



Enerjisa Distribution Investments Project

Non-Technical Summary

August 2026

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ABBREVIATIONS AND ACRONYMS

ACM	Asbestos-Containing Materials
AOI	Area of Influence
AYEDAS	Istanbul Asian side Elektrik Dagitim A.Ş.
Baskent EDAS	Başkent Elektrik Dagitim A.Ş.
EBRD	European Bank for Reconstruction and Development
EÇBS	Integrated Environmental Data System
ES	Environmental and Social
ESAP	Environmental and Social Action Plan
ESDD	Environmental and Social Due Diligence
ESG	Environmental, Social and Governance
ESP	Environmental and Social Policy
ESR	Environmental and Social Requirements
EU	European Union
GBVH	Gender-Based Violence and Harassment
GHG	Greenhouse gases
KPI	Key Performance Indicator
LESA	Lenders' Environmental and Social Advisor
MoTAT	Mobile Waste Tracking System
SDS	Safety Data Sheet
TEDAS	Turkish Electricity Distribution Corporation
Toroslar EDAS	Toroslar Elektrik Dagitim A.Ş.
TSRS	Turkish Sustainability Reporting Standards

1 OVERVIEW

This Non-Technical Summary (NTS) explains the Project, its main environmental and social benefits and risks, and the actions that will be taken to manage those risks. It is intended for readers who may not be familiar with technical environmental and social assessment terminology.

2 PROJECT DESCRIPTION

Enerjisa Enerji A.Ş. (“Enerjisa” or the “Company”), Türkiye, is a company operating in electricity industry, specializing in electricity distribution, retail sales, e-mobility and customer solutions. Enerjisa owns and operates three electricity distribution and retail companies in the regions of Başkent Elektrik Dağıtım A.Ş. (Baskent EDAS), İstanbul Asian side Elektrik Dağıtım A.Ş. (AYEDAS), and Toroslar Elektrik Dağıtım A.Ş. (Toroslar EDAS). The Project component implementation will be primarily carried out by Enerjisa Enerji Electricity Distribution Companies.

As part of its electricity distribution investment programme, Enerjisa will construct new distribution facilities, upgrade network capacity, maintain and repair existing assets, process connection applications, connect consumers to the network, read meters, carry out street lighting works, replace and calibrate meters, reduce technical and non-technical losses, reduce electrical faults and power outages, and support continuity of electricity supply.

The Project’s Area of Influence (AOI) covers the full operational area of Enerjisa Enerji’s electricity distribution and investment activities, it crosses three main areas in Türkiye:

- ✓ **Başkent Area:** distribution services are provided through Başkent Elektrik Dağıtım A.Ş. (Başkent EDAŞ) which encompasses the provinces of Ankara, Türkiye’s capital, Zonguldak, Kastamonu, Kırıkkale, Karabük, Bartın and Çankırı.
- ✓ **Ayedaş Area:** this region covers districts on the Anatolian side of İstanbul. Distribution services are provided by the subsidiary of Enerjisa Enerji, İstanbul Anadolu Yakası Elektrik Dağıtım A.Ş. (AYEDAŞ);
- ✓ **Toroslar Area:** this region covers the provinces of Adana, Gaziantep, Mersin, Hatay, Osmaniye and Kilis. Distribution services in the Toroslar region are provided by Toroslar Elektrik Dağıtım A.Ş. (Toroslar EDAŞ).

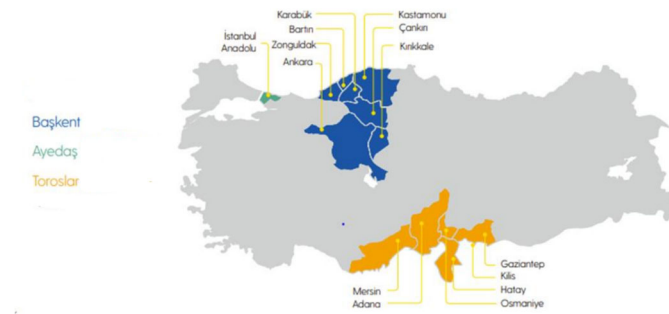


Figure 2.1: Project Areas

Overall, the Project AOI encompasses fourteen provinces across Türkiye, including urban, peri-urban, and rural areas where electricity distribution infrastructure exists and where planned reconstruction, modernization, maintenance will be implemented.

3 BACKGROUND

3.1 RATIONALE OF PROJECT

Enerjisa Enerji A.Ş. ("Enerjisa" or the "Company") is a prominent company in Türkiye's electricity industry, specializing in electricity distribution, retail sales, and customer solutions. The network consists of 10,671 employees serving a population of 22.3 million and 11 million customers across fourteen provinces in three distribution regions. Enerjisa is the largest electricity distribution and retail sales company in a regulated sector in Türkiye; Enerjisa Enerji operates in several regions, including the capital city of Ankara, the densely populated Anatolian side of Istanbul, and major commercial and industrial cities like Adana, Gaziantep, and Mersin.

Implementation of the proposed Project will support the Company with its 2026-2027 capital expenditure programme related to the expansion, upgrade and modernisation of electricity distribution infrastructure across the Company's licensed distribution regions in Türkiye (the "Project").

The Project has been designated as a category "B" project in accordance with the European Bank for Reconstruction and Development (EBRD) Environmental and Social Policy (ESP) (2024) as the potential Environmental and Social (ES) impacts associated with the Project and existing operations are assessed to be limited and can be readily addressed and managed through the implementation of the Environmental and Social Action Plan (ESAP).

3.2 APPLICABLE STANDARDS

The Project is being implemented in accordance with the following Environmental and Social (ES) standards and guidelines:

- ✓ Applicable local, national and regional legislative requirements, including sectoral regulations and those related with Environmental and Social Impact Assessments;
- ✓ EBRD Environmental and Social Policy 2024 (ESP) - superseding the 2019 Environmental and Social Policy;
- ✓ EBRD Environmental and Social Requirements (ESRs) which were effective as of 1 January 2025;
- ✓ Relevant European Union (EU) requirements (including, but not limited to, the EU Environmental Impact Assessment Directive and Industrial Emissions Directive);
- ✓ Good international practice such as industry accepted standards appropriate to the sector and Client; and
- ✓ Relevant international conventions and protocols relating to environmental and social issues, as transposed into national legislation.

3.3 PROJECT BASELINE CONDITIONS

3.3.1 ENVIRONMENTAL BASELINE

The Project builds on Enerjisa's existing environmental management system. This system covers climate emissions, energy use, waste, hazardous materials, asbestos control and limited water use.

Enerjisa measures Greenhouse Gases (GHG) emissions from its own operations, purchased electricity and wider business activities. Most emissions come from electricity sold to customers. The company's climate plans focus on cutting emissions from its operations, improving energy efficiency, using more renewable energy, modernizing the grid and reducing leaks of harmful gases used in electrical equipment.

Enerjisa also uses certified renewable electricity in its offices and applies digital systems to monitor energy use, reduce losses and improve grid reliability. These actions generally support good international practice. However, for the financed investment programme, Enerjisa should ensure annual environmental and social reports provided to the Bank includes subsidiary level resource and energy efficiency targets and achievements and any additional initiatives, trainings etc implemented during each reporting period with clear KPIs.

Climate-related environmental risks are recognised through Enerjisa's 2025 Turkish Sustainability Reporting Standards (TSRS) compliant Sustainability Report, which identifies physical climate hazards relevant to electricity distribution assets, including extreme weather events, heavy snowfall, strong winds, floods, water overflows and droughts. The report describes potential effects on infrastructure integrity, service continuity, field interventions and customer supply, and identifies resilience measures such as infrastructure strengthening, network modernisation, underground cabling, flood protection at substations, mobile generator capacity, emergency response

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arrangements, insurance and business-continuity measures. Further evidence is nevertheless required to demonstrate that site climate hazards, exposure and vulnerability are systematically screened for the financed investments and translated into design, construction planning, emergency preparedness, contractor management and operational controls.

Waste and hazardous-materials management is governed by internal procedures covering waste minimisation, segregation, collection, temporary storage, transport, recycling and final disposal for hazardous and non-hazardous waste streams. Typical Project-related waste streams include scrap metals, cables, electrical equipment, oils, contaminated materials, chemical residues and, where relevant, end-of-life solar components. Waste traceability is supported through national digital systems, including Integrated Environmental Data System (EÇBS) and Mobile Waste Tracking System (MoTAT), and hazardous waste is required to be segregated, labelled, stored with secondary containment and transferred to licensed contractors. Chemical handling and spill prevention procedures require adherence to Safety Data Sheets (SDS), use proper storage and labelling, spill kits, containment of contaminated runoff and management of clean-up residues as hazardous waste. These arrangements provide a sound basis for pollution prevention, although Project-level waste KPIs, recycling/reuse targets, contractor implementation evidence and site-specific controls should be strengthened.

Asbestos-containing materials (ACMs) are a relevant legacy environmental and occupational risk because several buildings and operational structures used by Enerjisa were originally constructed by Turkish Electricity Distribution Corporation (TEDAŞ) during a period when ACMs were commonly used. Evidence reviewed indicates that ACM removal was undertaken in 2025 at several Başkent sites by qualified personnel using controlled methods. Reported airborne fibre concentrations remained below the applicable regulatory threshold, and removed ACMs were packaged, labelled and disposed of through MoTAT. This indicates that specific removal works were appropriately controlled; however, Enerjisa should maintain a formal ongoing asbestos management plan covering identification, labelling, condition monitoring, contractor controls, removal works and disposal across construction and operational phases.

Water use associated with the Project is expected to be limited mainly to domestic consumption in offices and employee facilities. No significant abstraction or process-water demand has been identified, and no material discharge points or impacts on surface water or groundwater quality are expected based on the information reviewed. Overall, environmental baseline conditions indicate limited water-related risks, but quantitative water-use data, permit status where applicable, and wastewater and stormwater management arrangements should be documented for relevant sites.

Overall, Enerjisa has established a reasonable corporate environmental baseline and management framework. The main environmental gap is the need to translate corporate systems into Project-specific screening, monitoring and reporting for the financed investment programme. This should include Greenhouse Gas (GHG) emissions for electricity distribution activities, site specific climate-risk screening, subsidiary level resource and energy efficiency targets and achievements and any additional initiatives, trainings etc, waste and water, and evidence that waste, hazardous-materials, asbestos, spill-prevention and pollution-control requirements are consistently implemented across subsidiaries, sites and contractors.

3.3.2 BIODIVERSITY BASELINE

The geographical region where Enerjisa Disco provides electricity distribution and maintenance services through its three distribution companies (Başkent, Toroslar and Ayedaş) encompasses a wide variety of habitats, protected areas and Internationally Recognised Areas of Biodiversity Value.

The electricity distribution network operates across a mix of urban, semi-natural and natural environments, including forests, grasslands, agricultural landscapes, wetlands, streams, reservoirs and ecological corridors. These areas support a variety of wildlife, particularly birds, mammals, bats and other fauna groups, some of which may be sensitive to infrastructure-related activities. The distribution network partially overlaps with, or is located near, protected areas, including wetlands, protected landscapes and wildlife conservation sites that may be sensitive to project activities.

3.3.3 SOCIAL BASELINE

The Project is located within established and economically active service areas that depend on reliable electricity infrastructure to support households, businesses and public services. Land use within the Project area includes residential, commercial, industrial and agricultural activities. Agriculture remains an important source of income in many rural areas and may experience temporary disruption when construction and maintenance works are carried out. Project activities are generally small-scale and dispersed across existing developed areas, utility corridors,

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transport corridors and agricultural land. As a result, significant population movement, worker influx or physical displacement is not expected.

Key stakeholders include local residents, electricity consumers, landowners, land users, local authorities, employees, contractors and vulnerable households that may be affected by construction/ maintenance activities or land acquisition. Social impacts are expected to be temporary and localised, relating mainly to construction works, temporary access restrictions and land requirements for new infrastructure.

In 2025, Enerjisa employed 10,671 direct employees during the reporting period, consisting of 9,331 men and 1,340 women. During the year, 1,200 employees joined the Company and 245 employees left. Almost all employees are Turkish nationals and all are reported as local workers. No seasonal direct workers were employed. The Company operates in a unionised environment and has a collective bargaining agreement in place with the energy, water and gas workers' union until February 2026. The Company reported 146 union representatives.

Land requirements for the Project are generally associated with substations, transformers, electricity poles, overhead lines and related infrastructure. Depending on the location and type of investment, land access may involve permanent acquisition of small areas, rights of way, temporary access arrangements or the use of public land. Land acquisition is carried out in accordance with Turkish legislation and is typically planned to avoid or minimise impacts on private property, homes and environmentally sensitive areas wherever possible. In urban areas, land needs are often met through public land, while land acquisition is more common in rural regions. Because infrastructure footprints are generally small, impacts on livelihoods are usually limited and agricultural activities can often continue after rights of way are established. Compensation is provided for affected land, crops and trees where applicable.

Enerjisa has established procedures, responsibilities and management systems for land acquisition activities. Dedicated departments support planning, implementation and legal processes, while coordination with public authorities helps facilitate land acquisition where required. The Company has also developed a structured risk management approach that identifies and manages potential legal, operational, financial and reputational risks associated with land acquisition activities.

The Project area contains a large number of archaeological, historical and cultural heritage resources reflecting Türkiye's long history and cultural diversity. These include archaeological sites, historic buildings, conservation areas and other protected cultural assets. Known heritage locations have been identified within or near some investment areas, including archaeological sites in Ankara and Çankırı, the historic town of Safranbolu, historic railway structures in Adana and protected heritage areas within the Princes' Islands of Istanbul. As construction activities may involve excavation works, there is also the possibility of discovering previously unknown archaeological remains. The cultural heritage sensitivity therefore varies between individual locations. The wider area may also contain places of cultural or community importance such as cemeteries, shrines, sacred trees and traditional community-use areas.

Stakeholder engagement is carried out through the Company's stakeholder engagement process and includes consultation, information sharing and ongoing communication with public authorities, local communities, landowners, customers, employees, contractors and other interested parties. Information on environmental, social and governance performance is publicly available through company reports, policies, websites and other communication channels. During the reporting period, engagement activities covered network investments, maintenance works, customer services, energy efficiency and community initiatives. Enerjisa also supports education, youth development, gender equality, skills development and other community programmes through partnerships with universities and civil society organisations.

Overall, social risks associated with the Project are expected to be limited, localised and mainly related to construction activities and land acquisition rather than large-scale resettlement or loss of livelihoods.

3.4 EBRD CATEGORISATION

Under the EBRD Environmental & Social Policy, projects can be categorised as A, B, C or FI based on Environmental and Social (ES) criteria. As such, the proposed development at Türkiye Toroslar Region (Mersin, Adana, Osmaniye, Hatay, Gaziantep, and Kilis), Baskent Region (Ankara, Bartın, Çankırı, Karabük, Kastamonu, Kirikkale, Zonguldak) and Asian side of Istanbul, is regarded as an EBRD Category B project which indicates that the Project has the potential to result in adverse ES impacts which are typically site specific and readily identified and addressed through mitigation measures.

4 PROCESS

An Environmental and Social Due Diligence (ESDD) process was carried out for the Enerjisa Distribution Investments Project to assess the environmental and social performance of Enerjisa's 2026–2027 capital expenditure programme for the expansion, upgrade and modernisation of electricity distribution infrastructure across its licensed distribution regions in Türkiye.

The ESDD was undertaken by RINA Consulting S.p.A. as the Lenders' Environmental and Social Advisor (LESA) to EBRD. The process included review of environmental and social documentation made available by Enerjisa up to 19 June 2026, review of the 2025 Integrated Annual Report, use of a Questions & Answers tracker updated up to 10 June 2026, and site visit activities during the week commencing 8 June 2026, including visits and meetings in Istanbul, Karabük and Kastamonu.

The assessment covered the Project's categorisation, applicable environmental and social standards, baseline environmental and social conditions, environmental and social management systems, stakeholder engagement, land acquisition, labour and working conditions, health and safety, biodiversity, cultural heritage, resource efficiency and pollution prevention. Identified gaps were captured in a Compliance Summary Table and translated into corrective actions in existing Environmental and Social Action Plan (ESAP). The Project was assessed as an EBRD Category B project, meaning that potential environmental and social impacts are expected to be site-specific and addressable through mitigation measures.

The Project is required and committed to comply with applicable local, national and regional legislative requirements, including sectoral regulations and requirements related to environmental and social impact assessment, as well as relevant European Union requirements. The report specifically identifies applicable national legislation and relevant EU requirements – including, but not limited to, the EU Environmental Impact Assessment Directive and the Industrial Emissions Directive – as part of the standards against which the Project was assessed.

In addition, the Project is assessed against the EBRD Environmental and Social Policy 2024 and the EBRD Environmental and Social Requirements effective from 1 January 2025, together with good international practice and relevant international conventions and protocols as transposed into national legislation. Where gaps against these requirements were identified, corrective actions were included in the ESAP to support the Project in achieving and maintaining compliance with applicable national regulatory requirements, relevant EU requirements, and lender environmental and social standards.

Enerjisa has established corporate procedures for stakeholder engagement, information disclosure and grievance management. Stakeholder engagement activities are undertaken throughout project planning and implementation, and stakeholders can raise questions, concerns or objections through multiple channels, including customer service centres, call centres, digital platforms and ethics reporting mechanisms. The ESDD identified a minor gap relating to the demonstration and disclosure of project-specific Stakeholder Engagement Plans across all subsidiaries and projects, which is being addressed through the ESAP. Where land acquisition is required, consultation and notification activities are undertaken in coordination with TEDAŞ in accordance with applicable legal requirements and company procedures.

5 SUMMARY OF ENVIRONMENTAL AND SOCIAL BENEFITS AND IMPACTS

The table below summarises the main environmental and social benefits and potential adverse impacts of the Project. It also explains the key mitigation and management measures proposed to reduce impacts on people, communities and the environment.

ESR 1: Assessment and management of environmental and social risks and impacts

Enerjisa has established a comprehensive environmental and social management framework supported by corporate policies, management systems, Environmental, Social and Governance (ESG) governance structures, monitoring processes and dedicated functional teams. Significant progress has been made since previous due diligence reviews, particularly in relation to social management, human rights, stakeholder engagement, land acquisition and supply chain management.

While environmental and social management processes are established and implemented across the business, opportunities remain to eliminate any non-material risks by further strengthening Project-level application, impact-based assessment approaches and demonstration of consistent implementation across all subsidiaries, contractors and higher-risk suppliers. To ensure the Project achieves full compliance with the ESR 1, appropriate ESAP actions have been formulated.

ESR 2: Labour and working conditions

The Project supports direct and indirect employment across Enerjisa's electricity distribution operations and contractor workforce and contributes to maintenance, modernisation and expansion of electricity infrastructure in Türkiye. Project workers benefit from Enerjisa's established employment systems, collective bargaining arrangements, worker representation mechanisms, training programmes, grievance channels and policies covering human rights, diversity, equal opportunity and prevention of violence and harassment.

Enerjisa has established a labour and human rights management framework that is broadly aligned with EBRD ESR 2 requirements. The framework includes policies and procedures covering employment conditions, worker rights, labour management, contractor oversight, human rights, grievance management, prevention of child and forced labour, prevention of discrimination and harassment, and responsible supply chain management. These requirements are supported through contractual obligations, labour audits, contractor monitoring, supplier due diligence processes and worker training programmes.

Potential labour and human rights risks associated with the Project include inconsistent implementation of labour management requirements across contractors and suppliers, inadequate awareness of grievance and reporting mechanisms among some contractor worker groups, risks relating to child labour and forced labour in supply chains, and potential gaps in worker accommodation standards where contractor dormitories are used. Site interviews indicated that awareness of labour rights, grievance mechanisms and Gender-Based Violence and Harassment (GBVH) reporting channels was generally stronger among technical and white-collar contractor personnel than among some blue-collar support workers.

To manage these risks, Enerjisa implements labour audits, contractor inspections, supplier screening and monitoring programmes, workforce grievance mechanisms, human rights training, responsible sourcing requirements and contractual compliance obligations for suppliers and contractors. Worker concerns can be raised through multiple confidential reporting channels and grievance mechanisms. Enerjisa also maintains collective bargaining arrangements and worker representation across its operations and has established frameworks to address discrimination, violence and harassment and to promote equal opportunity and inclusion. Enerjisa will also continue to communicate its freedom of association policy through orientation and regular employee communication mechanisms, and will assess and address complaints related to freedom of association, collective bargaining and retaliation through its labour-management and grievance processes.

No evidence of child labour, forced labour, significant labour rights violations or systemic labour non-compliance was identified during the assessment. Nevertheless, further improvements are planned through the ESAP, including finalising and implementing the Child Labour and Forced Labour Prevention Procedure, strengthening contractor accommodation management arrangements, improving awareness of the worker grievance and GBVH reporting mechanisms among all contractor worker groups, and continuing to strengthen implementation and verification of labour and human rights requirements throughout the supply chain. These measures are intended to support continued compliance with lender requirements and good international industry practice throughout Project implementation.

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ESR 3: Resource efficiency and pollution prevention and control

Enerjisa already has a company-wide system for managing and reporting climate emissions, energy use and resource efficiency. It measures emissions from its own activities, purchased electricity and wider business activities, including electricity sold to customers. Most of the company's reported emissions come from electricity sold to customers.

Enerjisa's climate plans aim to reduce emissions from its operations, lower the climate impact of electricity sold, modernise the grid, increase the use of renewable energy, support storage and electrification, and reduce leaks of harmful gases used in electrical equipment. The company also has certified energy and environmental management systems, uses renewable electricity in offices, and applies digital tools such as smart meters and grid monitoring systems to improve efficiency, reduce losses and support renewable energy use.

The financed investment programme is expected to bring environmental benefits, including better grid reliability, lower electricity losses, improved energy efficiency and support for renewable energy integration. These measures are broadly in line with good international practice.

However, the available information is mainly at company level and does not yet clearly show the expected benefits and impacts of the financed investments themselves.

To manage these gaps, Enerjisa should report Greenhouse Gas (GHG) emissions for electricity distribution activities to the EBRD as part of annual environmental and social reports including construction activities, vehicles, generators, operation of new assets and any expected emission savings. It should also confirm whether the Project is likely to exceed the relevant annual emissions threshold (20,000 tCO₂eq/year).

Enerjisa should ensure annual AESR reports provided to the Bank includes subsidiary level resource and energy efficiency targets and achievements and any additional initiatives, trainings etc implemented during each reporting period with clear KPIs.

In addition, during design and operation, Enerjisa should identify practical and cost-effective ways to avoid or reduce Project-related emissions. This should include selecting efficient equipment, reducing losses, limiting fuel use during construction, using lower-emission technologies where feasible, reducing leaks of harmful gases, and applying good international practice across the financed investments.

The Project demonstrates a generally sound environmental management framework in several areas, including waste segregation practices, engagement of licensed waste contractors, chemical spill prevention measures, and asbestos removal activities with post-removal monitoring confirming compliance with regulatory limits. In addition to that, some improvement areas were identified against EBRD ESR 3 requirements and Good International Industry Practice.

While water use is limited to domestic purposes and therefore does not necessitate a standalone Water Management Plan, additional information on Project water consumption would further support the assessment, and clarification regarding the groundwater abstraction permit would be beneficial. Waste management practices are generally established.

A comprehensive stormwater management plan should be developed in line with EBRD ESR3 including drainage design, runoff assessment, monitoring, and discharge control measures.

ESR 4: Health, safety and security

The Project will contribute to the modernisation, expansion and reliability of electricity distribution infrastructure, supporting a safer and more resilient electricity network for customers and local communities. The Project also includes measures to improve asset condition, operational reliability, emergency preparedness and resilience to natural hazards and climate-related events.

The Project involves occupational and community health and safety risks that are typical of electricity distribution activities. These include risks associated with live electrical work, working at height, excavation works, vehicle movements, construction activities, contractor management and public interaction with electricity distribution infrastructure. There are also potential risks associated with road safety, emergency situations, severe weather events, natural hazards, and the management of security and public safety issues.

To manage these risks, Enerjisa has established occupational health and safety, contractor management, community safety, road safety, emergency preparedness and security management systems. These systems are supported by policies and procedures, workforce training, inspections, audits, incident investigations, corrective action tracking and management oversight. Workers and contractors are subject to health and safety requirements, technical training, competency programmes and site supervision measures. Public safety is managed through infrastructure inspections, network maintenance programmes, public complaint channels, community awareness activities and systems for identifying and addressing safety hazards associated with the electricity distribution network.

Emergency preparedness arrangements are also in place, including emergency response procedures, fire safety systems, emergency drills, first-aid arrangements and coordination with relevant emergency services and public authorities. Building safety upgrades, including fire detection, alarm, suppression and evacuation systems, have been implemented across relevant facilities. Enerjisa has also established security management arrangements supported by risk assessments, security

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procedures and coordination with law-enforcement authorities. Enerjisa will continue to undertake security and human rights risk assessments and update its Security Management Plan, if required, to reflect emerging risks in line with the Voluntary Principles on Security and Human Rights.

Enerjisa has implemented a comprehensive framework for the prevention of gender-based violence and harassment, including policies, reporting mechanisms, training programmes, focal points and confidential reporting channels. Measures have also been established to support equal treatment, prevent discrimination and protect workers from retaliation when raising concerns. Community-facing awareness activities have also been undertaken as part of wider efforts to prevent gender-based violence and harassment. Enerjisa will also consider and where necessary incorporate psychosocial risks, including work-related stress, fatigue, bullying, harassment and mental wellbeing concerns, into existing health and safety and human resources processes.

No material occupational health and safety, community health and safety, security or public safety non-compliances were identified during the assessment. However, the Environmental and Social Action Plan includes measures to further strengthen implementation and oversight, including verification of contractor training and competency, continued improvement of public safety management, enhancement of emergency management arrangements through a more formal incident command framework, strengthening awareness of gender-based violence and harassment reporting mechanisms among contractor workers, incorporation of child safeguarding provisions into existing management systems, and completion of site- and asset-specific climate resilience assessments. These measures are intended to support continued alignment with lender requirements and good international industry practice throughout Project implementation.

ESR 5: Land acquisition, restrictions on land use and involuntary resettlement

The Project requires limited land acquisition and land access arrangements to support the construction, upgrading and operation of electricity distribution infrastructure. Project planning seeks to minimise land acquisition requirements through route optimisation and engineering design measures which help to avoid impacts on residential properties, livelihoods and other sensitive receptors wherever it is feasible. No physical displacement, resettlement or livelihood restoration requirements were identified as part of the assessment.

Enerjisa has established a structured land acquisition management framework which is supported by documented procedures, defined responsibilities, monitoring systems and coordination with the Turkish Electricity Distribution Corporation (TEDAŞ), which has the statutory responsibility for expropriation processes. The framework includes land ownership verification, route selection processes, compensation arrangements, grievance management mechanisms, identification of vulnerable persons and monitoring of land acquisition outcomes.

Potential impacts are primarily associated with temporary or permanent acquisition of land rights, easements and access restrictions affecting landowners and land users. Compensation arrangements are implemented in accordance with national legislation, and negotiated settlements are pursued wherever possible. Where negotiated agreement cannot be reached, land acquisition may proceed through a court-supervised expropriation process. Monitoring information indicates that settlement outcomes, negotiated agreements and court cases are tracked and reviewed by Enerjisa.

Stakeholder engagement and information disclosure activities are undertaken throughout the land acquisition process. Affected landowners are informed of proposed land requirements and are able to raise concerns through established grievance mechanisms. Additional measures are applied to identify and support vulnerable persons and to minimise temporary impacts on agricultural activities. These include route optimisation, scheduling works around harvest periods and seasonal grazing activities where feasible, maintaining harvest tracking records, informing landowners and users before land access, and contractual requirements that make contractors responsible for compensating damage caused during construction activities.

The assessment concludes that Enerjisa's overall approach is broadly aligned with the objectives of EBRD ESR 5. Continued improvements are focused on strengthening follow-up engagement with affected persons, further monitoring of compensation and negotiated settlement outcomes, and, where impacts are more significant, collecting basic socio-economic information on affected households to better understand potential vulnerabilities and support appropriate mitigation measures. Proposed improvements to the corporate grievance management procedure include the introduction of indicative response and resolution timeframes and a clearer grievance process flowchart to help affected stakeholders better understand how grievances are managed, investigated and resolved.

The Project involves relatively limited land acquisition requirements associated with electricity distribution infrastructure.

ESR 6: Biodiversity conservation and sustainable management of living natural resources

Electricity distribution activities generally result in localised and manageable biodiversity impacts, provided that biodiversity-sensitive planning, mitigation hierarchy measures, monitoring and adaptive management are consistently applied. Direct impacts can occur where electricity distribution infrastructure interacts with biodiversity-sensitive receptors. Potential Project direct impacts on biodiversity may include:

- ✓ Habitat disturbance and fragmentation resulting from construction, access roads, excavation works, and vegetation management;
- ✓ Bird collision and electrocution associated with overhead power lines;
- ✓ Disturbance of wetlands and aquatic habitats;
- ✓ Disturbance to wildlife through increased human activity and maintenance operations; and
- ✓ Reduction in ecological connectivity between habitats.

Management of biodiversity is based on Biodiversity Management Plans and a Biodiversity Action Plans, that include a number of mitigation measures in place or planned.

The following key mitigation measures for electricity distribution activities are included:

- ✓ Minimize habitat disturbance and fragmentation by limiting work areas to the smallest practicable footprint and rehabilitating disturbed areas after works;
- ✓ Avoid unnecessary vegetation clearance and retain natural vegetation wherever possible during maintenance and vegetation management activities;
- ✓ Apply a minimum-intervention approach in wetlands and watercourses, carefully planning activities near streams, wetlands, and aquatic habitats;
- ✓ Implement bird-friendly designs on high-risk power lines, including the use of visual bird flight diverters/markers in areas with high bird activity. Effective insulation is applied to all connection points, regardless of the specific risk of electrocution, representing an effective and widespread measure against avian electrocution;
- ✓ Assess migratory bird routes during route planning and apply additional technical measures where distribution lines are located near migration corridors;
- ✓ Maintain habitat connectivity and consider ecological corridors during route selection and project planning;
- ✓ Reduce disturbance to mammals and other fauna by preventing unnecessary habitat degradation and rehabilitating or closing temporary access roads after construction;
- ✓ Integrate biodiversity considerations into planning, construction, maintenance, and operation activities through biodiversity screening and risk assessment procedures;
- ✓ Apply the mitigation hierarchy (avoidance → minimization → restoration → offsetting where required); and
- ✓ Train field teams and record biodiversity observations to support adaptive management and monitoring.

Enerjisa has established a Biodiversity Policy, publicly available on its corporate website, which sets out the company's commitment to managing biodiversity-related risks and impacts across its operations, in alignment with mitigation hierarchy and main ESR 6 requirements.

ESR 7: Indigenous Peoples

ESR 7 is not applicable to the Project. No Indigenous Peoples meeting the applicability criteria of EBRD ESR 7 were identified within the Project area of influence.

ESR 8: Cultural heritage

The Project consists of a large number of relatively small and geographically dispersed electricity distribution investments. Potential impacts on cultural heritage are generally limited and are mainly associated with ground disturbance activities such as excavation for underground cables, replacement of distribution infrastructure and substation works. No impacts on internationally recognised cultural heritage sites, no restrictions on access to cultural heritage, and no cultural heritage incidents or chance finds were reported during the assessment period.

Enerjisa has established procedures to identify and manage cultural heritage risks through its Cultural Heritage Management Plan and Chance Finds Procedure. These arrangements are designed to ensure that any unexpected archaeological or cultural heritage discoveries are appropriately identified, protected and reported during construction activities. Contractor requirements include compliance with cultural heritage procedures, workforce awareness measures and, where necessary, archaeological monitoring during ground-disturbing works.

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The assessment found that the overall cultural heritage framework is broadly aligned with lender requirements and national legislation. Cultural heritage risks are considered during project planning and environmental screening processes and known heritage assets are expected to be avoided wherever practicable. Consultation mechanisms with relevant authorities are also established where cultural heritage issues may arise.

No significant cultural heritage impacts are anticipated from the Project. However, the Environmental and Social Action Plan includes measures to strengthen implementation and monitoring of existing procedures, including documentation of workforce training, contractor compliance with cultural heritage requirements, monitoring activities and reporting of cultural heritage management measures through annual environmental and social reporting. These measures are intended to ensure that cultural heritage risks continue to be adequately managed throughout Project implementation.

ESR 10: Stakeholder engagement

The Project will provide benefits to a wide range of stakeholders through improvements to the reliability, safety and resilience of electricity distribution services. Beneficiaries include customers, local communities, landowners, businesses, industrial facilities, renewable energy developers, electric vehicle charging operators, contractors, employees, government authorities and other stakeholders who may be affected by, or have an interest in, Project activities. The Project is also expected to support economic development by facilitating new customer connections, network modernisation and the integration of distributed renewable energy generation.

Enerjisa has established a corporate stakeholder engagement framework supported by stakeholder identification processes, engagement planning, information disclosure arrangements, communication channels and grievance management procedures. Stakeholder engagement activities are undertaken throughout the planning and implementation across the distribution companies, Enerjisa Müşteri Çözümleri and Eşarj and for relevant site-specific investments. Information relating to environmental, social and sustainability performance is disclosed through publicly available reports and corporate communication channels.

A range of mechanisms are available for stakeholders to raise concerns, requests or complaints, including customer service centres, call centres, digital platforms, online systems and ethics reporting channels. Grievances are recorded, tracked and monitored through established corporate procedures and are used to help identify stakeholder concerns and opportunities for improvement.

The assessment concluded that stakeholder engagement and grievance management systems are generally well established and functioning effectively at corporate level. However, opportunities for improvement remain in relation to demonstrating the consistent preparation, implementation and disclosure of stakeholder engagement plans for all relevant site-specific investments across subsidiaries. Additional clarification is also required regarding how vulnerable groups and potential reprisal risks are considered and managed within the stakeholder engagement processes of the subsidiaries.

The Environmental and Social Action Plan includes measures to strengthen stakeholder engagement by updating and disclosing stakeholder engagement plans for subsidiaries and continuing to monitor stakeholder engagement effectiveness. Ongoing improvements to grievance management transparency, including clearer response and resolution timeframes and improved communication of the grievance process, are also planned. These measures are intended to support meaningful stakeholder participation, effective communication and timely resolution of concerns throughout Project implementation.

6 SUMMARY OF ENVIRONMENTAL AND SOCIAL ACTION PLAN

A summary of the key ESAP measures, including any action relevant to affected people and local communities, is presented in the table below.

ESR 1: Assessment and management of environmental and social risks and impacts
To ensure adequate management of ES aspects in compliance with ESR 1 of EBRD, Enerjisa is expected to: ✓ Continue to implement Enerjisa ESMS, ES plans, OHS plans and adequate organisational capacity for new projects; ✓ Continue relevant social training covering human rights, labour, land acquisition, gender-based violence and harassment, retaliation prevention and social KPI implementation for relevant employees and contractors. ✓ Maintain and periodically update climate risk assessment and integrate findings into ESMS and operational controls; ✓ Continue to demonstrate implementation of the Social Management System, social Key Performance Indicators and contractor monitoring beyond Health, Safety and Environmental aspects; ✓ Ensure timely renewal of expiring ISO certifications; ✓ Continue site-by-site ES screening, impact assessment and contractor ES requirements for all new investments; and ✓ Continue to implement supply-chain due diligence, labour-risk management, supplier audits and EBRD approval process for solar suppliers.
ESR 2: Labour and working conditions
To ensure adequate management of labour and working conditions in compliance with ESR 2 of EBRD, Enerjisa is expected to: ✓ Continue implement the Child Labour and Forced Labour Prevention Procedure and associated labour management procedures, including monitoring of working hours, overtime, leave management, worker grievances and contractor and subcontractor labour practices; ✓ Strengthen monitoring of contractor labour practices, including working hours, overtime, corrective actions and closure of identified labour-related issues; ✓ Improve awareness of labour rights, grievance mechanisms and reporting channels amongst all contractor and subcontractor workers; ✓ Strengthen oversight of contractor accommodation by implementing clear accommodation standards and systematic tracking of identified deficiencies; and ✓ Continue implementation and verification of labour and human rights requirements throughout the supply chain. ✓ Maintain GBVH case tracking and trend analysis, including recording and reviewing allegations, reporting channels, outcomes, response measures and corrective actions, including for contractor workforces.
ESR 3: Resource efficiency and pollution prevention and control
✓ Enerjisa should ensure annual AESR reports provided to the Bank includes subsidiary level resource and energy efficiency targets and achievements and any additional initiatives, trainings etc implemented during each reporting period with clear KPIs. ✓ Enerjisa should estimate the GHG emissions of distribution companies including construction and operation. This should be separate from the company's overall emissions reporting and should show whether the Project is likely to exceed the relevant annual emissions threshold. ✓ Enerjisa should identify practical and cost-effective ways to avoid or reduce Project-related GHG emissions during design and operation. For proper management of identified environmental impacts, it is expected that Enerjisa will: ✓ Develop a Storm Water Management Plan to ensure adequate control of runoff, drainage, sanitary wastewater collection, disposal, monitoring, and regulatory compliance; ✓ Improve waste management approach, ensure waste management plan approvals, enhance downstream waste traceability, systematically apply the waste hierarchy, integrate circular economy principles, and develop lifecycle management strategies for key waste streams; ✓ Maintain Hazardous Materials Management Plan to address storage, handling, transport, tracking, emergency preparedness and response requirements; ✓ Continue to track ongoing actions, including implementation of chemical management procedures, compliance reporting for backup generators, asbestos management and monitoring, environmental compliance monitoring;

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- ✓ Continue to manage noise, air quality monitoring and wastewater impacts and in case any grievances, take the corrective actions in line with the ISO 14001 management system, and will report this in AESR.

ESR 4: Health, safety and security

To ensure adequate management of health, safety and security in compliance with ESR 4 of EBRD, Enerjisa is expected to:

- ✓ Strengthen contractor competency verification, training management and oversight of high-risk activities.
- ✓ Formalise and verify practical competence assessments for workers undertaking high-risk activities, including electrical works, work at height, excavation and emergency response activities;
- ✓ Strengthen verification of task-specific safety briefings and toolbox talks to confirm worker understanding of critical risks and controls;
- ✓ Continue improvement of public safety management, including inspection, prioritisation and replacement of high-risk distribution assets including wooden poles, and closure of identified safety issues;
- ✓ Strengthen awareness, training and reporting arrangements relating to gender-based violence and harassment for all contractor worker groups;
- ✓ Incorporate proportionate child safeguarding provisions into existing management systems, procedures and contractor requirements, where applicable;
- ✓ Enhance emergency preparedness arrangements through implementation of a more comprehensive incident command and emergency management framework; and
- ✓ Continue to implement site-specific climate resilience assessments and integrate findings into operational and emergency management arrangements.

ESR 5: Land acquisition, restrictions on land use and involuntary resettlement

To ensure adequate management of land acquisition and land access impacts in compliance with ESR 5 of EBRD, Enerjisa is expected to:

- ✓ Continue engagement with the Turkish Electricity Distribution Corporation to improve negotiated settlement outcomes and reduce reliance on court-based expropriation where feasible;
- ✓ Strengthen follow-up engagement with affected landowners and users to confirm understanding of the process and address outstanding concerns;
- ✓ Continue monitoring compensation outcomes, negotiated settlements and grievance trends;
- ✓ Improve transparency of the grievance mechanism through publication of indicative response and resolution timeframes and a clear process description; and
- ✓ Consider collection of basic socio-economic information for vulnerable households or more significant land acquisition cases where appropriate.

ESR 6: Biodiversity conservation and sustainable management of living natural resources

- ✓ Corporate biodiversity lead should continue to lead biodiversity management;
- ✓ Enerjisa will continue to implement the following measures during construction/operational phases:
 - a. Biodiversity risk screening,
 - b. Identification of work sites with critical habitats, Priority Biodiversity Features (PBFs) including birds and PBAs, recognized areas,
 - c. Impact assessment studies,
 - d. Implementation of appropriate mitigations measures in line with BMPs and BAPs and report mitigations to the Bank in annual reporting.

ESR 7: Indigenous Peoples

ESR 7 is not applicable to the Project. No Indigenous Peoples meeting the applicability criteria of EBRD ESR7 were identified within the Project area of influence.

ESR 8: Cultural heritage

To ensure adequate management of cultural heritage in compliance with ESR 8 of EBRD, Enerjisa is expected to:

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- ✓ Demonstrate consistent implementation of the Cultural Heritage Management Plan and Chance Finds Procedure across business units and site-specific investments.
- ✓ Provide evidence that cultural heritage awareness and chance-finds training is delivered to contractors and subcontractors undertaking ground disturbance works.
- ✓ Improve documentation and reporting of cultural heritage monitoring activities, contractor compliance checks and implementation outcomes through annual reporting.
- ✓ Demonstrate that cultural heritage screening is being applied consistently to site-specific investments, including activities not subject to formal environmental impact assessment requirements.

ESR 10: Stakeholder engagement

To ensure adequate stakeholder engagement in compliance with ESR 10 of EBRD, Enerjisa is expected to:

- ✓ Prepare, update and disclose stakeholder engagement plans for relevant subsidiaries including consideration of vulnerable groups and potential reprisal risks. Maintain stakeholder engagement and grievance trackers to monitor engagement activities and complaints;
- ✓ Ensure that stakeholder engagement processes adequately consider vulnerable groups and potential risks of retaliation;
- ✓ Continue implementation of accessible stakeholder communication and grievance mechanisms;
- ✓ Maintain monitoring of stakeholder engagement effectiveness and grievance trends; and
- ✓ Continue public disclosure of relevant environmental and social information throughout Project implementation.

7 COMMUNICATION

Interested parties may submit queries in relation to the Project through the following contact details of Enerjisa Enerji A.Ş.:

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