

ENERJISA ENERJI  
**SUSTAINABILITY-LINKED  
FINANCE FRAMEWORK**





# 1 | About Enerjisa

Enerjisa Enerji A.Ş. (“Enerjisa” or the “Company”) is a stock-listed leading energy company in Türkiye with a strong commitment to both managing its climate-related impacts and improving its Environmental, Social, and Governance (ESG) performance. Incorporated in 1996, Enerjisa is active in electricity distribution, retail sales and sustainable customer solutions.

Enerjisa carries its operations and investments with the strength it derives from its strong shareholders; E.ON (40%), which operates in the global energy market and Sabancı Holding (40%), Türkiye’s leading business conglomerate. 20% of Enerjisa Enerji shares was offered to the public in the largest private sector IPO in Türkiye and Enerjisa was listed on Borsa İstanbul on February 8, 2018.

As of 31 December 2023, Enerjisa had more than 11 thousand employees, 325.955 kilometers of distribution network length, 12,2 million distribution network connections accounting for approximately 26% of all the distribution network connections in Türkiye and 10,7 million customers in 14 provinces across three different distribution regions, representing approximately 22% market share in terms of number of customers.

Total Distributed Gross Electricity (TWh)	Total Length of Network (km)	Number of Connections (million)
2020  46.1	2020  236,064	2020  11.4
2021  48.0	2021  309,907	2021  11.7
2022  48.5	2022  317,757	2022  11.9

Enerjisa’s four main business units (BU) are distribution, retail, customer solutions and Esarj:

- Electricity distribution operations** are carried out by regional Başkent EDAŞ, AYEDAŞ and Toroslar EDAŞ<sup>1</sup> subsidiaries in accordance with their respective licences. Electricity distribution is the delivery of electricity to end users via low voltage (under 36 kV) power lines. Each of the regional distribution network operators are responsible for carrying out operation of the distribution network in their own regions; making required maintenance, repair, environment, security, renewal and expansion investments; maintaining and reading electricity meters; preparing demand projections and investment plans; monitoring theft/loss rates; supplying electricity to cover technical and commercial losses; and taking the necessary technical and operational measures to reduce the theft/loss rates and ensure the lighting of public areas.
- Retail electricity sales** is carried out by Başkent EPS, AEPSAŞ and Toroslar EPSAŞ<sup>2</sup> subsidiaries. Retail companies sell electricity exclusively to non-eligible<sup>3</sup> customers within the company’s distribution regions as the incumbent retail companies and to eligible customers in their respective regions and in other parts of Türkiye without regional limitations.
- Enerjisa Müşteri Çözümleri A.Ş. (EMC)** focuses on providing **customers sustainable and innovative energy solutions**. In this regard, end-to-end solutions aimed at increasing the energy efficiency of corporate customers and reducing their carbon emissions including through renewable energy solutions were re-grouped under the roof of “Energy of My Business” in October 2020. This portfolio includes many environmentally friendly and sustainable energy solutions, ranging from solar power plant (SPP) installation services, energy efficiency applications and cogeneration/trigeneration applications.

1. Başkent Elektrik Dağıtım A.Ş. (“Başkent EDAŞ”), İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. (“AYEDAŞ”) and Toroslar Elektrik Dağıtım A.Ş. (“Toroslar EDAŞ”)  
2. Enerjisa Başkent Elektrik Perakende Satış A.Ş. (“Başkent EPS”), Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş. (“AEPSAŞ”) and Enerjisa Toroslar Elektrik Perakende Satış A.Ş. (“Toroslar EPSAŞ”)  
3. The term eligible consumer refers to a real or legal entity that has the right to choose their supplier since they consume more electrical energy than specified by the Energy Market Regulation Authority (EMRA) or they are directly connected to the transmission system or they possess an organised industrial zone legal entity status. In 2023, the electrical energy consumption limit required to be an eligible consumer is specified as 1000 kWh by EMRA. Hence, all customers with a total consumption of 1000 kWh and above at the location of use within the previous calendar year or within the present year are considered as Eligible Consumers.

EMC acquired 80% of **Eşarj Elektrikli Araçlar Şarj Sistemleri A.Ş. (Eşarj)** shares in 2018, becoming its controlling shareholder. In 2021, stake in Eşarj increased to 94% and in 2023 EMC fully acquired Eşarj and became the sole shareholder. As of the end of 2023, Eşarj has 1.780 electric vehicle charging plugs, 1.381 of which are fast charging, at 1.003 stations. Since July 2020, the electricity used for vehicle charging has been certified with the International Renewable Energy Certificate (I-REC) at all of the Eşarj public stations.

Enerjisa operates in the Turkish Electricity Market which has seen substantial changes during the past 21 years, with a substantial increase in total installed capacity, rising from 28 GW in 2001 to 103.8 GW in 2022

## 2 | Enerjisa Sustainability Strategy and Commitments

Operating in a dynamic industry that is being transformed by global mega trends (digitalization, decarbonization, deregulation, decentralization and urbanization), Enerjisa prepares for future developments with a clear vision and prioritize value-adding opportunities with its employees and innovation culture. Enerjisa prepares for these fundamental changes by helping to shape regulations and exploring new business opportunities.

Enerjisa is aware of the rapid electrification need that comes along with economic growth and urbanization and as the Türkiye's largest electricity distribution and retail sales company, aims to answer this need with an approach that focuses on people and technology. Energy transition and Türkiye's ratification of the Paris Agreement calls for a wide scale electrification across various economic sectors, which in turn calls for increasing renewable energy generation and distribution. With the goal of creating sustainable value for all stakeholders, Enerjisa also plays an active role in the transition towards clean energy.

Enerjisa has prioritized its environmental, social, and governance impacts, established goals, and created its roadmap taking into account the UN Sustainable Development Goals (SDGs) with the ultimate goal of becoming an impact-focused company. Enerjisa shares its ESG targets under the key pillars of its sustainability strategy which are the environmental impact for planet, social impact for society, governance enablers and foundation, economic business impact.

Enerjisa presents the realization status of previous targets and the future ESG targets in its publicly available 2023 Sustainability report<sup>4</sup>. As a result of associating SDGs with Enerjisa's ESG targets, SDGs prioritized within the scope of the company's sustainability strategy were identified.

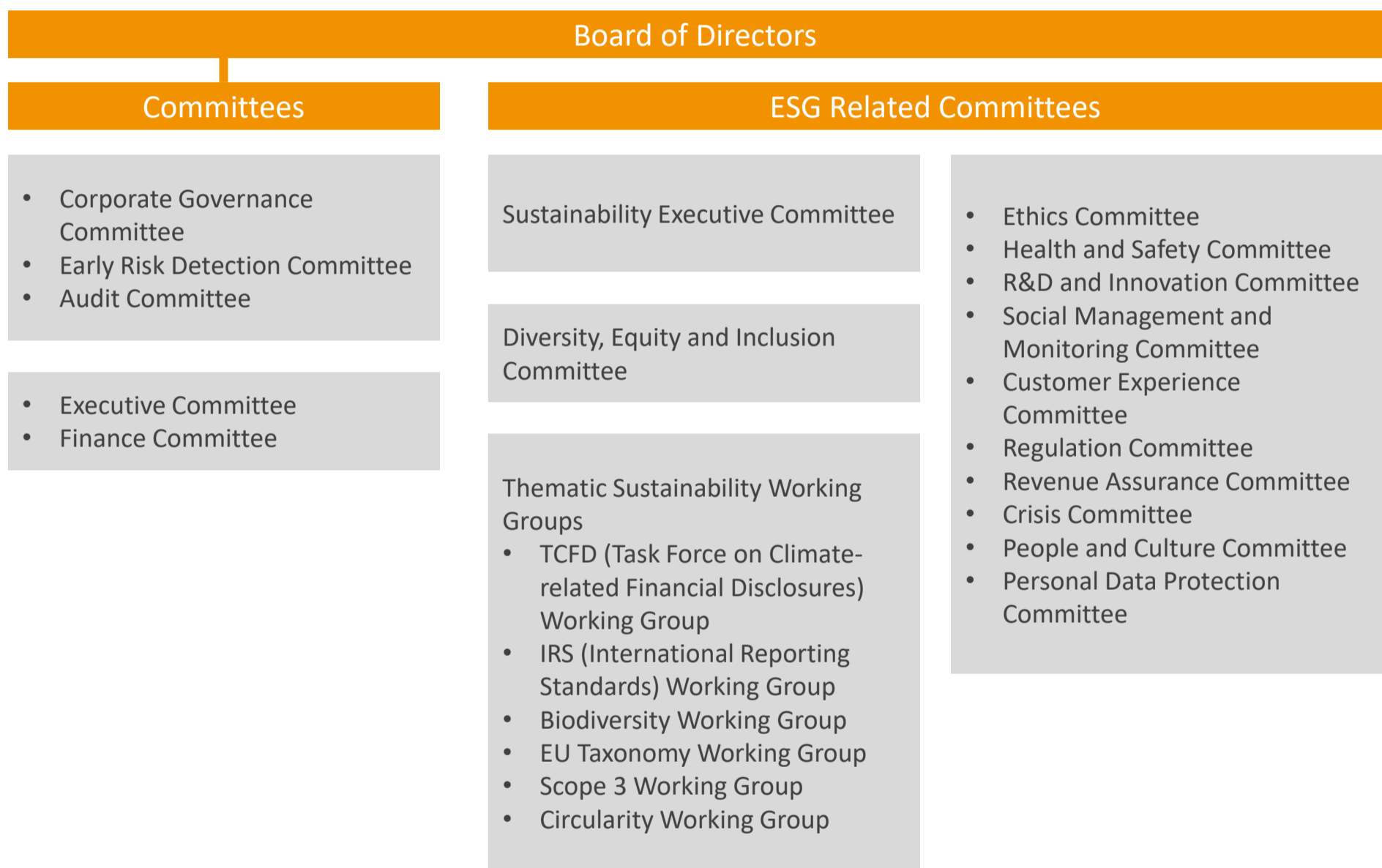
Enerjisa identified its high material topics based on materiality assessment published in 2023 Sustainability Report with an impact materiality approach. The sustainability strategy and targets of the Enerjisa have been developed in accordance with the determined material topics.



4. <https://www.enerjisainvestorrelations.com/medium/ReportAndPresentation/File/3197/enerjisaenerji2023sustainabilityreport.pdf>



Enerjisa built a systematic governance structure for sustainability, which included thematic working groups, and it has published a variety of policies on its sustainability topics publicly available. The Board of Directors of the Enerjisa is ultimately responsible for determining its sustainability strategy and managing its success in this area. They have the responsibility for identifying relevant ESG (Environmental, Social, and Governance) concerns, risks, and opportunities as well as for putting effective ESG policies into place. CEO and CFO of Enerjisa’s Executive Management oversee supervising all ESG-related actions across all processes. Additionally, the Sustainability Executive Committee has created to direct and propel the company’s corporate sustainability strategy. This committee is essential in advising the Executive Management on sustainability related issues and making sure that performance and progress are thoroughly monitored, measured, and reported. All unit heads are included, and it directly reports to Executive Management. The chairperson of this committee is the Head of Sustainability and Corporate Capabilities. The Sustainability Executive Committee meets periodically to debate and address important sustainability issues and initiatives.



### Rationale for establishing Sustainability-Linked Financing Framework

In July 2023 Enerjisa published its inaugural Green Finance Framework to finance eligible projects related to renewable energy, energy efficiency, clean transportation and research and development. To expand the inclusion of sustainability features into financing, Enerjisa developed the Sustainability-Linked Financing framework.

With this Sustainability-Linked Financing Framework (“Framework”), the Company aims at further aligning its business and financing with its commitments and values, by creating a direct link between its sustainability strategy and the funding strategy.

This Framework is designed as a platform allowing Enerjisa to issue sustainability-linked financing instruments, including [Sustainability-Linked Bonds] and Sustainability-Linked Loans, or any other financial market instruments whose characteristics are linked with sustainability performance targets.



This Framework is aligned with the five core components of the ICMA Sustainability-Linked Bond Principles 2023 (“SLBP”) and LMA Sustainability-linked Loan Principles 2023 (“SLLP”):

- 🍃 Selection of Key Performance Indicators (“KPIs”)
- 🍃 Calibration of Sustainability Performance Targets (“SPTs”)
- 🍃 Financing instrument characteristics
- 🍃 Reporting
- 🍃 Verification

## 1 - Selection of KPIs

The Company has selected two key performance indicators (“KPIs”) for its Framework that are relevant, core and material to its overall business and of strategic significance to Enerjisa’s current and/or future operations:

KPI 1: Reduction of energy losses from theft and losses in energy distribution network

KPI 2: Share of women in management positions and above

For its future sustainability-linked finance instruments it will use both KPIs.

**KPI 1: Reduction of Energy losses from theft and losses in energy distribution network resulting in GHG emissions reduction.**

Enerjisa is acutely aware of the urgent need for action against climate change and developed its climate strategy, disclosed in its 2023 Sustainability Report. In line with its strategy, Enerjisa has set a commitment to achieve net zero emissions by 2050, following Sabancı Holding and E.ON’s Net-Zero commitments. To support this long-term objective, the Company also announced a medium-term target to reduce its absolute Scope 1 & 2 emissions by 30% before 2030.

In 2023, Enerjisa set its Scope 3 related emission intensity target that aims to reduce the emissions intensity of each unit of electricity sold by 40% by 2030 compared to the baseline year 2021. Enerjisa plans to achieve this objective by increasing the volume of renewable energy supplied in the wholesale market and the number of charging stations for customers as part of company's climate strategy. To achieve this objective, Enerjisa targets to reduce the emissions intensity of electricity sold. Although this Scope-3 related target is not linked to KPI realizations within the scope of the framework document, it demonstrates the ambition of Enerjisa's climate strategy.

### Climate Strategy

**WE TAKE RESPONSIBILITY FOR A BETTER FUTURE**

**Enerjisa’s Role and Commitment to Decarbonisation**

We, as the leading electricity distribution, retail, e-mobility, and customer solutions company in Türkiye, reach and serve to over 22 million people in 14 provinces by distribution and retail and play a central role in energy transition and decarbonization nationwide with our efficiency solutions.

We position ourselves as a driver of societal decarbonization, through our power grid operations, services and products that enable a cleaner, smarter, more sustainable, and digital way of living.

Within the scope of our strategy and sustainability framework, we attach significance to setting rational targets, improving all our business processes and taking action along the Decarbonization Journey.

To avoid the adverse effects of climate change and ensure a better future for everyone, we acknowledge the Intergovernmental Panel on Climate Change (IPCC)’s Call to Action<sup>1</sup> for limiting the global warming to 1.5°C and in step with society’s progress towards the goal of UN Paris Agreement on climate change, we commit to aligning our business with a Net Zero Pathway by 2050.

**We commit to reduce our Scope 1 and 2 emissions 30% by 2030 compared to the baseline year 2021.**

We acknowledge that gender equality is an accelerator of climate action. The full, equal, and meaningful participation of women in the clean energy transition would be instrumental to a greener and more sustainable future.

**Where We Are Today**

We have improved and expanded our reporting scope and methodology for 2021 emission data, therefore we have chosen 2021 as the baseline year for the emission reduction target in order to reflect the impacts of our decarbonization initiative more accurately. The emission baseline year provides a benchmark to compare any variations in emissions output throughout a reporting period and the targets set.

Total emissions for 2021 for the total of Scope 1 and 2 is 1.993.556 tCO<sub>2</sub>e. All reduction initiatives to reduce Scope 1 and 2 and the net abatement in emissions will be calculated by using this baseline year data.

**Enerjisa Enerji Baseline Year (2021) Emissions:**  
 Scope 1: 59.952 tCO<sub>2</sub>e  
 Scope 2: 1.933.604 tCO<sub>2</sub>e  
 Scope 3: 19.072.386 tCO<sub>2</sub>e  
(Included categories: Purchased Goods & Services; Fuel and Energy Related Activities, Employee Commuting, Business Travel, Waste)

Total Emissions: 21.065.942 tCO<sub>2</sub>e

**Our Emissions Reduction Targets**

We will reduce our Scope 1 and 2 emissions %30 by 2030 compared to the baseline year 2021.

It is an absolute reduction target that aims to reduce the total amount of greenhouse gas emissions as a part of our climate change mitigation efforts.

We aim to reach this target by improving our infrastructure and increasing the efficiency of the grids across all regions we operate, accompanied by transforming our fleet and reducing the use of refrigerants.

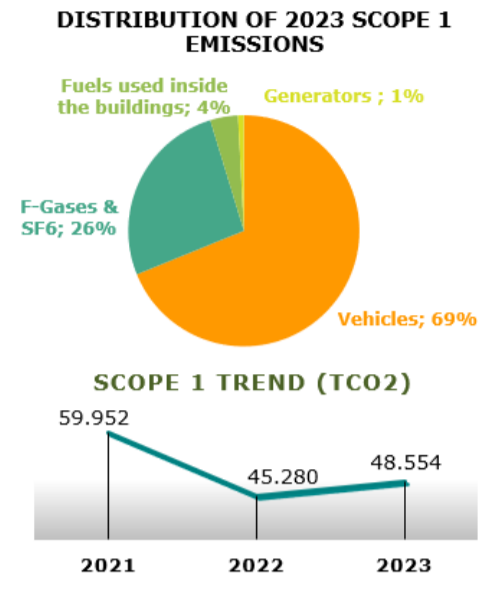
Our Scope 3 constitutes the most significant proportion of Enerjisa Enerji’s emissions footprint driven by emissions from the generation of electricity, which we sell to our customers.

Although our Scope 3 emissions are highly dependent on the national electricity generation mix and we do not have a direct impact on it, we will focus on gradually reducing the carbon intensity of our portfolio by transforming and expanding our sustainable products and services.

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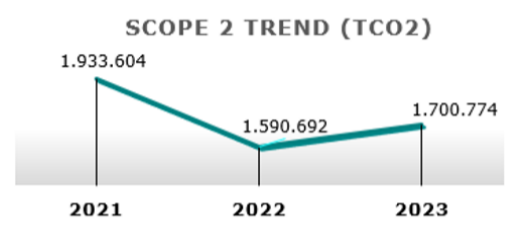
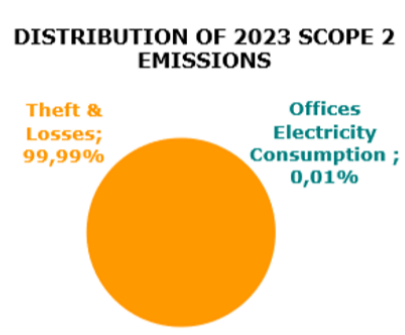
### Scope 1 Emissions, 2023

	GHG Emission Values, tCO <sub>2</sub> e		
	2021	2022	2023
<b>SCOPE 1</b>	<b>59,952</b>	<b>45,280</b>	<b>48,554</b>
<b>Vehicles</b>	29,932	32,447	33,430
Distribution	29,120	31,496	32,419
Non-Distribution	812	952	1,011
<b>F-Gases &amp; SF6</b>	28,044.2	10,923	12,840
Distribution	28,044.0	10,889	12,816
Non-Distribution	0.2	34	24
<b>Fuels used inside the buildings</b>	1,484	1,590	1,889
Distribution	1,244	1,286	1,535
Non-Distribution	240	304	353
<b>Generators</b>	492	320	394
Distribution (Diesel)	488	316	358
Distribution (Gasoline)	-	-	27
Non-Distribution	4	4	9



### Scope 2 Emissions, 2023

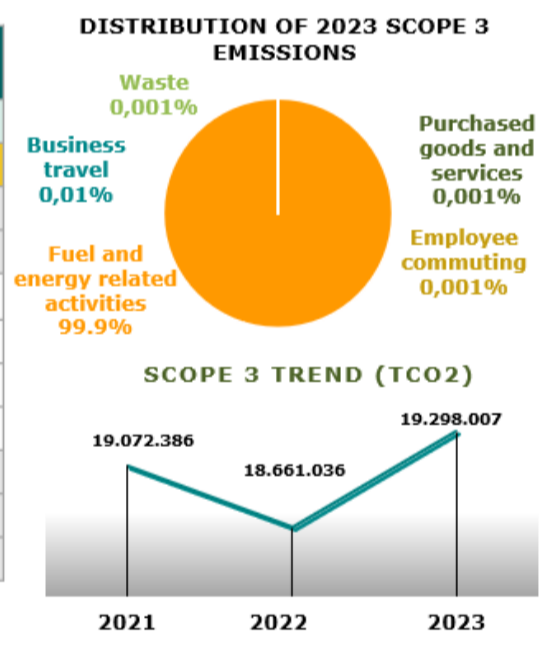
		GHG Emission Values, tCO <sub>2</sub> e		
		2021	2022	2023
<b>SCOPE 2</b>		<b>1,933,604</b>	<b>1,590,692</b>	<b>1,700,774</b>
<b>Offices Electricity Consumption*</b>	Location Based	8,020	7,942	7,775
	Market Based	289	221	102
<b>Theft &amp; Losses</b>		<b>1,933,315</b>	<b>1,590,471</b>	<b>1,700,672</b>



### Scope 3 Emissions, 2023

	GHG Emission Values, tCO <sub>2</sub> e		
	2021	2022*	2023
<b>SCOPE 3</b>	<b>19,072,386</b>	<b>18,661,036</b>	<b>19,298,007</b>
<b>Purchased Goods and Services</b>	1,502	175	208
<b>Fuel and Energy Related Activities</b>	19,070,418	18,658,469	19,295,313
Emissions From Electricity Sold To Customers	18,847,082	18,433,089	19,084,116
Well-to-tank Emissions of Consumed Fuels	7,450	7,745	8,059
Upstream Emissions of Purchased Electricity	32	30	12
Upstream Emissions of T&L Losses	215,854	217,605	203,126
<b>Employee Commuting</b>	154	224	229
<b>Business Travel</b>	176	1,096	1,995
<b>Waste*</b>	138	1,072	262

\* Scope 3 values restated due to deduction of renewable portfolio.



Source: Enerjisa Enerji

EnerjiSA determined four high priority actions listed below in order to achieve a significant emission reduction within scopes 1,2 and 3:

- 🌱 grid decarbonization,
- 🌱 theft & loss reductions,
- 🌱 increased SF6 recovery and
- 🌱 company fleet transformation.

Non-technical and technical losses in energy distribution networks contribute to 99% of Scope 2 emissions and 97.2% of Scope 1 and 2 emissions of the company, and 7.4% of total emissions (Scope 1, 2 and 3). The Company therefore has decided to focus on its efforts to reduce theft and loss ratio in order to maximize the reduction of its Scope 2 GHG emissions.



<b>KPI Definition</b>	Reduction of Theft & Loss ratio in energy distribution activities resulting in GHG emissions reduction			
<b>Calculation methodology</b>	<p>Theft and Loss Ratio is calculated by taking the weighted average of the T&amp;L ratios of three distribution regions in which the Company operates namely AYEDAŞ, Başkent EDAŞ and Toroslar EDAŞ.</p> <p>Theft and Loss ratio is calculated as:  <math display="block">\frac{\text{(Purchased Energy-Sold Energy)**}}{\text{Purchased Energy*}}</math>                     where                      *Total energy purchased for energy distribution.                      **Energy delivered to the end consumer (billed to the customer).</p>			
<b>Perimeter</b>	Enerjisa Distribution BU is one of the four different BUs operates within Enerjisa Enerji, where it has the largest revenue share as of 2022. This KPI directly relates to the performance of the BU.			
<b>Baseline year</b>	2023			
<b>Historic performance</b>		<b>2021</b>	<b>2022</b>	<b>2023</b>
	Ayedaş	6,22%	5,05%	4,74%
	Başkent	6,69%	5,75%	5,60%
	Toroslar	11,65%	10,62%	12,06%
	AVERAGE (Ayedaş, Başkent, Toroslar)	8,51%	7,45%	7,86%
	<p>In 2023, despite the earthquake affecting Enerjisa's assets, the performance was only slightly above the level of 2022 (despite the initial expectation that the earthquake would significantly worsen the T&amp;L rate). The relatively stable level of performance observed in 2023 was due to: i) introduction of subsidized tariffs; ii) low energy prices which reduced the trend of illegal use; iii) the decrease of heating demand in all regions due to the much higher than usual temperatures of 2023.</p>			
<b>Rational</b>	<p>Distribution BU of Enerjisa Enerji is the largest (81,9%) in terms of operational earnings as of 2022. It also represents the main source of Scope 2 emissions of the Company with more than 99,9% and is directly responsible for reducing Theft &amp; Loss ratio of energy distribution.</p> <p>The improvement of T&amp;L ratio KPI serves the national climate goals and provides indirect contribution to many end-user sectors due to our enabler position.</p>			
<b>Reporting periodicity and review</b>	We track and measure the T&L rates periodically and disclose it annually in our annual report and sustainability report. In coming years, it will continue being monitored and disclosed annually.			
<b>Contribution to SDGs</b>	This KPI directly supports the UN Sustainable Development Goal 13 - Climate Action.			

## KPI2: Gender diversity: Share of Women in Manager Positions and Above (%)

As Enerjisa, we work in a rapidly changing sector that is driven by important global trends, and we want to be prepared for the future by putting our people and society first. Our commitment to sustainability is deeply embedded in our business philosophy and integrated into our strategy and management process.

To create an attractive workplace, contribute to societal prosperity, and have a positive impact on our community, we are prioritizing inclusion, diversity, accountability, ethics, and transparency, and are a member of the United Nations Women's Empowerment Principles (WEPs). As part of our Diversity, Equality, and Inclusion policy, Enerjisa Energy is committed to providing a diverse and inclusive work environment that offers equal opportunities to everyone. Furthermore, the Company's observes that diversity enriches and streamlines decision-making processes and enhances stakeholder commitment.

In order to underline the importance of diversity in our sustainability strategy, in our Sustainability-Linked Finance Framework we opted to establish a gender equality KPI with a focus on managerial roles.



<b>KPI Definition</b>	Share of women in management positions and above to total managers and above (Manager and above includes all managers, directors, function heads, general managers, CFO and CEO), in percentage (%) unit.																															
<b>Calculation methodology</b>	Ratio of Women in Manager Positions and Above = Women in White Collar Managers Positions & Above / (Women & Men in White Collar Managers Positions & Above), among Enerjisa Enerji's workforce, calculated as of [31 December].																															
<b>Perimeter</b>	The perimeter of this KPI includes Enerjisa Enerji and its all subsidiaries, including 3 Distribution companies (Ayedaş, Başkent EDAŞ and Toroslar EDAŞ), 3 Retail companies (AEPSAŞ, Başkent EPS and Toroslar EPSAŞ), EMC and Eşarj.																															
<b>Baseline year</b>	2023 performance																															
<b>Historic performance</b>	<p>3-year historic performance (2021 to 2023) of this KPI is shown in the tables below:</p> <p>Historic Data: % Women in management positions &amp; above</p> <table border="1"> <thead> <tr> <th>Year</th> <th>% Women in management positions &amp; above</th> </tr> </thead> <tbody> <tr> <td>2021</td> <td>23,2%</td> </tr> <tr> <td>2022</td> <td>23,4%</td> </tr> <tr> <td>2023 (Baseline)</td> <td>25,7%</td> </tr> </tbody> </table>	Year	% Women in management positions & above	2021	23,2%	2022	23,4%	2023 (Baseline)	25,7%																							
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<b>Rational</b>	<p>In light of this challenging context, we are committing to setting and achieving ambitious targets that drive meaningful change. We recognize the importance of fostering an inclusive environment that promotes the advancement of women into energy sector and we are dedicated to implementing strategies to overcome the existing barriers.</p> <p>Improving gender diversity at the senior management level in energy companies is critical to attracting more women since it creates more female role models.</p>																															
<b>Reporting periodicity and review</b>	We track and measure the Share of Women in Manager position and above periodically and disclose it annually in our annual report and sustainability report. Going forward, it will continue being monitored and disclosed annually.																															
<b>Contribution to SDGs</b>	This KPI is related to the SDG 5 "Gender Equality focusing in particular on the target 5.5 of related SDG (Achieve gender equality and empower all women and girls).																															





## 2 - Calibration of Sustainability Performance Targets (SPTs)

### SPT1 (based on KPI1)

SPTs	The Company has set the SPTs in line with its plans to reduce its GHG emissions by 2030. Enerjisa commits to reduce the average Theft and Loss Ratio by 12.9% from 7.86% in 2023 base year to 6.85% by 2030 (while it expects that energy demand from its end users would increase by 20% from 2023 to 2030 leading to 20% increase in volumes of distributed energy in its distribution network).							
		2024	2025	2026	2027	2028	2029	2030
	AYEDAŞ	5,10%	5,10%	5,05%	5,00%	5,00%	5,00%	5,00%
	Başkent EDAŞ	5,85%	5,80%	5,75%	5,72%	5,70%	5,68%	5,65%
	Toroslar EDAŞ	10,70%	10,60%	10,46%	10,30%	10,05%	9,71%	9,21%
AVERAGE (AYEDAŞ, Başkent EDAŞ, Toroslar EDAŞ)	7,52%	7,47%	7,38%	7,30%	7,19%	7,06%	6,85%	
Benchmark	The Distribution BU operates under regulations determined by the Turkish Energy Market Regulatory Authority (EMRA). Annual T&L Ratios targets are among the KPIs set by EMRA for distribution companies in Türkiye. The SPTs committed to by Enerjisa Enerji for the KPI are more ambitious than the annual EMRA targets.							
	It should be mentioned that the performance of Theft & Loss ratio is specific to each grid / region / country and therefore can be compared with past performance of an entity. In case of the Company, the SPTs can be compared only with i) past performance of Enerjisa Enerji considering they are calculated as theft and loss ratios of 3 distribution companies on weighted average and ii) business as usual performance of Enerjisa (i.e. without consideration for plans to improve the performance).							
	In case no efforts taken or no investments made on grid network for both renovation or expansion purposes, the company's T&L Ratio would not change and will be as the year 2023 for upcoming years as presented below.							
	Expected business-as-usual performance (*Assuming that our performance in 2023 remains the same in the coming years)							
		2024*	2025*	2026*	2027*	2028*	2029*	2030*
AVERAGE (AYEDAŞ, Başkent EDAŞ, Toroslar EDAŞ)		7,86%	7,86%	7,86%	7,86%	7,86%	7,86%	7,86%
Worldwide, transmission and distribution T&L rate is around 8% <sup>5</sup> and in Türkiye, this ratio is around 10.08% in 2022 <sup>6</sup> . The distribution network T&L rates in Europe are approximately 4%.								
Rational	An analysis of Enerjisa's T&L ratios reveals that we are well below Türkiye's average and have caught up with the global average. The company has set SPTs with very ambitious mitigation targets despite potential impacts from issues that it cannot directly control and that may pose obstacles to the realization of SPTs, such as constraints arising from local legal regulations set for the distribution sector, sudden socioeconomic changes due to natural disasters and similar special circumstances in the regions where it operates.							
Target observation dates	Target observation date for a previous calendar year performance will occur in the 2nd quarter of each calendar year, starting from 2025. For instance, 2024 results will be calculated, assured and available in the end of 2nd quarter of 2025.							
Action plan to achieve SPT	<ul style="list-style-type: none"> <li>Performing necessary maintenance and repairs on our distribution networks.</li> <li>Investment in low loss transformers (replacement of old transformers with equipped with new technology resulting lower technical loss)</li> <li>Voltage transformation investments (Higher voltage distribution lines provides lower technical losses)</li> <li>Compensation investment (Compensation of active and reactive energy in grid equipment for lower energy loss)</li> <li>Various project regarding of the elimination of theft usage (Creating control points for theft detection, data analytics for consumption amounts, establishment of power line communication systems, etc.)</li> </ul>							

5. <https://data.worldbank.org/indicator/EG.ELC.LOSS.ZS>

6. <https://enerji.gov.tr/Media/Dizin/EVCEd/tr/EnerjiVerimlili%C4%9Fi/UlusalEnerjiVerimlili%C4%9FiEylemPlan%C4%B1/Belgeler/UEVEP2022Gelisimi.pdf>



## SPT2 (for KPI 2)

SPTs	Enerjisa intends to increase the share of in women in manager positions & above from 25,7% in 2023 to 32.3% in 2030 representing a 25% improvement rate.										
		2024	2025	2026	2027	2028	2029	2030			
	Share, %	26,9	27,9	28,8	29,7	30,5	31,4	32,3			
Benchmark	<p>Türkiye is the lowest-ranked country in the region, in terms of gender parity.<sup>7</sup> In 2023, the country dropped five places in the global ranking from 124th in 2022 to 129th. According to the World Bank, 69% of the female working-age population has advanced education, as also confirmed by TurkStat Gender Statistics in 2021. Despite of this level of education, only 33% of the labor force are women.<sup>8</sup></p> <p>Moreover, there is a particularly high women pipeline challenge in Energy Distribution sector. The International Renewable Energy Agency (IRENA) reported women only account for 22% of the workforce in energy companies, with the bulk of their roles in administrative positions. There is a limited number of women graduated as electrical and electronics engineers. According to the Turkish Higher Education Council only 18% of all graduates in these professions are women.</p> <p>When it comes to leadership positions the women participation to the workforce is also limited. According to TurkStat Gender Statistics in 2022, proportion of women in managerial roles was only 19,3%. This trend is not unique to Türkiye, as global statistics from the Boston Consulting Group (BCG) report that women representation at the executive level in the energy sector worldwide is estimated at 19% and for manager level at 25%. Furthermore, women comprise 15 % of senior management in publicly listed energy firms globally.</p> <p>Most of Enerjisa's peers explicitly report their intent to increase the number of women in their workforce and in management positions, however only a few of them have clear targets:</p> <ul style="list-style-type: none"> <li>- E.ON aims to increase women representation in management from 23,6% (2023) to 32% by 2031.</li> <li>-Enel aims to increase women representation in management from 24,9% (2022) to 26,9% by 2025.</li> </ul> <p>-GDZ Elektrik do not report targets for women in the workforce or in management positions and reported 16% of women in management positions in 2021 (2% lower than compared to 2020).</p> <ul style="list-style-type: none"> <li>-AKSA Energy reported in 2021 to have 9.3% of women in the workforce; no women in executive roles, and 8% of women on boards; no targets were available.</li> <li>-Aka Enerji, an integrated power company in Türkiye, reported 42% of women in senior and mid-levels management positions in 2020, without any targets.</li> </ul>										
Rational	<p>In light of this challenging context, we are committing to setting and achieving ambitious targets that drive meaningful change. We recognize the importance of fostering an inclusive environment that promotes the advancement of women into energy sector and we are dedicated to implementing strategies to overcome the existing barriers.</p> <p>Improving gender diversity at the senior management level in energy companies is critical to attracting more women since it creates more female role models.</p>										
Target observation dates	<p>Target observation date for a previous calendar year performance will occur in the 2nd quarter of each calendar year, starting from 2025.</p> <p>For instance, 2024 results will be calculated, assured and available in the end of 2nd quarter of 2025.</p>										
Action plan to achieve SPT	<p>We aim to create an inclusive culture, setting diversity goals and fostering an environment where all employees feel valued and heard. Various programs are in place to support -recruitment of women leaders such as the Young Talent Programs Recruitment Programs, under which the company has committed to 50% women ratio of participants, while recruiting future talent leaders;</p> <ul style="list-style-type: none"> <li>-retention through Mentorship Programs which are now extended to include mentorship to the women employees returned from the maternity leave" and talent development programs;</li> <li>-Diversity and Equity webinars and trainings and (iv) creating an inclusive workplace incorporating, for example, flexible and hybrid working models.</li> </ul> <div style="text-align: center; margin-top: 20px;"> <p><b>Initiatives to Increase Women Representation</b></p> <table border="0" style="width: 100%;"> <tr> <td style="width: 33%; vertical-align: top;"> <div style="background-color: #FFD700; padding: 5px; text-align: center; font-weight: bold; margin-bottom: 10px;">Recruit</div> <ul style="list-style-type: none"> <li>• <b>Young Talent Recruitment Programs</b> While recruiting future talent leaders, commitment to 50% woman ratio of participants.</li> <li>• <b>Campus Activities</b> (Universities &amp; High Schools &amp; Vocational High Schools, Enerjisa Vocational High School)</li> <li>• <b>She-nergy</b> To reach out to women who are currently Electrical &amp; Electronics Engineering students, ensuring that Electricity Distribution has a suitable working environment and a great opportunity for women.</li> </ul> </td> <td style="width: 33%; vertical-align: top;"> <div style="background-color: #FFD700; padding: 5px; text-align: center; font-weight: bold; margin-bottom: 10px;">Retain</div> <ul style="list-style-type: none"> <li>• <b>Mentorship Programs</b> Mentoring programs are extended to include mentorship for women employees returning from maternity leave and to support young women in the society.</li> <li>• <b>Talent Development Programs</b> While developing future leaders, aiming for a 50% woman ratio of participants.</li> </ul> </td> <td style="width: 33%; vertical-align: top;"> <div style="background-color: #FFD700; padding: 5px; text-align: center; font-weight: bold; margin-bottom: 10px;">Compete</div> <ul style="list-style-type: none"> <li>• <b>Not Without You Platform</b> Commitment to spreading equality everywhere to ensure that women, young people, and disabled persons have equal rights in social and business life.</li> <li>• <b>Young Women Building Their Future</b> Aims to develop young women who are neither participating in education nor employed. Enerjisa provides mentoring and training support to women to bring them into business life.</li> <li>• <b>International Platforms &amp; Recognition</b> <i>United Nations Global Compact</i>, and <i>United Nations Women's Empowerment Principles (WEPs) sealed</i> in 2019. Recognized for Gender Equity practices by <i>Bloomberg GEI Index</i>.</li> <li>• <b>Collaborations</b> <i>EBRD</i> – Equal Opportunities Project <i>TurkishWin</i> – MillionWomenMentor Programme <i>WTECH</i> – Women in Technology Association</li> </ul> </td> </tr> </table> </div> <div style="margin-top: 10px;"> <div style="background-color: #FFD700; padding: 5px; text-align: center; margin-bottom: 5px;">Diversity &amp; Equity Trainings and Webinars</div> <div style="background-color: #FFD700; padding: 5px; text-align: center; margin-bottom: 5px;">Monitoring Metrics Regularly (Monthly Management Dashboard)</div> <div style="background-color: #FFD700; padding: 5px; text-align: center; margin-bottom: 5px;">Hybrid Working Models</div> <div style="background-color: #FFD700; padding: 5px; text-align: center; margin-bottom: 5px;">Parental Leave &amp; Breastfeeding Leave - Additional working days of paid paternity leave.</div> <div style="background-color: #FFD700; padding: 5px; text-align: center; margin-bottom: 5px;">Performance Targets to Increase Women Representation to all Management Team</div> </div> <p style="text-align: center; font-size: small;">Source: Enerjisa Enerji</p> <p>In Enerjisa, recruitment, appointments and turnover in manager and above positions have instant effect on gender based KPI performance. The company positioning for vacant positions directly impacts on KPI results as well. For example, holding vacant position recruitment/appointment due to budget stretch or financial crises etc. is an obstacle to achieving the KPI. In addition to the occurrence of a financial crisis &amp; budget stretch, the sale of any Enerjisa Enerji company, directly affects the achievement of this objective.</p>								<div style="background-color: #FFD700; padding: 5px; text-align: center; font-weight: bold; margin-bottom: 10px;">Recruit</div> <ul style="list-style-type: none"> <li>• <b>Young Talent Recruitment Programs</b> While recruiting future talent leaders, commitment to 50% woman ratio of participants.</li> <li>• <b>Campus Activities</b> (Universities &amp; High Schools &amp; Vocational High Schools, Enerjisa Vocational High School)</li> <li>• <b>She-nergy</b> To reach out to women who are currently Electrical &amp; Electronics Engineering students, ensuring that Electricity Distribution has a suitable working environment and a great opportunity for women.</li> </ul>	<div style="background-color: #FFD700; padding: 5px; text-align: center; font-weight: bold; margin-bottom: 10px;">Retain</div> <ul style="list-style-type: none"> <li>• <b>Mentorship Programs</b> Mentoring programs are extended to include mentorship for women employees returning from maternity leave and to support young women in the society.</li> <li>• <b>Talent Development Programs</b> While developing future leaders, aiming for a 50% woman ratio of participants.</li> </ul>	<div style="background-color: #FFD700; padding: 5px; text-align: center; font-weight: bold; margin-bottom: 10px;">Compete</div> <ul style="list-style-type: none"> <li>• <b>Not Without You Platform</b> Commitment to spreading equality everywhere to ensure that women, young people, and disabled persons have equal rights in social and business life.</li> <li>• <b>Young Women Building Their Future</b> Aims to develop young women who are neither participating in education nor employed. 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7. Global Gender Index, 2023: <https://www.weforum.org/publications/global-gender-gap-report-2023/>

8. World Bank, 2021. Metadata Glossary [Online]. <https://databank.worldbank.org/metadataglossary/world-development-indicators/series/SL.EMP.VULN.ZS>.



### 3 - Bond/Loan characteristics

This framework only applies to Sustainability-Linked financing instruments such as Sustainability-Linked Loans, Sustainability-Linked Bonds, etc. Proceeds from Enerjisa's Sustainability-Linked financing instruments will generally be used for corporate financing.

The financial and/or structural characteristics of Enerjisa's Sustainability-Linked financing instruments may vary depending on whether or not the selected KPI reaches the predefined SPT(s). They are to be specified in the relevant documentation of each Sustainability-Linked financing instrument issued (e.g., The Common Terms Agreement and/or The Facility Agreement of the Sustainability-Linked Loan, Final Terms of the Sustainability Linked Bond) and may include (but not limited to) a higher repayment amount, a lower repayment amount, and/or coupon step-up(s), coupon step-down(s), and/or structural (non-financial) characteristics.





This framework defines two KPIs and two annual SPTs; the choice of KPI(s) and SPT(s) for a Sustainability-Linked financing instrument will be specified in the relevant documentation of that transaction.

The relevant documentation of a Sustainability-Linked financing instrument may provide that the SPTs may be subject to recalculation based on specific circumstances, such as changes in the calculation methodology or major events having a material impact on Enerjisa's structure and/or operations.

### 4 - Reporting

Until the maturity of the Sustainability-Linked financing instruments, Enerjisa will report annually information required to calculate or observe the performance of KPIs in relation to SPTs as a standalone report and kept readily available on Enerjisa's website.

The reporting will include the following information:

-  Up-to-date information on the performance of the selected KPI(s), including the baseline where relevant;
-  A verification assurance report relative to the SPT(s) outlining the performance against the SPT and the related impact, and timing of such impact, on a financial instrument performance;
-  Any relevant information enabling investors to monitor the progress of the SPT(s); and
-  Any re-assessments of KPIs and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope, if relevant.

### 5 - Verification

Transparency and verification are two important notions for Enerjisa. For this purpose, Enerjisa will obtain external review services for its Sustainability-Linked Finance Framework and its annual KPI performance reports prepared in relation to this framework.

The external review will be provided in the following two formats:

#### 5.a Second Party Opinion

Enerjisa has received a Second Party Opinion ("SPO") from Semtrio for the Sustainability-Linked Finance Framework, confirming the alignment with the Sustainability-Linked Bond Principles (SLBP) administered by the ICMA, and Sustainability-Linked Loan Principles (SLLP) administered by LMA.

The SPO document will be made publicly available on Enerjisa's website.

#### 5.b External Assurance

Enerjisa will provide external assurance (limited) for its annual KPI performance reports for any financing instrument that will be issued under the Sustainability-Linked Finance Framework until the maturity of the Sustainability-Linked financing instrument. The external assurance will verify the soundness of the KPI performance report and the progress on the KPIs adopted by Enerjisa. The external assurance document will be made publicly available on Enerjisa's website.