This has led to more efficient use of resources such as labor, time, and energy.
- **Product Quality:** Balancing has the ability to reduce defective production. Load balancing between workstations has increased the quality standard.
- **Cost Reduction:** A more efficient production line reduces costs by ensuring less consumption of the resources, such as labor, energy, and raw materials.
- **Flexibility and Adaptability:** Production line balancing makes it easier to flexibly adjust workstations and adapt to production processes.
- **Employee Satisfaction:** Balancing increases employee motivation by ensuring a fairer distribution of workload. Stress caused by overloaded or constantly idle workstations is reduced.
- **Production Planning and Forecasting:** Balancing makes production planning and forecasting more accurate. This is beneficial for inventory management and supply chain management.
- **Competitive Advantage:** A more efficient production line increases the Company's competitiveness. It provides the ability to offer faster delivery and higher-quality products to customers.

Stock Optimization Project

The efficient and uninterrupted operation of power generators often depends on maintenance and repair services. The Power Generator Service Stock Optimization Project makes inventory management more effective and ensures that these processes operate more efficiently. The benefits that the project can provide are as follows:

- **Faster Repairs and Maintenance:** Power generators often break down or need maintenance at unexpected times. The right stock optimization makes it possible to quickly find the necessary spare parts. This ensures that power generators is repaired more quickly and business continuity is maintained.
- **Cost Savings:** Proper inventory management prevents holding excess spare parts stock. This reduces storage costs and enables the business to use its capital more effectively.
- **Customer Satisfaction:** Customer satisfaction increased thanks to fast and efficient service.
- **Increased Productivity:** Stock optimization ensures that spare parts are available at the right time and in the right quantities. This makes the supply chain more efficient and optimizes business processes.

- **Competitive Advantage:** The ability to provide faster and more reliable service brings a competitive advantage to the business. This is important for attracting new customers and retaining existing ones.
- **Data Analytics and Forecasting Capability:** A stock optimization project can serve as a basis for forecasting future demand using data analytics and forecasting models. This means more strategic inventory management.



The Power Generator Service Stock Optimization Project makes inventory management more effective and ensures that these processes operate more efficiently.

C4C Optimization

In Power Generator Group CRM processes, SAP C4C (SAP Cloud for Customer) is a solution allowing cloud-based management of sales processes. Conducting approval processes and digitizing processes on this platform has helped us to increase the efficiency of our business. The benefits of operating approval processes and process optimization on the CRM system are as follows:

- **Centralized Control:** CRM System allows you to manage approval processes on a centralized platform. It makes it possible to define processes, identify who must approve them, and create process steps.
- **Automation:** The CRM System automated the approval processes. When certain conditions are met, approval requests can be automatically generated and forwarded to the right persons.
- **Real-time Monitoring:** The progress of approval processes can be monitored in real time. It has become easier to see what stage it is at and to report and respond accordingly.
- **Fast Processing:** Conducting approval processes digitally has enabled faster completion of transactions by eliminating paperwork and manual communication.
- **Responsiveness to Errors:** Since the CRM System automates the process steps, human errors are reduced. Communication errors were minimized by conveying the right information to the right persons.
- **Paperless Working:** Digitizing processes ensures that documentation and approval requests are managed electronically, rather than on paper. This saves storage space.
- **Minimizing Mail Traffic:** Automated approval processes, rather than managing approval requests via e-mail, minimized e-mail traffic.
- **Speed and Efficiency:** Digital processes speed up and optimize operations. It was ensured that the processes proceed uninterrupted when the necessary approvals are received automatically.
- **Data Analysis:** Digital processes have made data collection and analysis easier. This data offers the opportunity to better understand and improve business processes.
- **Collaboration and Sharing:** Digitalized processes increase collaboration between teams. It enables required information and approvals to be shared more quickly.
- **Security and Monitoring:** Digital processes offer various security and monitoring features to ensure document security and monitor workflows.

We are developed together with our employees

Kazancı Holding offers its employees a career opportunity that is open to innovation and change, focuses on self-improvement and job development, supports creativity and appreciates efforts.

Human Resources

10,117
Number of
Employees

By the end of 2022, Kazancı Holding had a total of 10.117 employees in 24 different countries. 14% of these employees work in the Group's international operations, while the remaining 86% are employed in domestic operations.

Kazancı Holding aims to create value on a global scale with its innovative corporate culture. To this end, the Holding considers highly qualified human resources as its greatest competitive advantage. Kazancı Holding demonstrates this perspective in its Human Resources Policy, which is formulated around the approach: "Our most valuable asset is our human capital." The main objectives of Kazancı Holding's human resources activities include:

- Setting a best example in human resources practices in the industry,
- Managing all aspects of human resources related processes effectively in order to create competitive edge,
- Forming the organizational structure of all Group companies with individuals who are team players, open to change, productive, dynamic, and well-suited to our corporate values,
- Boosting corporate efficiency by implementing practices aimed at improving the performance and development of human resources.

The Group's human resources management approach includes preparing employees for the specific structure and needs of the industries where it operates. The Group also adopts principles and implements practices to ensure that the staff remains dynamic in line with the Holding's strategic objectives.

Kazancı Holding places great importance on a sustainable human resources structure to achieve its long term goals. The Holding's human resources policies are designed for continuous improvement of the Department's capabilities. The policies are modified and amended as needed in line with long-term company goals.

At Kazancı Holding, human resources management and practices are designed to position the organization as "the employer of choice for development-oriented and productive professionals" among current and potential employees. This objective is achieved by creating a work environment that supports employee participation and continuous development while boosting staff performance and commitment.



The core values that form Kazancı Holding's approach to human resources include:

- Respect for people,
- A sense of belonging,
- Right person for the right job,
- Diversity management,
- Equal opportunities,
- Personal and professional development.

The Human Resources Department provides support for employee selection and placement, remuneration and benefits, training-development, performance and the running of organizational processes through a centralized human resources structure. The Department serves all Group Companies operating under six different business lines.

Kazancı Holding's Human Resources Department ensures that Group Companies are prepared for the present and the future by adopting

the right strategies best suited to their respective organizational structure. The Department's activities are based on an accurate understanding of the workforce's human resources related needs and meeting those needs with the most appropriate and efficient solutions.

Human Resources Activities and Employee Satisfaction

Kazancı Holding employees are open to change and innovation, dynamic, aware of areas of personal and professional improvement. They are members of a team where continuous development and creativity are actively encouraged, efforts are rewarded, and achievements are recognized.

Employee satisfaction and a sense of belonging are the core components of Kazancı Holding's human resources vision. To this end, the Group continues to develop and implement policies to boost staff loyalty.

Kazancı Holding regards the diversity of its human resources as a valuable part of its organizational structure and a key feature of its intellectual capital. The overarching aim of Kazancı Group's human resources policy is to provide employees with equal opportunities. The Group is firmly against discrimination based on race, religion, language, gender, and sexual orientation. Kazancı Holding embraces universally accepted human rights principles and staunchly opposes child labor and forced labor.

Kazancı Holding places great importance on employee satisfaction. To this end, certain benefits and discounts are provided to staff members via business partnerships within the Group. Cookshop, one of the Group's brands, and hotels operated by Akxa Tourism provide all Kazancı Holding employees with discounts. Additionally, agreements are signed with various institutions in healthcare, education, and similar sectors.

Kazancı Holding's HR policies, which are designed to continuously improve the competencies of its human resources, are shaped in line with long-term corporate goals.

15
thousand
Employment

During 2022, 15 thousand people from 35 different nationalities were employed.

In 2021, Kazancı Holding formed the Aksa Basketball Team - composed of employees from Group Companies - to participate in the inter-company basketball tournament. The Aksa Basketball Team that exhibited strong performance at the court in many matches shall continue to exist in the field of basketball by also bringing the team spirit to the game in 2022, as well.

Competency Model

Kazancı Holding addresses its competency model into two categories: "Basic Competencies" and "Managerial Competencies." The competency dictionary identified within the organization and the behavioral indicators that serve these competencies are also observed and serve the performance process. In this way, competency-based assessments nurture talent management, which is a valuable part of the same process, and support talent development-oriented trainings.

Basic Competencies

- Self-Development
- Relationship Management
- Collaboration
- Process Orientation
- Result Orientation

Managerial Competencies

- Leadership
- Management with Objectives
- Openness to Change and Innovation
- Strategic Planning

Kazancı Holding's human resources practices allow the Group to provide its employees with fast and efficient support, and play a huge part in increasing the productivity and performance of different functions. In order to adapt to the world that has developed and transformed due to the pandemic, it has started to plan more efficient, dynamic, and effective projects by aiming to



increase employee satisfaction with new trends in all HR processes and operations carried out. Prioritizing the sustainability and analytical primacy of HR processes, the Company developed the Power BI reporting system and started to work on accessing instant data.

Recruitment

In order to duly carry out domestic and international recruitment processes efficiently, Kazancı Holding implements a competency-based recruitment system, and the process is carried out in a more comprehensive manner, especially for executive-level recruitments. It is aimed to make maximum

contribution of the program to the recruitment processes with evaluation tools such as personality inventory, numerical, verbal, abstract ability tests, English language proficiency test and case study prepared in accordance with the competency set.

Success and satisfaction level that Kazancı Holding reaches in the process of responding to job applications was awarded at the Ceremony of "Respect for Human Awards" held by Kariyer.net.

Young Talent

Kazancı Holding has always believed in the power of young talents and, in recognition of this, has

implemented young talent programs to support the employment of new graduates. As part of the "energyMaxa" program launched across Group companies in 2020, a large number of newly graduated engineers joined Kazancı Holding to be trained in the departments that best suit their interests and abilities, together with professionals who are experts in the fields that match their competencies, in 2022. Some of these young talents are appointed in international operations while some of them are employed within Holding's Group Companies. Thus, the project continues to give support to operational processes in all areas of operation with our young engineers who hold office in Ghana and Madagascar as well as in Türkiye.

Success and satisfaction level that Kazancı Holding reaches in the process of responding to job applications was awarded at the Ceremony of "Respect for Human Awards" held by Kariyer.net.

77
thousand
Online
Trainings

**Over 77,000
training sessions
were completed by
employees with more
than 98,000 entries
to the Aksa Academy
platform.**

Aksa Academy

Kazancı Holding uses Aksa Academy effectively to manage its works for helping the development of its employees, from the perspective of a corporate academy. By means of this training and living platform, which aims to provide a learning experience that creates value for all employees, a total of 36,973 training assignments were made to users in 2022, 230 videos were presented by 2,418 users for their professional and social development, 213 different national and international article compilations were put forward that can guide all our employees in their work, and it is reported that each employee touches at least 20 resource content on average. Considering the content of the resources, it is observed that mainly book summaries are read. The Aksa Academy Platform, which was supported by training and development content, continued

to be strengthened in 2022 to further increase its benefits and was transformed into an information library.

In digital training realized on behalf of Aksa, the subjects of interest such as sustainability, information security and legal competition which meet the most significant needs of our age were discussed. Over 77,000 training sessions were completed by employees with more than 98,000 entries to the platform.

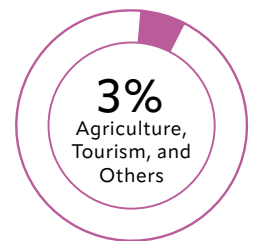
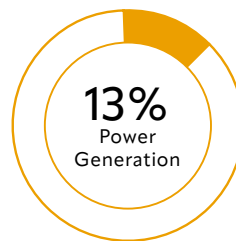
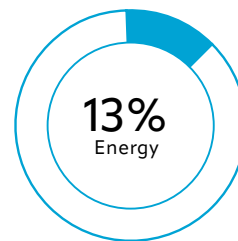
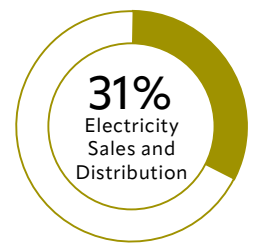
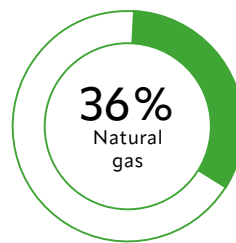
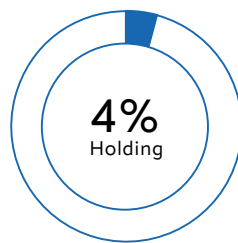
The content of Aksa Academy shall be enriched with articles, podcasts, book summaries, and TED videos in addition to e-training. Furthermore, at least five new contents have been offered to employees of the Group Companies every week. Aksa Academy is planned to be designed as a much more dynamic digital platform in the coming period.



Employee Profile

By the end of 2022, Kazancı Holding had a total of 10.117 employees in 24 different countries. 14% of these employees work in the Group's international operations, while the remaining 86% are employed in domestic operations. During 2022, 15 thousand people from 35 different nationalities were employed.

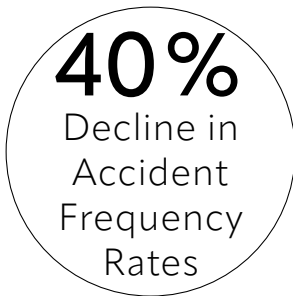
Breakdown of Number of Employees by Companies



Standards are constantly being improved

Kazancı Holding Group companies carry out all OHS activities with the goal of "zero work accidents," implement all necessary safety precautions and take actions to prevent occupational diseases.

Occupational Health and Safety



Maintaining a downward trend in its accident frequency rates since 2015, the Company has reduced this rate by 40% at the end of 2022.

Kazancı Holding places the greatest importance on the occupational health and safety (OHS). Within this context, it consistently develops its standards in this field with its works on the infrastructure, practices and documentation. In addition to adhering to legal legislative requirements related to OHS in countries and regions where it operates, the Company adopts the best international practices and carries out its activities accordingly. Implementing the OHS Management System, the Holding identifies risks associated with its business activities, performs risk assessments, sets various goals to minimize identified risks, and continuously monitors progress toward these goals.

Shaping its OHS policy to raise employee awareness and ensure occupational health, the Group provides OHS training to the workforce in its operational areas and at its head offices. OHS activities are conducted by the OHS Board of Kazancı Holding.

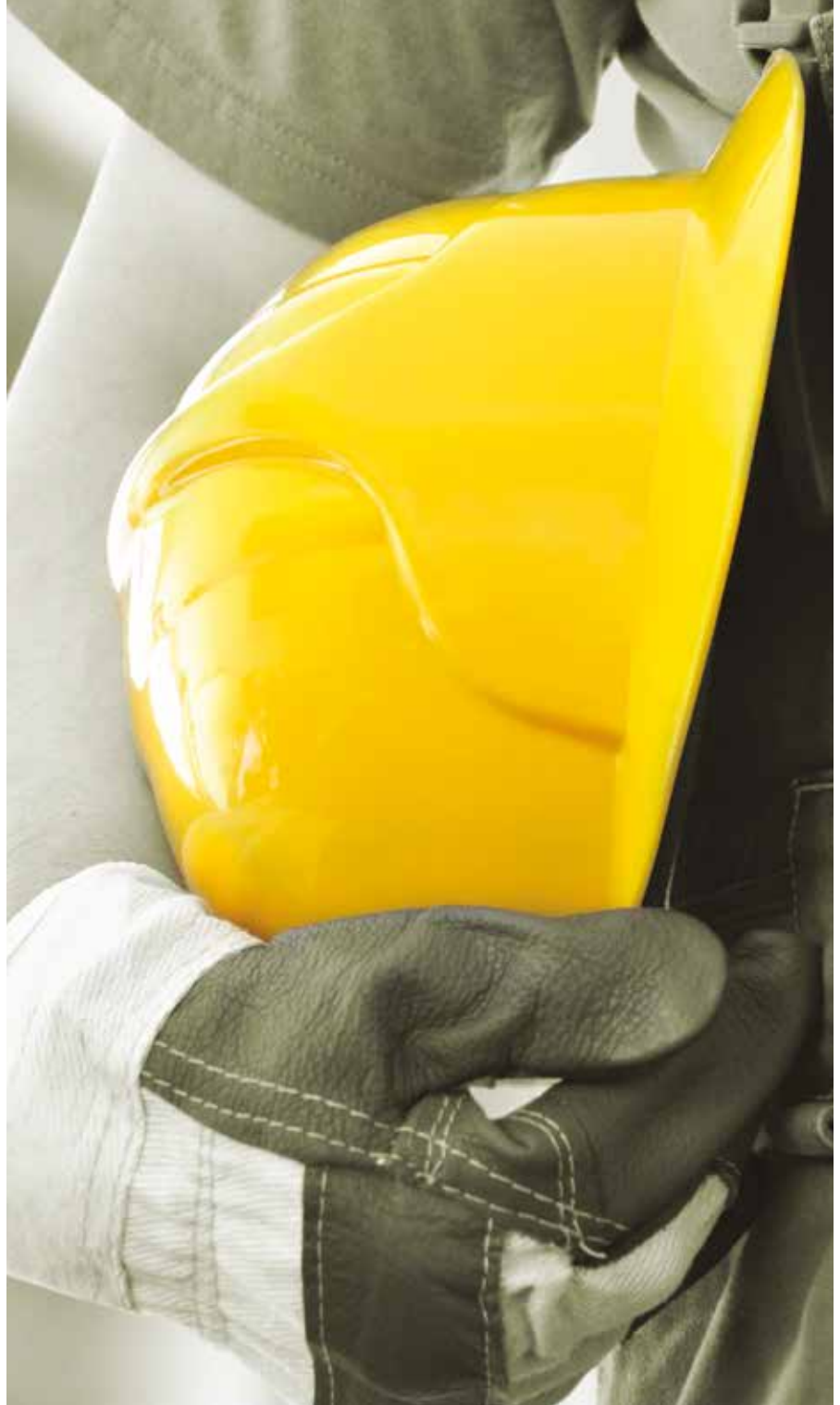
Periodic health screening and emergency drills are conducted to protect the health and safety of the staff members across the Holding.

AKSA NATURAL GAS

In every province and district where it holds a license, Aksa Natural Gas aims to deliver uninterrupted natural gas distribution. In accordance with Law No. 6331 on Occupational Health and Safety, the Company fully meets all occupational health and safety requirements related to its employees and stakeholders.

To ensure that employees return home safe and sound every night, Aksa Natural Gas is committed to fostering an OHS culture and ensuring that occupational safety awareness is shared by every staff member. To this end, the Company attaches great importance to the "ISO 45001:2018 Occupational Health and Safety Management System." With a view to establishing the continuity of the Occupational Health and Safety Management System, the Company launched a central Occupational Health and Safety project in March 2015 across Türkiye, featuring the country's top doctors and specialists.

Occupational health and safety activities which are among the Company's most important core activities are based on the "AKSA OHS Software" specially designed for Aksa Natural Gas in response to specific corporate requirements. Programmed in accordance with Law No. 6331 on Occupational Health and Safety and the ISO 45001:2018 Management System, AKSA OHS software dynamically monitors and checks all activities carried out within 21 distribution companies. AKSA's OHS software centrally controls and reports all occupational health and safety activities related to an employee from the moment of recruitment onwards. The software also measures the occupational health and safety performance of the 21 distribution companies.



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In 2021, the cross-check module was added to software development projects. The module allows findings obtained by OHS Experts during field audits to be instantly reported and added to the performance monitoring system by uploading documents such as audio, video and pictures. The Environmental Management Module incorporated into the software is also used to monitor hazardous and non-hazardous waste under the Environmental Management System.

To identify and prevent any external hazard, annual risk assessments are conducted in all distribution companies; the findings of these studies are eradicated in the most expeditious manner with the participation of employees. Disabled, pregnant or breastfeeding staff is given priority in risk assessments.

The activities to prepare a detailed Emergency Handbook (EH), which started in 2021 with the collaboration of 21 distribution companies, taking into account natural disasters, such as earthquakes, floods, landslides, landslides, explosions, and fires, and risk factors such as electricity, line failures, and sabotage, continued in 2022. This Handbook covers all emergency response instructions

to ensure the safety of Aksa Natural Gas' subscribers, general public, and the Company employees.

During the year, all necessary activities within the context of the Occupational Health and Safety Law No. 6331 were carried out with great care at Aksa Natural Gas. Furthermore, the following efforts were undertaken during the year:

- Annual study and annual evaluation reports,
- Employee representative meetings,
- MYK training programs,
- Planned OHS training programs,
- OHS training for new employees,
- Planned-Periodic health screenings,
- Health examinations for new employees,
- Field OHS audits,
- Maintenance and checking of equipment that requires periodic controls,
- Grounding measurements, electrical installation checks,
- Environment measurements (noise, dust, hygiene) for new locations,
- Lightning rod measurements and checks,
- Emergency team training,
- Emergency evacuation drills,
- First aid training.

To proactively reduce any possible damage from work accidents and occupational diseases, special occupational health and safety funds have been allocated within the budgets of distribution companies. Positive outcomes are obtained in root cause analyses which have been tracked since 2016. The international Accident Severity Rate (ASR) that is taken as a reference by the International Labor Organization (ILO) was 187 for 2022.

Via continuous education and awareness raising efforts, Aksa Natural Gas is committed to the Company's ultimate goal of "Zero Work Accident" and its slogan "People First." Under the leadership and guidance of its management and the participation of its employees, Aksa Natural Gas continuously moves toward becoming the "most reliable corporation" in the industry in terms of occupational health and safety.

The Company examined and compared the work accidents and near misses until 2022 and compared them with work accidents in the electricity distribution sector and we analyzed the types of industrial accidents and near misses with a Pareto analysis. In the light of the data obtained, internal and external training sessions were realized to minimize workplace accidents and near misses and their effectiveness were monitored.



Aksa Energy adopts an occupational health and safety management approach which undertakes compliance with local and international regulations and other relevant obligations in order for its employees to work in a healthy and safe environment.



3,692,428
person x hours
OHS Training

In 2022, 3,692,428 person x hours of work in total were carried out at Aksa Energy's domestic and overseas power plants for providing 10,435 person x hours of General Occupational Health and Safety training and 9,603 person x hours of Toolbox training.

AKSA ENERGY

While conducting its business operations at home and abroad, Aksa Energy adopts an occupational health and safety management approach that is committed to complying with applicable local and international laws, rules and regulations in order to provide a healthy and safe work environment for its employees. The Company carries out all OHS activities with the goal of "zero work accidents," implements all necessary safety precautions and takes actions to prevent occupational diseases.

In order to create these conditions, Aksa Energy maintains its efforts in the area of OHS. The Company carries out all OHS activities with the goal of "zero work accidents," puts in place all necessary safety precautions, and takes actions to prevent occupational diseases. Within this context, 3,692,428 person x hours of work in total were carried out at Aksa Energy's domestic and overseas power plants in 2022 for providing 10,435 person x hours of General Occupational Health and Safety training and 9,603 person x hours of Toolbox training.

In 2022, 5 work accidents with lost days occurred in domestic power plants, while 3 work accidents with lost days occurred in overseas power plants. The accidents with a total of 90 lost days occurred in domestic and overseas power plants.

In 2022, Aksa Energy continued its efforts to improve the health and safety conditions of its employees and reduce occupational accidents and diseases in its domestic and overseas power plants. In 2022, Aksa Energy decreased its accident frequency rate by 40% compared to the previous year.

Assessment and improvement activities related to OHS are carried out by the OHS Committee at Aksa Energy. The Committee is comprised of Aksa Energy employees and represents the entire Company workforce. The Chairman of the OHS Committee reports directly to the Vice President, Chief Operating Officer (COO).

AKSA POWER GENERATION

OHS Board meetings are held every two months to discuss the developments and needs regarding occupational health and safety in the Company's operations. Within the scope of the practices realized with the boards in 2022;

- OHS training was designed and implemented in a way to be provided to all employees compulsorily without any labor loss. All technicians (Blue-Collar) completed the 12-hour occupational safety and 4-hour health training sessions (person/hour) as per the OHS and the relevant legislation.
- As part of the COVID-19 measures, air-conditioning and system maintenance intervals were reduced from annual periods to quarterly periods. All of the climatization and heating systems were improved.
- It was permitted that before any maintenance, repair, and overhaul processes be carried out at Aksa Power Generation's facilities, the Company that shall do the work should start after taking all OHS-related measures and completing the required documentation.
- Field service representatives and technicians act in accordance with all compulsory conditions notified by the relevant government agency, depending on the relevant customers and field responsibilities.

Since Aksa Power Generation switched from OHSAS 18001 to ISO 45001, the Company modified its OHS Policy as follows:

Aksa Power Generation recognizes that its success is based on a safe and healthy working environment and the wellbeing of its valued employees.



Aksa Power Generation aims to conduct its business activities in accordance with applicable national laws and regulations in line with the principle of safe working.

Health and Safety

It aims offering safe working conditions and secure their continuity to ensure that the employees, suppliers and contractors related to their activities are not injured and lead a healthy life.

Leadership

Aksa Power Generation aims to see Occupational Health and Safety efforts as a key part of its main responsibility and to closely follow developments related to health and safety.

Employee Participation

Aksa Power Generation undertakes to contribute to Occupational Health and Safety activities with all its employees.

Improvement

With the participation of all its units, it undertakes to improve the ISO 45001 Occupational Health and Safety Management system and processes in accordance with changing conditions and requirements.

Continuity

Aksa Power Generation undertakes to eliminate the dangers and to reach safe solutions by evaluating risks.

Aksa Electricity carries out electricity distribution and sales services in every province and district of its license regions by placing people at the heart of its services and with the awareness of its responsibilities.

AKSA ELECTRICITY

Aksa Electricity meets the conditions for occupational health and safety practices for all its employees and stakeholders as part of the Occupational Health and Safety Law No. 6331 with an approach that focuses all activities on serving people and with the awareness of being a responsible institution while performing electricity distribution and sales services in every province and district of its license regions. After the Occupational Health and Safety Law No. 6331, it also implemented and certified the international standard ISO 45001:2018 Occupational Health and Safety Management System.

OHS Policy

Accordingly, the Company bases its OHS policy on the respect shown to people and the environment. Aksa Electricity takes all necessary measures in line with the "Employee Health and Safety First" principle during electricity sales and distribution activities.

OHS Policy of Aksa Electricity;

- To identify, assess and control potentially dangerous situations to which employees and other relevant parties in the operation field may be exposed, and to share them with all employees,
 - To select protective materials in accordance with occupational health and safety standards while choosing equipment, raw materials and work tools,
 - To prevent occupational accidents and occupational diseases,
 - To meet and follow the primary and secondary legal requirements and other conditions related to occupational health and safety, and to improve the management system continuously,
 - To determine the annual targets in the effective implementation of occupational health and safety and ensure that employees receive the training support they require within the scope of their responsibilities,
 - To periodically review the hazards and risk elements in terms of occupational health and safety within the Company's activities, and to take measures as needed,
- To reduce risks to an acceptable level in accordance with emergency action plans (e.g. earthquake, fire, flood, civil defense),
 - To ensure participation of the employees in decision-making processes by including them in the management system, and to receive their opinions,
 - To recognize and ensure that successful implementation of occupational health and safety is possible only through the participation of all employees and by making it a part of corporate culture.

Assessment of OHS Risks

Aksa Electricity Companies perform all of their works within the framework of the legislations and strictly adhere to the applicable laws, rules and regulations related to OHS and conduct regular risk assessments. As part of this, the prior OHS risks are brought under control by reviewing them every year with proactive approaches.



OHS Trainings

Regarding health and safety of its employees as the major priorities, Aksa Electricity Companies give OHS Training periodically as face-to-face training or remote training.

OHS Software Program

Aksa Electricity Companies can manage all activities and report their

work with the OHS Software program which have been implemented since 2019. With OHS software;

- Notification of dangerous situations/near misses and events,
- Risk analysis studies,
- Debit and controls of personal protective equipment,
- Annual study and annual evaluation reports,
- Planned OHS training programs,

- Planned health examinations,
- Field OHS audits,
- Maintenance and checking of equipment that requires periodic controls,
- Announcements of OHS instructions,
- Corrective activities as a result of the observations,
- Tracking of the actions can be performed and reported.

Aksa Tourism has a quite sensitive approach to Occupational Health and Safety measures both for its employees and the guests accommodating at its hotels.

AKSA AGRICULTURE

Aksa Agriculture organized renewal and repeating training as part of OHS at İnanlı and Gelemen Enterprises during the year. Work instructions and PPE (Personal Protective Equipment) forms were prepared for all employees over the course of the training.

The Company shall carry on the periodical training sessions in the upcoming period with the aim of avoiding occupational accidents and occupational diseases and raising compliance with the rules by increasing employee awareness on OHS.

Aksa Agriculture also aims to boost the measures taken against the possible risks in operations through risk analyses and revision of emergency action plans.

AKSA TOURISM

Aksa Tourism has a quite sensitive approach to Occupational Health and Safety measures both for its employees and the guests accommodating at its hotels. The Company carries out operations by paying maximum attention to OHS measures and rules. In this context, employees receive on-the-job orientation and basic occupational health and safety trainings.

It works on updating the emergency action plan, completing the direction signs and emergency lighting in the assembly area, preparing scenarios, including the evacuation plans that contain the whole facility, and performing various drills against the possible disasters.

Aksa Tourism activates corrective preventive activity forms with the participation of all departments to mitigate and hinder occupational accidents. Risk assessment analyzes are performed with the participation of all employees involved in the production processes and by taking the opinions of expert teams. Results of the assessment are reported.

Aksa Tourism conducts annual periodic inspections of the work equipment used in its facilities to ensure the safety of guests, personnel, and facilities.

Aksa Tourism improves the working conditions of its personnel by conducting environmental measurements. Aksa Tourism provides its personnel with job-specific personal protective equipment to prevent job-specific hazards and ensure personnel safety during work.

Aksa Tourism ensures that occupational health and safety principles are adopted at its facilities as part of the work culture and continues to work on building up these principles further.

Risk assessment analyzes are performed with the participation of all employees involved in the production processes and by taking the opinions of expert teams. Results of the assessment are reported. Relevant measures are taken to eliminate the risks identified as a result of the assessment at their source.



Reliable and high-quality service

The values that underpin the corporate culture of Kazancı Holding, which has focused on providing reliable and high-quality products and services since its establishment, have been shaped by the experience gained over more than half a century.

Our Values

Since its founding in the 1950s, Kazancı Holding has strived to offer reliable and high-quality products and services. The trust our stakeholders place in our brand has driven our aspiration to achieve better each day and to continuously expand the value we create.

Forming the basis of our corporate culture, our values have been shaped in light of us over a half-century of experience. We did not simply establish values and follow them. Instead, we embraced what nurtured us, what brought us together toward shared goals, what moved us forward to where we are today, and what shall keep us together in the future. These experiences helped form Kazancı Holding's values.

Our corporate values incorporate all the elements of our vision and mission statements, which serve as a compass for the Company. Kazancı Holding's values also define our culture, our ways of doing business and our future objectives. As we unified employees from diverse cultures, countries and backgrounds under the umbrella of Aksa values, we have based our competencies on these values.

Our core values are at the heart of our competencies:

We are committed to our company and core values.

- We safeguard the interests of the Company in all business activities and processes.
- We strive to use our individual strengths in a way that facilitates the Company's success.
- We feel responsible for the results the Company can achieve.
- We are committed to the Company's goals and our fellow employees.

We pursue efficiency and other benefits in all our business activities.

- We contribute to customers' achievements.
- We encourage our employees to make most of their potential.
- We continuously improve our products and business processes.
- We are well aware of our social responsibilities and contribute to Türkiye's economy as an organization that respects people and the environment. We adopt an innovative and sustainable environmental approach in all our business activities.

We build our relationships on respect.

- We value and trust each other.
- We promote open, honest and direct feedback and mutual communications.
- We respect diversity and value every individual regardless of their religion, language, race or gender.

Using time efficiently, we make decisions and take action swiftly

- We do not resist change; we embrace change and see it as beneficial to the Company.
- We are proactive when it comes to matters that pertain to our business. We assume responsibility, consider the risks, and demonstrate courage in taking the initiative for the business to run smoothly.
- We generate ideas and suggestions to identify, prevent, and resolve problems, or improve the situation at hand when necessary.
- We actively seek out opportunities and take action within our area of responsibility.



The main goal is **sustainability** in the long term

As a global energy group, Kazancı Holding's strategic domestic priority is to increase the quality of its goods and services through investments, whilst its international priority is to expand its presence in more countries.

Strategic Goals

Kazancı Holding's Board of Directors reviews the Holding's strategic goals every year, sets targets for the following year, and executes the necessary action planning to achieve these targets.

The primary objective of Kazancı Holding is to ensure the long-term sustainability of the Group's operations by striking a balance between return, growth and risk. At its periodic meetings, the Board of Directors conducts a comparative analysis of the financial performance of the Group Companies and their budgets and examines whether these

strategic targets are being met. The Board of Directors also aims to develop new business strategies, make investment decisions, and revise previous decisions in line with the new opportunities and needs identified.

As a global energy group, Kazancı Holding's strategic domestic priority is to increase the quality of its goods and services through investments, whilst its international priority is to expand its presence in more countries.

The Board of Directors of Kazancı Holding is committed to performing its activities in a transparent, accountable, fair and responsible manner. The Board of Directors monitors compliance with applicable laws, rules and regulations, the Articles of Association, internal regulations and policies in all kinds of Holding transactions and procedures.



Effective risk management

Kazancı Holding aims to integrate corporate risk management into the Company's strategies and corporate culture, ensure that all employees also focus on compliance with risks, opportunities, and obligations, and thus contribute to the sustainable growth of the Company.

Risk Management and Internal Audit

Financial and strategic risks faced by Kazancı Holding are managed centrally, and the CFO Office assists the different levels of management in this regard.

To deliver the highest possible value to its stakeholders, Kazancı Holding places utmost importance on the early detection and effective management of corporate risks that may pose a threat to its existence. Corporate risk management is well integrated into the Company's strategies and corporate culture. Kazancı Holding aims to ensure that all employees focus on risk management, opportunities and obligations alongside their everyday work responsibilities. The workforce is expected to contribute to the Company's sustainable growth in this way. Kazancı Holding focused strongly on improving the effectiveness of risk management processes to sustain the risk assurance provided to the stakeholders in the intense internal and external competitive environment and to effectively manage the ever-increasing uncertainties caused by global developments.

The Board of Directors of Kazancı Holding is responsible for consolidated monitoring of all risks associated with Group Companies and making holding-wide decisions related to these risks. In the decisions taken by the Board of Directors, risk, return and growth balance are considered together with global developments, and risk management strategy is adhered.

Financial and strategic risks faced by Kazancı Holding are managed centrally, and the CFO Office assists the different levels of management in this regard. Operating in an investment-oriented sector, the Holding finances its investments via long-term syndication loans. Developments in the market, liquidity, exchange rate and interest rate risks are monitored regularly. When deemed necessary, the financial risks and opportunities faced are effectively managed through policy adjustments.

Protective instruments are purchased within the framework of the policies set by the senior management; meanwhile, efforts are expended to limit the extent of risk exposure to the Holding. The CFO Office engages in various activities such as determining and implementing measures related to potential risks and managing and monitoring these in accordance with a risk management system, and reporting these efforts to the Board of Directors. Group Companies are required to adapt this model to their own organizations, monitor the risks of their enterprises, and take measures to counteract these risks.



Kazancı Holding's risk management and internal control system is regularly reviewed and audited to achieve the following objectives:

- Protecting company assets;
- Ensuring compliance with laws, rules, regulations and agreements,
- Ensuring operational efficiency and productivity,
- Ensuring accuracy and reliability of financial and operational information,
- Elimination or control of activities and transactions that contain previously identified and reported risk elements within the framework of recommendations approved by the management.

The results of the Company's activities, the extent to which targets are met, and identification and reporting of associated risks faced by the Company are evaluated at Board of Directors meetings, which are periodically held with the participation of the relevant managers.

Kazancı Holding's Internal Audit Department strives to assess and improve the effectiveness of its control and governance processes. With a risk-focused approach, audits are conducted regarding the reliability of the financial reporting system; the compliance of the Holding and Group Companies with legal and internal regulations; the effectiveness and efficiency of their activities; and the security and reliability of their IT systems. Both central internal audit activities and on-site internal audit activities were carried out in 2022.

The audits verified that the effectiveness of internal control and corporate governance processes was at an adequate level. Additionally, the audits recommended various actions to the management units about specific control shortcomings that were identified and monitored whether the actions were implemented on time.

In 2022, an independent international audit firm audited the compliance of the activities of Kazancı Holding's Vice Presidency of Audit with international auditing standards, and it was deemed worthy of the highest level of "Generally Compliant" in the Quality Assurance Service (QAR) Report. For the "Generally Compliant" level, it has been confirmed that the positioning of the internal audit department supports its independence and objectivity, that it has a reputable position and provides added value to processes, that the department performs its duties with the utmost professional care, impartially and objectively, and that audit reports provide added value to the organization and are sufficiently detailed.

Code of Ethics

Code of Ethics of Kazancı Holding aim to form the framework of the standards that need to be followed by employees of the Holding and all Group Companies on their duty. Great importance is attached to compliance of the managers and employees at all levels who act on behalf of Kazancı Holding, with code of ethics.

1. MAIN ETHICAL PRINCIPALS

1.1 Respect for Human

Respecting human rights and freedoms is our primary principle.

1.2. Integrity, Honesty, Transparency

Whilst conducting our operations, any transactions within the impact area are overseen by the principles of integrity, honesty, and transparency.

1.3. Impartiality, Fairness

We approach all our stakeholders with fairness and impartiality without distinction.

When fulfilling our duties and responsibilities, we do not discriminate individuals based on language, race, color, gender, political views, beliefs, religion, caste, or similar differences.

When making decisions, we decide independently of persons and institutions outside of the corporation.

1.4. Confidentiality

We make sure that confidential information relating to our corporation and all stakeholders is kept private. We share confidential information within the scope of predetermined authorizations with relevant individuals.

1.5. Public Good and Respect for Environment

All our operations embrace the principles of looking out for the public good and respecting the environment as well as profitability.

1.6. Compliance with Global Principles

Kazancı Holding's mission and objectives are in accordance with the fundamental principles of the UN Global Principles Agreement, which we follow when conducting our operations.

2. OUR RESPONSIBILITIES

2.1. Legal Responsibilities

We conduct all our activities in Türkiye and abroad within the scope of the Republic of Türkiye laws, international laws, and legal regulations of the countries with which we are doing business; we provide authorities with the information they request in an accurate, complete, and intelligible manner.

2.2. Responsibilities to Customers

We operate with the aim of providing the fastest service to our customers in line with their requirements and demands. We approach our customers with respect, politeness, fairness, and equality.

2.3. Responsibilities to Employees

We approach employees in a fair and honest manner, and pledge to provide a workplace that is non-discriminatory, safe, and healthy. We shall not allow any of our employees to be subjected to mobbing, and we place importance on the business life-private life balance.

We make the necessary efforts for the personal development of our employees and support them should they wish to volunteer in suitable social and public activities and social responsibility projects.

2.4. Responsibilities Towards Shareholders

We place paramount importance on the sustainability of our Company and the goal of creating value for our shareholders. To this end, we refrain from taking unnecessary or unpredictable risks and aim for sustainable profitability. We act within the framework of financial discipline and accountability and manage our Company's resources and assets with efficiency and prudence. We inform our shareholders, the public, and relevant institutions regarding financial results, strategies, investments and risks in a timely, accurate, complete, and intelligible manner.

2.5. Responsibilities to Suppliers/ Business Partners

We behave in a fair and respectful manner to our suppliers/business partners, and take the necessary care to fulfill our obligations in a timely manner. We do not give out confidential information about individuals and institutions we do business with.

2.6. Responsibilities to Competitors

We compete actively only in legal and ethically sound markets, and we refrain from unfair competition.

We support competitors' efforts that shall benefit the good of the public and wish to be included in any related structures.

2.7. Responsibilities to the Public and Humanity

It is important for us to protect human rights, the environment, and democracy and to eradicate corruption and crime. We act sensibly as leaders in social issues and become involved in efforts that shall benefit the public. In Türkiye and other countries in which we undertake international projects, we show sensitivity towards national and regional customs and the cultural fabric. We do not give out nor receive goods and services in exchange for bribes, ostentatiously costly gifts, etc.

3. CODE OF ETHICS TO BE FOLLOWED BY EMPLOYEES

It is the primary responsibility of all employees to ensure that our Company remains synonymous with professionalism, honesty, and trustworthiness, and that such values are promoted even further. In this context, standards of ethical conduct expected from employees have been outlined below:

- Always obeying the laws,
- Fulfilling one's duties in line with fundamental ethical and human values,
- Behaving with fairness, good intentions, and understanding in all relationships to create mutual benefit,
- Never obtaining ill-gotten gains or receiving or handing out bribes from any individual or institution regardless of the circumstance,
- When fulfilling duties, acting in a manner suited to the relevant work ethics principles and any other supporting practical principles,
- Unless explicitly instructed to do so, refraining from actions, statements or written communications which might render the Company responsible,
- Refraining from behaviors which might disturb and/or cause harm to other employees, not disrupting the work flow,
- Being attentive to all material and immaterial assets of the Company, including information and information systems so as to protect them from possible loss, harm, misuse, abuse, theft, and sabotage,
- Refraining from exploiting working hours and company resources directly or indirectly for personal gain and/or political activities or gain.

3.1. Asset and Information Management

3.1.1. Intellectual Property Rights

- Making sure the relevant legal procedures are initiated and completed in time to secure the intellectual ownership of newly developed products, processes, and software,
- Refraining from -knowingly- making unauthorized use of

patents, copyrights, trade secrets, brands, computer software or other intellectual and industrial property rights belonging to other companies.

3.1.2. Information Management

- Ensuring all legal records are kept in the proper manner,
- Not responding to requests of information from third parties regarded as classified by the Company unless given approval by the executive management,
- Taking the necessary care so that the Company's declarations and reports reflect the reality of the situation.

3.1.3. Confidentiality

- Acting with the awareness that financial and commercial secrets, information which might weaken the Company's competitive edge, personnel rights and information, and agreements with business partners are confidential and making sure they are kept as secure and private,
- Not sharing any information derived or any documents possessed as part of one's job with unauthorized individuals or authorities within or outside the Company regardless of the purpose, refraining from using those for speculation directly or indirectly,
- Not using information unavailable to the public regarding the Company, its customers, and other individuals and companies with which the Company conducts business other than its intended purpose under any circumstances, refraining from sharing those with third parties unless the necessary permissions are obtained.

3.2. Refraining from Conflict of Interest

Conflict of interest refers to any kind of advantage created for oneself, one's relatives, friends, or any other person or establishment one might have a relationship with and the state of having a financial or personal interest, which shall or might hinder employees from fulfilling their duties in an impartial manner.

3.2.1. Not Performing Transactions for One's Own Benefit or the Benefit of Relatives

If employees' own shares in another company or partake in investments thereof, they are obligated to inform this when they are recruited. Employees must inform their immediate supervisor about any changes which might occur in their circumstances, or any other issues which might be regarded as conflict of interest, and the information must be shared with at least two supervisors with higher seniority.

- Not creating unfair advantage for oneself, one's relatives, or third parties by using one's title and authority,
- When making personal investments, taking care to not create conflict of interest with one's current employer,
- Ensuring that any personal investments or other pursuits outside of one's duties do not hinder the amount of time and attention allocated to one's present job duties, and refraining from such situations which might prevent focusing on major tasks,

- If an employee and a person with decision-making authority in the customer/supplier company involved in the same project are immediate family, the immediate supervisor must be informed and written permission must be obtained,
- Informing the immediate supervisor and obtaining written permission in the event of discovering that his/her relatives have shares or financial interests in another company with which the Company has business relations.

3.2.2. Representation and Attending Events

Attendance at events organized by individuals or establishments with which the Company has or could potentially have a business relationship which are not open to the general public (except conferences, receptions, promotional events, seminars etc.), and which might influence or be regarded as being influential in the decision-making process, such as sports events, national/international trips, etc. are subject to the approval of the Group President or the Group Vice President.

3.2.3. Receiving Gifts

When conducting relations with private or official individuals or establishments that wish to commence or continue a business relationship with the Company:

Any gift, money, checks, properties, free holidays, special discounts, and the like that put the Company and the person who accepts a gift under obligation is unacceptable. Gifts that are valued over TRY 50 and that are predicted to not affect the decisions

to be made may be accepted upon prior notification made to a senior manager. In this manner, the total value of gifts that can be accepted may not exceed the amount of TRY 500.

3.2.4. Insider Trading

Knowing that trying to obtain any type of commercial gain including the direct or indirect trading of shares in the stock exchange by using confidential information relating to our Company or by providing third parties with such information is illegal, and must never be attempted.

3.2.5. Doing Business outside the Company

Employees cannot accept permanent or temporary, paid or unpaid, official or private duties without permission by the Company, and cannot engage in trade.

3.3. Employee Health and Occupational Safety

Our Company's goal is to ensure occupational safety and employee health in all aspects at the workplace and during working hours.

- Employees comply with rules and instructions in this regard and take the necessary precautions.
- Employees are not to keep in the workplace any possession or material, which can put the workplace and/or employees in danger or which is illegal.
- Apart from those in possession of a valid medical certificate, employees are not to keep any tranquilizing, addicting, physically or mentally limiting or disrupting substances at the workplace, and shall not perform their job or remain in the workplace under the influence of such substances.

4. IMPLEMENTATION PRINCIPLES OF CODE OF ETHICS

4.1. Notification Obligation Concerning Violations

- Employees are expected to notify the relevant managers/ departments when faced with any behavior which they regard as incompatible with the law or in-house regulations, without the fear of being subjected to a negative reaction.
- Employees must warn colleagues who behave in a manner incompatible with the law or in-house regulations.
- Employees are obligated to report any situation which they perceive or suspect to be incompatible with the law or unethical.
- Reports by employees about illegal or unethical activities are investigated by the authorized person(s) in the shortest time possible.
- When a company employee is found to have performed a transaction or behavior that is unethical, the repercussions shall be determined by the Ethics Committee.
- Anyone who reports a behavior can rest assured that they shall receive a response and shall not face any repercussions due to their report.

4.2. Ethics Hotline

When a situation that contravenes the Code of Ethics is observed/ discovered at any unit of the Group/ Company, the 0850 511 11 12 Ethics Hotline must be called.

Calls to this line concern behaviors outlined above which can be considered unethical or arouse suspicion.

- The hotline is completely independent. Calls are shared only with the Audit Directorate and the Board of Directors.
- Any information given is completely confidential.
- When submitting a report, information must be clear and detailed, and must be solidified by specifying the person, time, and location concerned, as well as by providing documents.
- A report must not be regarded as revealing another's secrets, placing them in a difficult situation, or gossip.
- Calls are anonymous. Callers are not mandated to give out their name.
- The phone line is accessible 24/7.

4.3. Ethics Committee

The Audit Directorate begins the inquiry concerning the subject of the violation reported to the ethics line. When the inquiry is complete, the Ethics Committee is invited to a meeting to reach a decision.

The Committee reaches a resolution, puts it into practice and registers it in the resolutions ledger. The Committee can reach a resolution with a majority of votes.

After the resolution is reached, within six business days, it is communicated to the employee and any necessary action is taken. Until the Ethics Committee clarifies the issue, it is assumed that the issue is unbeknownst to the employer and that the employee is innocent of the matter at hand.

The Ethics Committee is formed of the following personnel:

- Member of the Holding's Board of Directors
- Relevant Group President
- Relevant Department's Director for matters concerning joint units within the Holding
- Audit Director
- Human Resources Director
- Legal Affairs Director

The following penalties are given for the breach of the rules of ethical conduct:

- In case of an intentional misconduct, dismissal as per the related articles of Labor Law, and initiation of legal action if it is necessary. (Beneficial things done in the past by the person who knowingly gains unfair advantage cannot constitute a reason for partial or complete remission.)
- If there is no abuse of power or if it is a case of negligence due to carelessness or ignorance, a written or verbal warning is issued depending on the severity of the impacts.

5. ENFORCEMENT

The Code of Ethics shall become effective as of 29.09.2017. In all other situations not outlined above, the Company's Disciplinary Code and the Company's Senior Management are consulted when making a decision.

6. PUBLIC DISCLOSURE

Kazancı Holding is obligated to present its Code of Ethics to the public and all its employees. In case of any change in the Code of Ethics, the same obligations apply.

Compliance with laws and legal and ethical rules

For the utilization of Company assets, transactions are carried out by taking into consideration the information classifications which are determined as per legal requirements, confidentiality, integrity and accessibility concepts, and the risks.

Information Security Policy

For the execution of Kazancı Holding's business processes, only Kazancı Holding information resources are used. The basis of the utilization of these resources is directly related to the research, development, service and managerial/ administrative activities of Kazancı Holding. Utilization of Kazancı Holding resources cannot be contrary to what is legally required and Kazancı Holding's policies and procedures. For the utilization of Company assets, transactions are carried out by taking into consideration information classifications, which were determined as per legal requirements, confidentiality, integrity and accessibility concepts, and possible security risks specific to them.

Kazancı Holding's Information Security Policy is implemented under the topics below:

Personal Use

Kazancı Holding personnel are required to abide by the applicable laws of the Republic of Türkiye, particularly Law No. 5651, international law, and general ethical codes when using and providing all information systems and communication means, including internet and voice communications. Staff members refrain from performing actions that are not included in their job descriptions, such as providing unauthorized access to information and tools they possess and looking for weaknesses.

Accountability

Access information and tools assigned to a user cannot be shared with anyone under any circumstances, including technical staff.

Internet Use

Users shall not provide information about the Company's location and phone number, employee names, titles, email addresses and other personal information when posting on internet discussion groups, chat rooms, and other forums, unless necessary for their job requirements or legal obligations. Internet access is provided in accordance with the connection settings and access restrictions provided by Kazancı Holding. Internet users do not have access to illicit or unlawful sites.

Use of Electronic Messaging Services

Electronic messaging rules are the same regardless of whether the exchange takes place in written or face to face. Electronic messaging is used when face to face communication is not possible. When sending messages to a group of recipients in the address list, one shall ensure that all recipients would like to receive the outgoing message.

Office Equipment, Printed Documents, and Portable Data Storage Devices

When printing highly confidential documents, users shall print out with PIN code or ID card to avoid the document being read or seized by unauthorized individuals. Regardless of whether they are confidential or not, and whether they are stuck in the machine, originals and copies of documents shall not be abandoned inside printers or photocopiers.

Surveillance and Recording Activities, Privacy

Kazancı Holding reserves the right to examine any information kept on its systems and relayed through Kazancı Holding systems. Personal information of the users stored on Kazancı Holding systems or transmitted through Kazancı Holding systems are processed in accordance with the Law No. 6698 on the Protection of Personal Data.

General Data Protection and Classification Responsibilities

Information exchange within Kazancı Holding can take place only amongst users who require access to the data due to their job requirements. Sharing of information with public institutions and members must be done by competent employees in accordance with the legal requirements.

Violation Notification

When employees determine any actions that are not compatible with Kazancı Holding's policies and procedures, they shall notify them via the Information Security Page, Violation Notification Form immediately.





KAZANCI HOLDİNG

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