
Gdz
Energy For Life
2024 Sustainability Report

Contents

2024 Sustainability Report

Abbreviations

AFAD – Disaster and Emergency Management Presidency
AKUT – Search and Rescue Association
AMR – Automatic Meter Reading System
BoD – Board of Directors
CAIDI – Customer Average Interruption Duration Index
CDP – Carbon Disclosure Project
CIM – Customer Information Management
DEKAMER – Sea Turtle Research, Rescue and Rehabilitation Center
DLR – Dynamic Line Rating
EBIS – Energy Market Regulatory Authority Notification System
EBITDA – Earnings Before Interest, Taxes, Depreciation and Amortization
EKAT – Power Electrical Installations
EKODOSD – Association for the Protection of Ecosystem and Nature Lovers
ELDER – Electricity Distribution Services Association
EMEA – Europe, Middle East, and Africa
EPDK – Energy Market Regulatory Authority
ERTA – Integrated Reporting Türkiye Network
ESG – Environmental, Social and Governance
GIS – Geographic Information System
GRI – Global Reporting Initiative
GSM – Global System for Mobile Communications
HSE – Health, Safety, Environment
IEA – International Energy Agency
IFRS – International Financial Reporting Standards
IETA – International Emissions Trading Association
IPCC – Intergovernmental Panel on Climate Change
ISO – International Organization for Standardization
IT – Information Technologies
KPI – Key Performance Indicators
KGK – Public Oversight, Accounting, and Auditing Standards Authority
LACP – League of American Communications Professionals
LTS – Luminance Technology Warning Sign
MUGEP – Engineering Development Program
MV – Medium Voltage
NZE – Net Zero Emission
OHS – Occupational Health and Safety
OMS – Outage Management System
QDMS – Quality Document Management System
RCP – Representative Concentration Pathways
RPA – Robotic Process Automation
RTU – Remote Terminal Unit
SAP – Systems Analysis and Program Development
SASB – Sustainability Accounting Standards Board
SCADA – Supervisory Control and Data Acquisition
SDGs – Sustainable Development Goals
SEM – Smart Electro-Magnetic
SKD – Business Council for Sustainable Development Türkiye
SSP – Shared Socioeconomic Pathways
TC – Transformer Center
TCFD – Task Force on Climate-Related Financial Disclosures
TEDAŞ – Turkish Electricity Distribution Company
TEIAS – Turkish Electricity Transmission Company
TESAB – Turkish Electricity Industry Association
TUSIAD – Turkish Industry and Business Association
TSRS – Turkish Sustainability Reporting Standards
UAV – Unmanned Aerial Vehicles
UN – United Nations
UNGC – United Nations Global Compact
UN SDGs – United Nations Sustainable Development Goals
UN WEPs – United Nations Women's Empowerment Principles
WBCSD – World Business Council for Sustainable Development
WRI – World Resources Institute

About the Report

About the Report

This report has been prepared to transparently present Gdz Electricity Distribution Inc.'s (hereinafter referred to as Gdz Electricity) 2024 sustainability performance, strategies and practices in the environmental, social and governance areas to the company's stakeholders.

Prepared in line with the company's long-term value creation objectives, the report focuses on the integrated business model and addresses sustainability and climate-related risks and opportunities in detail.

The report has been prepared in line with the Türkiye Sustainability Reporting Standards (TSRS).

Reporting Scope

This report covers financial, environmental, social and governance performance indicators, risk and opportunity management, and stakeholder engagement for the period 1 January 2024 to 31 December 2024.

Reporting Principles and Standards

Gdz Electricity's 2024 Sustainability Report has been prepared in accordance with the requirements of the following standards and frameworks. These principles and standards are:

- Türkiye Sustainability Reporting Standards - General Provisions on the Disclosure of Sustainability- Related Financial Information (TSRS 1),
- Türkiye Sustainability Reporting Standards -Climate-Related Disclosures (TSRS 2),
- Global Reporting Initiative Standards (GRI),
- Task Force on Climate-Related Financial Disclosures (TCFD),
- United Nations Sustainable Development Goals (UN SDGs),
- United Nations Women's Empowerment Principles (UN WEPs),
- United Nations Global Compact (UNGC)
- Sustainability Accounting Standards Board (SASB) Guidelines.
- International Financial Reporting Standards S1 and S2 (IFRS)

About the Company

Trade Name: Gdz Electricity Distribution Inc.
Trade Registry Number: Izmir- 118242
Company Registration Date: 03.06.2015
MERSIS Number: 0390043239200016

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General Manager Message

Dear Stakeholders,

The transformation in the energy sector brings with it a holistic management approach shaped around digitalisation, efficiency and sustainability, in addition to infrastructure investments. At Gdz Electricity, we embrace the responsibility of this transformation and adopt as our fundamental principle not only providing uninterrupted energy in the provinces of Izmir and Manisa, but also offering an efficiency-focused, sustainable and value-creating service model.

2024 was a strong period in which our strategic priorities were transformed into tangible outcomes. Covering an operational area of approximately 26,000 km^2, spanning 2 provinces, 47 districts and 2,384 neighbourhoods, we delivered a total of 18,220 TWh of electricity to 3.9 million consumers with high quality, safety and efficiency via our distribution network exceeding 92,340 kilometres.

To further enhance our service quality, we have strengthened our network infrastructure with digital technologies. Through data analytics, remote monitoring systems, and smart grid applications, we have made our operational processes more flexible and effective while also developing solutions to reduce energy losses. In this context, our R&D activities have become one of the strategic levers driving the transformation process. In addition to the 59 projects approved by EPDK, we have implemented 5 more projects at national and international level. From applications that increase grid flexibility to systems that improve energy quality, and from unmanned inspection technologies to artificial intelligence-supported solutions, we have continued our mission of being a pioneer of innovation in the energy sector with these projects.

Alongside technical developments, we are strengthening our corporate culture with an ethical, transparent and responsible governance approach. As a signatory to the UN Global Compact, we embrace the principles of environmental awareness, respect for human rights, ethical business practices and anti-corruption not only as a reporting tool, but as an integral part of our decision-making mechanisms.

This approach allows our corporate values of sensitivity, dynamism and making a difference to be reflected in every decision we make, with our "Energy for life" philosophy guiding all our processes. That is why we are not just an electricity distribution company; we are an energy distribution force that brings value to society, respect for the environment and hope for the future.

We view efficiency as an integral part of our corporate operations, extending beyond operational processes to encompass all management processes, from our leadership approach to our strategic decision-making mechanisms. By supporting this approach with our participatory management philosophy, we have built an organisational structure that is open to innovation, solution-oriented and focused on continuous improvement.

Our vision for the future is to build an intelligent, inclusive and sustainable distribution infrastructure that not only meets today's needs but also responds to tomorrow's expectations today. I would like to express my sincere gratitude to all our stakeholders, business partners and dedicated colleagues who have created value with us on our transformation journey with the vision of "energy for life".

Best regards,

"We embrace a service model focused on efficiency, sustainability, and value creation as our core principle.

Ahmet Bayramoğlu
General Manager

About Company

Sectoral Outlook

Efficiency, Security, and Transformation

2024 has been a period of accelerated transformation in the electricity distribution sector, with energy policies shaped by innovative solutions and global trends integrated into national strategies. While Türkiye has taken significant steps towards strengthening energy supply security, accelerating the transition to renewable sources and modernising the grid, electrification and digitalisation processes worldwide are redefining the energy sector.

Strategic Steps for the Future of Energy

The 2024-2028 Strategic Plan published by the Ministry of Energy and Natural Resources outlines the fundamental policies established by Türkiye to ensure sustainable growth in the energy sector. Within the framework of this plan, increasing renewable energy capacity, expanding energy efficiency measures, and strengthening the electricity distribution infrastructure are among the material issues. Furthermore, policies aimed at increasing the use of domestic and national energy sources are being implemented with the objectives of reducing import dependency and enhancing energy supply security.

Grid Transformation with Renewable Energy

Türkiye aims to increase its renewable energy investments and raise its installed wind and solar energy capacity to 120,000 MW by 2035. To this end, key policies to be implemented in 2024 include shortening permit processes, developing new mechanisms to encourage private sector investment, and expanding energy storage systems. The modernisation of transmission and distribution infrastructure is crucial for integrating the growing renewable energy capacity, and the Energy Ministry's planned investment in this area plays a critical role in long-term energy supply security.

Smarter, Stronger, More Efficient

Grid modernisation is emerging as one of the most important components of the energy transition. Digitalisation, artificial intelligence-supported forecasting systems and smart grid solutions are increasing the operational efficiency of electricity distribution companies and enabling them to provide consumers with more flexible, reliable and economical services. The widespread adoption of smart meters and real-time analysis of energy consumption data are ushering in a new era in energy management.

The World is Turning to Electricity, Demand is Rising

According to the International Energy Agency's (IEA) 2024 report, global electricity demand has entered an upward trend with an expected average annual growth of 3.4%. The proliferation of electric vehicles, the decarbonisation of industry, and the electrification of heating and cooling systems are among the factors driving this increase in demand. These developments highlight the need for distribution networks to adapt to new demands, with the resilience and flexibility of the electricity infrastructure emerging as one of the most important factors determining the success of the energy transition.

The Future of Electricity Distribution Is Taking Shape Today

The future of the electricity distribution sector will be shaped by sustainable investments, smart technologies, and a robust network infrastructure. As Türkiye designs its national energy strategy along these lines, the steps taken to adapt to the global energy transition are of great importance. The year 2024 will go down in history as a year in which this process accelerated and energy management was approached from a perspective focused on efficiency, security and innovation.

Gdz Electricity continues its investments with the aim of strengthening the energy infrastructure and accelerating digitalisation processes by closely following the transformation in the sector. It aims to increase reliability and efficiency in electricity distribution through smart grid technologies, energy efficiency projects, and sustainable infrastructure works. With its customer-focused service approach, it maintains its commitment to providing uninterrupted and high-quality energy, pioneering the transformation in the sector by developing innovative solutions in energy management. Gdz Electricity aims to contribute to regional development by shaping the future of energy distribution today.

About Gdz Electricity

Gdz Electricity ensures that electricity, the fundamental energy source for daily life, industry, commerce and agriculture, is delivered to consumers safely, continuously and efficiently. The company operates in an area of 25,822 square kilometres covering 47 districts and 2,384 neighbourhoods in the provinces of Izmir and Manisa, providing 24-hour uninterrupted electricity distribution services to approximately 3.9 million consumers and a population of over 6 million.

Gdz Electricity is leading the transformation of the energy sector with sustainable energy management, integration of renewable sources, digital transformation and environmental responsibility. By prioritising innovation, customer satisfaction, energy efficiency and social benefit, the energy systems of the future are being built today.

In line with the motto "We distribute energy for life", technology and innovation-focused projects are being developed to increase energy supply security, modernise the electricity infrastructure and maximise customer satisfaction. Energy distribution processes are made more efficient through smart grid systems, digital meter reading solutions, remote monitoring, and automation systems. Outage times are minimised through the development of fault management systems, and consumers' changing expectations are met in the best possible way with a sustainable and innovative service approach.

Gdz Electricity is establishing a reliable and sustainable distribution network through digitalisation and smart systems to prepare the energy infrastructure for the future. Service quality is being improved and energy losses minimised through the Automatic Meter Reading System (AMRS), SCADA infrastructure, remotely controllable smart grids, and data analytics-based fault detection systems. With increased network investments each year, a more resilient and climate-change-resistant electricity infrastructure is being created. The integration of renewable energy sources into the distribution system is being supported, and projects aimed at energy efficiency and reducing carbon emissions are being developed. The necessary infrastructure is being strengthened for the widespread adoption of electric vehicle charging stations, and digital energy management solutions are contributing to sustainable development.

All activities are carried out in accordance with international standard management systems. The company holds ISO 9001 (Quality Management), ISO 10002 (Customer Satisfaction Management), ISO 14001 me (Environmental Management), ISO 45001 (Occupational Health and Safety) and ISO 27001 (Information Security Management) certifications. Global developments in the energy sector are closely monitored, and continuous improvement efforts are undertaken in occupational health and safety, customer service, reducing environmental impact, and data security.

In line with human resources policies that support diversity and inclusion, female employment is being increased, talent development is being encouraged, and training and career planning programmes are being offered to employees.

We are working for the energy distribution network of the future,

We provide energy to

3.1 Million
Households

4,131
Industrial Facilities

631,383
Commercial Establishments

110,023
Agricultural Areas

From Distribution Infrastructure to Service Management

Gdz Electricity focuses on providing reliable and uninterrupted energy supply through a sustainable approach, guided by a customer-centric service philosophy. The aim is to maximise customer satisfaction by accurately analysing needs and developing innovative solutions.

Service quality is continuously improved through programmes, policies and procedures based on best practices in the sector. Energy supply security is enhanced through innovative infrastructure investments, clean energy options are diversified, and operational processes focus on minimising environmental impact. In line with these objectives, contributions are made to building a sustainable future both within the company and in society at large.

Izmir

Metropolitan Regional Directorate

- Konak Operation
- Karşıyaka Operation
- Bornova Operation
- Buca Operation
- Narlıdere Operation

Northern Regional Directorate

- Aliağa Operation
- Bergama Operation
- Kınık Operation
- Menemen Operation
- Dikili Operation

Southern Regional Directorate

- Ödemiş Operation
- Kiraz Operation
- Torbalı Operation
- Urla Operation
- Seferihisar Operation
- Karaburun Operation
- Kemalpaşa Operation
- Menderes Operation
- Tire Operation
- Çeşme Operation

Manisa

Manisa Regional Directorate

- Manisa Central Operation
- Alaşehir Operation
- Kula Operation
- Akhisar Operation
- Turgutlu Operation
- Soma Operation
- Salihli Operation
- Demirci Operation
- Saruhanlı Operation

Mission, Vision and Values

Mission

Our sustainability culture, developed by evaluating our social and economic impact areas, the expectations of all our stakeholders, and our corporate strategy, is to provide a high-quality, modern, and environmentally friendly electricity distribution service.

Vision

We work with a view to becoming a world-leading distribution company that adds value to life through technology, while safeguarding the sustainability of natural resources, the environment and future generations.

With our approach focused on delivering energy efficiently and safely to support a quality life, we aim to always take our Company further forward.

Values

Responsibility

We fulfil our responsibilities to individuals, society, our country and the environment while carrying the organisation into the future by doing our job to the best of our ability. We ensure that our work is carried out within the framework of our work ethic, achieving the desired quality within the specified time frame. We adopt a working style that is compliant with procedures and rules, transparent, and accountable. We speak up when we encounter unethical or unfair practices. We consider how our actions affect others.

Dynamism

We monitor the changing needs of our colleagues and stakeholders and make the necessary improvements to our working environment, work systems and services. We lead the electricity sector with the steps we take, guiding development and change in the sector. Driven by our spirit of curiosity, we try new ways to deliver products, processes and services more efficiently, quickly and without error.

Reaching Out to Life

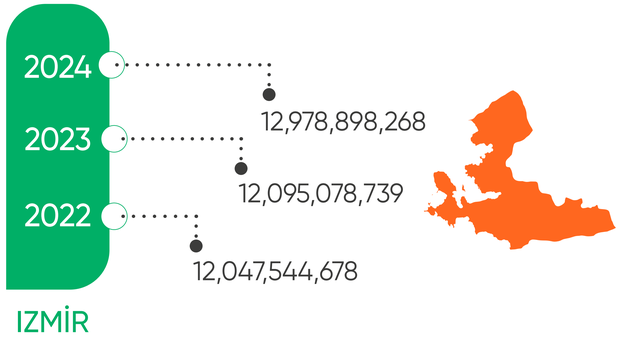
People are at the heart of everything we do and every step we take. Continuous development, curiosity, our investigative spirit, and the expertise we have gained over the years enable us to develop solutions that add energy and value to every moment of life. We enable our colleagues to express their different ideas, value their social needs, and celebrate their successes together. We work to enhance the quality of life of our stakeholders by accurately analysing their needs and expectations.

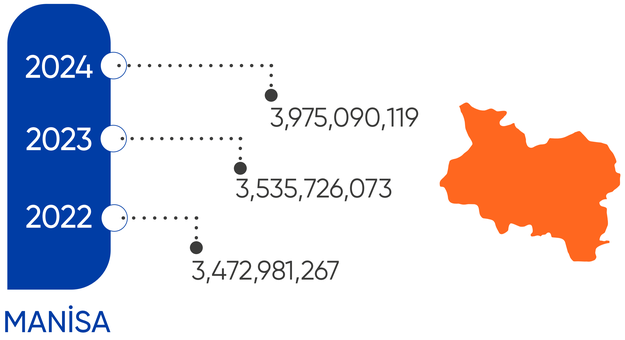
Gdz Electricity at a Glance

Technical Data by Year

	Birim	2022	2023	2024
Line Length	km	70,025	84,100	92,340
Transformers Capacity	MVA	17,131	17,605	18,220
Number of Transformers	Number	35,709	36,635	37,467
Loss and Theft Rate	%	5.04	5.24	5.41

Electricity Distribution (kWh)





6 Million
Population

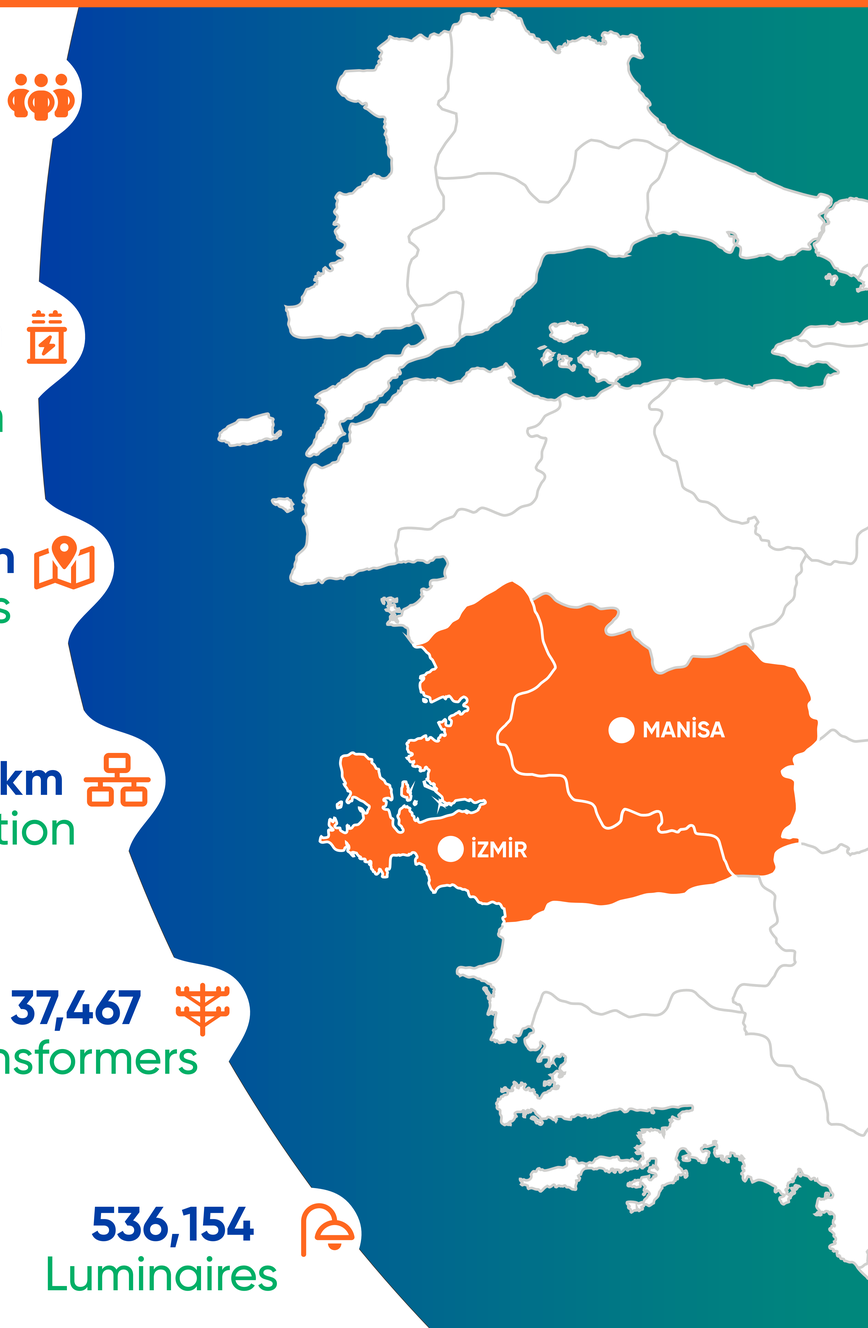
17.93 TWh
Electricity Distribution

3.9 Million
Subscribers

92,340 km
of Distribution Lines

37,467
Transformers

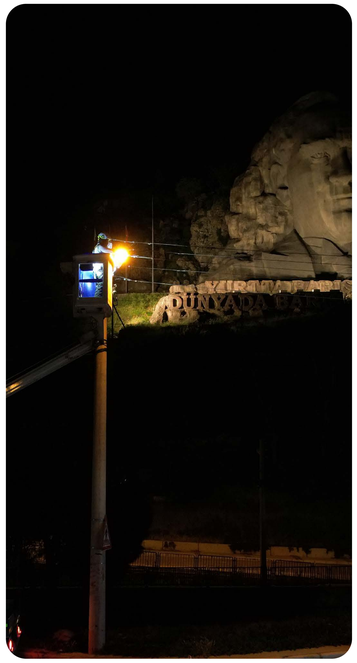
536,154
Luminaires



Milestones

2013

We took over electricity distribution in Izmir and Manisa to deliver energy for life.



2016

We opened the industry's most comprehensive call centre to provide 24/7 service.

2021

We signed the United Nations Global Compact (UNGC), the world's largest sustainability platform.

We ranked first in the Energy Market Regulatory Authority's (EMRA) quality factor assessment.

2022

We achieved the highest rating of "A1 Advanced Level" with 62 points in the Environmental, Social and Governance (ESG) performance ranking.

We became a signatory to the United Nations Women's Empowerment Principles (UN WEPs).

Our climate change efforts were rated "B" under the Carbon Disclosure Project (CDP).

2023

We achieved an "A Leadership" rating in the Climate Change category of the Carbon Disclosure Project (CDP).

We received the Great Place to Work® "Great Workplace" Certificate in a global programme on workplace culture and employee satisfaction. Following the research conducted by the Great Place to Work Institute®, we were ranked Türkiye's 5th Best Employer.

2024

Our 2023 Sustainability Report received the Gold Award at the LACP 2023 Vision Awards.

Events Held in 2024

Ege University, Katip Çelebi University, Kavram Vocational School, Economics University, Celal Bayar University Collaborations

Thanks to collaborations with these universities, students are supported in gaining sectoral experience and applying their academic knowledge in practice.

1 From You, 1 From Me, 1 in Our Hearts

This project, carried out in collaboration with the Bornova Youth Centre affiliated with the Izmir Provincial Directorate of Youth and Sports, aims to increase young people's awareness of social responsibility.

Women in White Helmet

Developed for female students studying civil engineering, this project raises awareness on engineering, youth and gender equality.

Social Development and Cooperation Projects Mentörüm Esiad

In cooperation with the Aegean Industrialists and Businessmen Association, mentoring support is provided to young professionals and their awareness of working life is increased.

Collaborations with Universities and Educational Institutions M2M Yaşar University

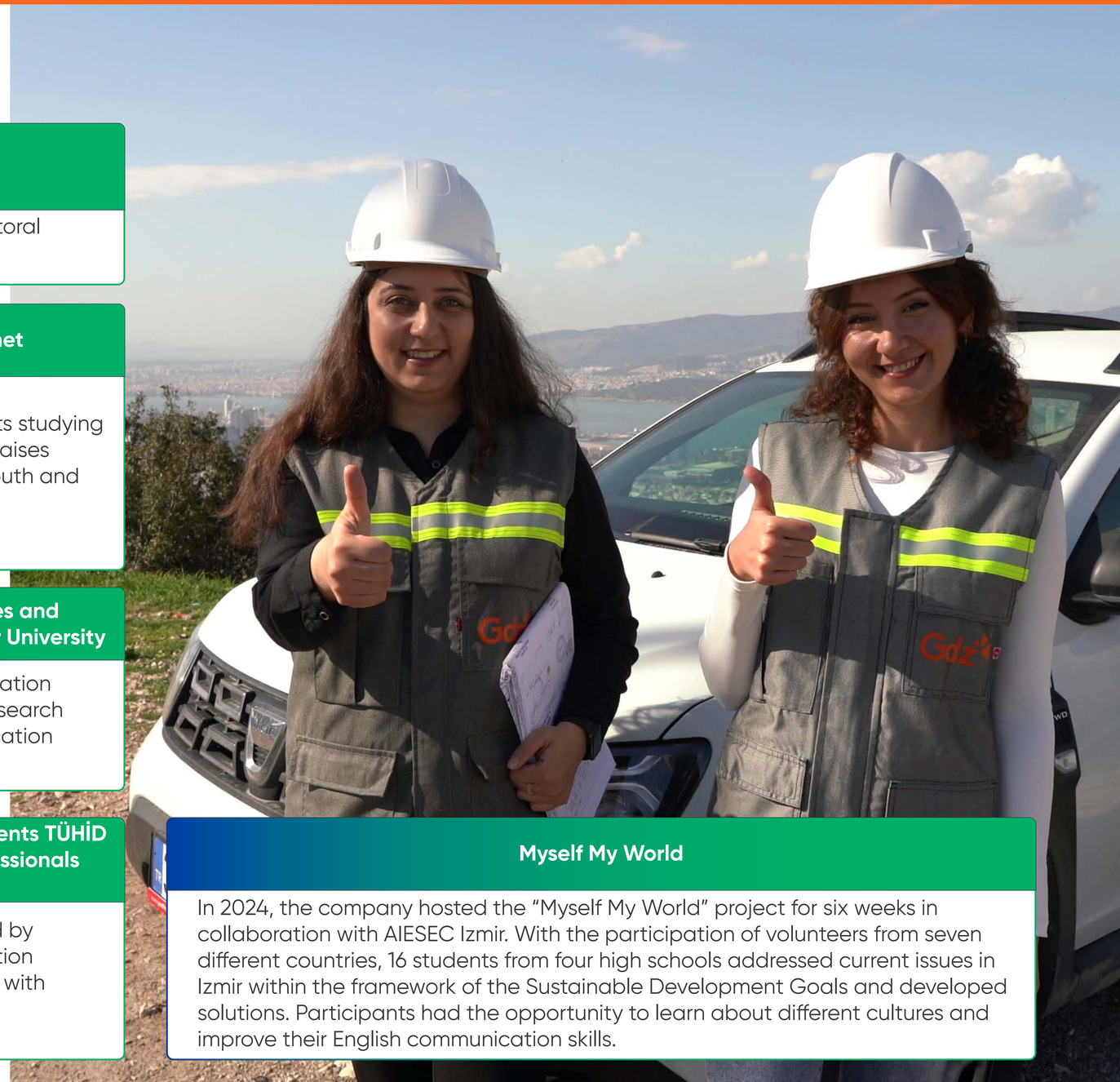
This project, carried out in collaboration with Yaşar University, focuses on research in machine-to-machine communication technologies.

Career Angels

In this project, carried out in collaboration with EMCC Türkiye, mentors share their personal and professional experiences with young people, guiding them on their career journeys.

Communication and Awareness Events TÜHİD Connect: Communications Professionals Meeting, Izmir

Participation in this event organised by the Turkish Public Relations Association enabled the sharing of experiences with communications professionals.



Myself My World

In 2024, the company hosted the "Myself My World" project for six weeks in collaboration with AIESEC Izmir. With the participation of volunteers from seven different countries, 16 students from four high schools addressed current issues in Izmir within the framework of the Sustainable Development Goals and developed solutions. Participants had the opportunity to learn about different cultures and improve their English communication skills.

Memberships

Gdz Electricity establishes a strong communication network with its stakeholders through partnerships and joint projects, producing innovative solutions to environmental and social issues. The company contributes to sectoral development by promoting the exchange of information at local and global levels, acting in line with the goal of creating sustainable value together with its stakeholders. It maintains close contact with nationally and internationally active associations, institutes, unions and sectoral organisations, playing an active role in various working groups. At the same time, it supports transformation processes in the sector by transferring expertise and experience to initiatives with different areas of focus.

Strengthening its partnerships with leading organisations in the energy sector, the company maintains active memberships and joint initiatives with important industry associations and organisations such as the Energy Digitalisation Association, the Electricity Distribution Services Association, the Aegean Industrialists and Business People Association, the Turkish Quality Association, the World Energy Council, and the Turkish Standards Institute.

Furthermore, it actively participates in international platforms such as the UN Global Compact and the Foundation for the Global Compact, supporting global sustainability initiatives.

- UN Global Compact (UNGC) United Nations Global Compact
- Global Compact Signatories Association (KİSİD)
- Digitalisation in Energy Association (EDİDER)
- Aegean Industrialists and Businessmen Association (ESİAD)
- Association of Electricity Distribution System Operators (ELDER)
- World Energy Council Turkish National Committee (DEK-TMK)
- Turkish Quality Association (KalDer)
- Izmir Chamber of Commerce (IZTO)
- Izmir Bar Association
- Electrical Engineers Association (EMO)
- Turkish Standards Institute (TSE)
- Izmir Chamber of Certified Public Accountants (İZSMMMO)


Corporate
Governance

Corporate Governance

The company's highest management body is the Board of Directors (BoD). The BoD consists of the Chairman, Vice Chairman, members and three independent members. According to the BoD Working Principles, regular meetings are held every two months, and extraordinary meetings can also be held to make decisions when necessary.
In 2024, Gdz Electricity Distribution Inc. adopted BOD decision No. 2024/37. Gdz Distribution's Board of Directors consists of six members, three of whom are independent members: (Elmas Yaşar Bostancı, Hülya Kurt and Ersin Akyüz). Every three months, the CEO makes presentations and reports to the Holding Board of Directors and the Gdz Distribution Board of Directors.

The Board of Directors (BoD) establishes a comprehensive management structure to effectively manage the company's sustainability and climate-related risks and opportunities and ensures the implementation and oversight of risk management principles. Operational risks and sustainability and climate-related risks are managed holistically through an integrated management system. The Audit, Corporate Governance, Early Risk Detection, Investment and Sustainability, Environment, and Occupational Health and Safety committees are actively operating within the BoD. These committees work in a coordinated manner by holding regular meetings and ensure the integration of sustainability and climate change-related issues into management processes. All committees report their activities directly to the Board of Directors, contributing to the creation of an effective and transparent governance model. The management mechanism supports the implementation of the actions outlined below.

- Establishing corporate and performance objectives
- Regular monitoring of progress towards defined targets
- Monitoring the implementation processes and performance of objectives
- Monitoring the implementation processes of transition plans
- Auditing large-scale capital investments, acquisitions and divestments
- Evaluating annual budgets and providing guidance on processes

Acceptable risk tolerance levels and risk policies are reviewed and approved annually using qualitative and quantitative methods. Critical risks and potential threats faced by the company are regularly assessed within the limits set in accordance with the approved risk policies.

Within the scope of the corporate governance approach, fundamental policies and practices such as ethical rules and working principles, the ethics hotline, the Donation and Aid Policy, the Board of Directors Diversity Policy, Compliance Activities and Compliance Risk Implementation Policy, and the Anti-Bribery and Anti-Corruption Policy are effectively implemented. These policies support the risk management process and strengthen transparency, accountability and legal compliance in all of the company's activities.

- Steering and controlling employee incentive mechanisms
- Reviewing risk management policies and providing necessary guidance
- Evaluating strategic objectives and providing appropriate guidance
- Reviewing business plans and comprehensive action plans and providing guidance

Board of Directors

Ali Murat Korkmaz
Gdz Electricity
Chairman of the Board

He has served as a partner and manager in companies in the energy sector for many years. He was appointed Chairman of the Board of Directors of Gdz Electricity in May 2013. He serves as Chairman of the Board of Directors at Gdz Electricity Distribution.

Uğur Yüksel
Board Member

He has over 30 years of experience in the energy, information technology, and defence industries. He served as Project Manager at the Undersecretariat for Defence Industries of the Ministry of National Defence, General Manager at ODTÜ Teknokent, where he worked at the establishment of Türkiye's first technopark, Director of Purchasing and Business Development at Lotus Energy in Turkmenistan, and Secretary General of the ELDER Electricity Services Association. In 2018, he joined the Aydem Energy Group as General Manager and Board Member of Gdz Electricity Distribution. In August 2018, he was appointed as a Board Member of Gdz Electricity.

Hülya Kurt
Board Member

She graduated from the Department of Chemical Engineering at Hacettepe University in 1988. In 2000, she obtained an Executive MBA degree from Koç University. Kurt began her career as an R&D and Project Engineer at Eczacıbaşı Vitra and started working as a Project Engineer Specialist at the Industrial Development Bank of Türkiye (TSKB) in 1995. After working in various positions, he continued his role as Head of the Engineering Department. Kurt also served as the Bank's Sustainability Coordinator between 2006 and 2016. In 2011, he led the establishment of the sustainability consultancy firm Escarus-TSKB Sustainability Consultancy Inc. within TSKB. In 2016, he was appointed CEO of Escarus. He played a key role in TSKB's Sustainability Roadmap, Green Banking Strategy and the establishment of Escarus. Kurt is highly knowledgeable about development banking activities. He also has experience in energy (particularly renewable and energy efficiency), energy transition, climate change, sustainability (ESG), and green sustainable finance.

Elmas Yaşar Bostancı
Board Member

Bostancı, who has had work experience in various roles in the energy sector since 2003, was most recently appointed as General Manager and Chairman of the Board of Directors of Eti Maden İşletmeleri in 2016. Bostancı, who was previously a member of the board of directors of various group companies of Aydem Enerji, is currently serving as a member of the board of directors at Adm Electricity and Gdz Electricity as of 2023.

Ersin Akyüz
Board Member

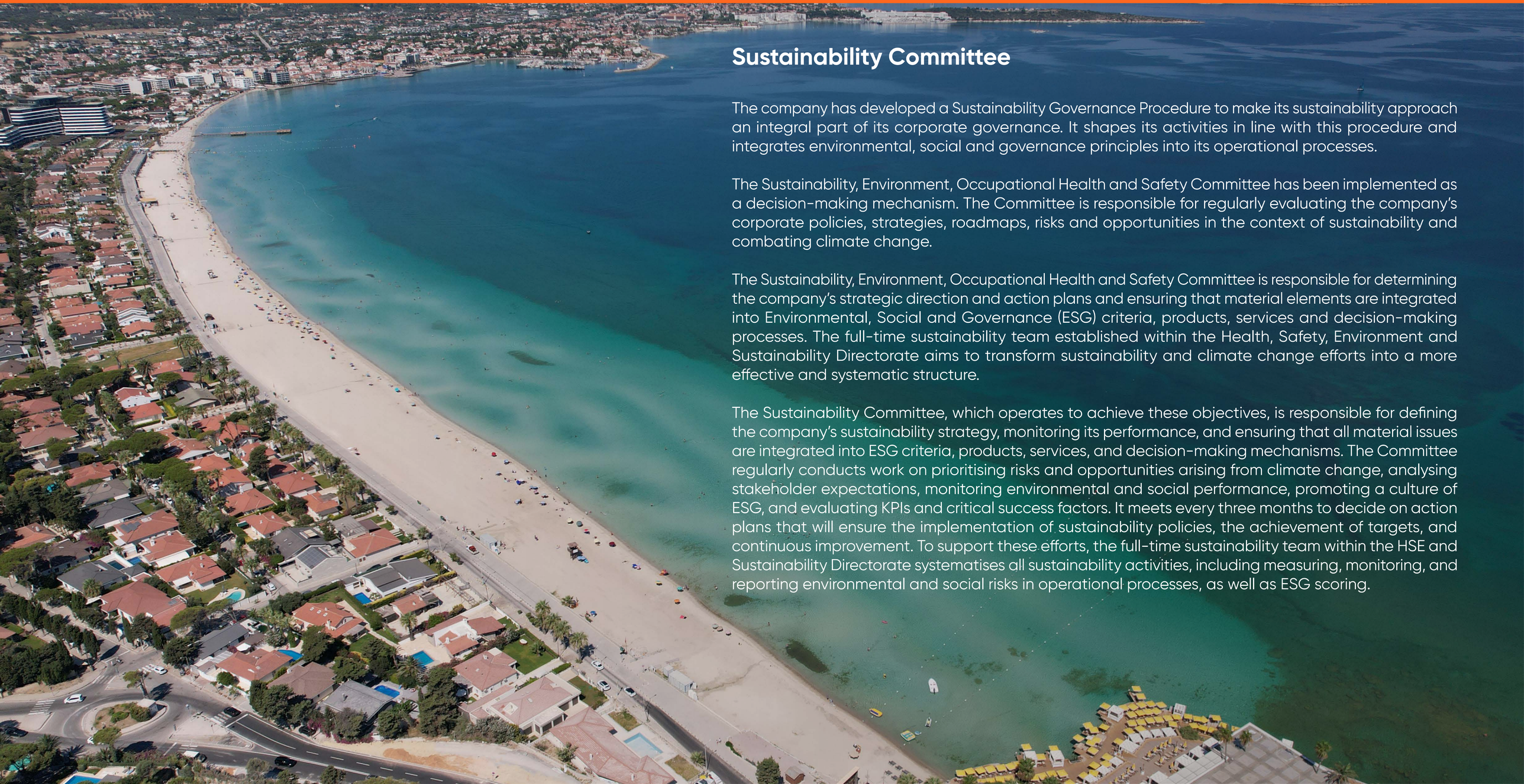
After completing his undergraduate and postgraduate studies in Economics at the London School of Economics, he completed a postgraduate programme (MBA) in Finance at the University of Chicago. He began his career in 1989 at Bankers Trust International Ltd in London and then continued at Morgan Stanley in London in 1996. After working at Deutsche Bank in London in 2005, he moved to Deutsche Bank Türkiye in 2008 as CEO and Country Manager. Ersin Akyüz, who retired in 2019 after a 30-year career in banking, was appointed as a Member of the Company's Board of Directors in March 2024.

Sustainable Governance Structure

Gdz Electricity has made sustainability an integral part of its business strategy and shaped its governance structure accordingly. Sustainability is integrated into all processes, starting at the top management level; issues such as climate change, carbon management, energy efficiency and environmental impact reduction are directly overseen by the Board of Directors.

The Board of Directors makes strategic decisions that support sustainability goals and regularly assesses climate and environmental risks, emerging opportunities, and sustainable growth scenarios. The company's Environmental Policy and Sustainability Policy are based on full compliance with legal regulations, meeting stakeholder expectations, resource efficiency, waste management, renewable energy use, and reducing greenhouse gas emissions.

> **All operations are managed in accordance with the principles of transparency, accountability, ethical business practices and strong communication with stakeholders**



Sustainability Committee

The company has developed a Sustainability Governance Procedure to make its sustainability approach an integral part of its corporate governance. It shapes its activities in line with this procedure and integrates environmental, social and governance principles into its operational processes.

The Sustainability, Environment, Occupational Health and Safety Committee has been implemented as a decision-making mechanism. The Committee is responsible for regularly evaluating the company's corporate policies, strategies, roadmaps, risks and opportunities in the context of sustainability and combating climate change.

The Sustainability, Environment, Occupational Health and Safety Committee is responsible for determining the company's strategic direction and action plans and ensuring that material elements are integrated into Environmental, Social and Governance (ESG) criteria, products, services and decision-making processes. The full-time sustainability team established within the Health, Safety, Environment and Sustainability Directorate aims to transform sustainability and climate change efforts into a more effective and systematic structure.

The Sustainability Committee, which operates to achieve these objectives, is responsible for defining the company's sustainability strategy, monitoring its performance, and ensuring that all material issues are integrated into ESG criteria, products, services, and decision-making mechanisms. The Committee regularly conducts work on prioritising risks and opportunities arising from climate change, analysing stakeholder expectations, monitoring environmental and social performance, promoting a culture of ESG, and evaluating KPIs and critical success factors. It meets every three months to decide on action plans that will ensure the implementation of sustainability policies, the achievement of targets, and continuous improvement. To support these efforts, the full-time sustainability team within the HSE and Sustainability Directorate systematises all sustainability activities, including measuring, monitoring, and reporting environmental and social risks in operational processes, as well as ESG scoring.

The Committee meets every three months to monitor the progress of ongoing work and share information. Annual performance results and progress towards sustainability targets are discussed in detail at the annual Sustainability Committee Executive Board meetings, where necessary actions are determined. At these meetings, suggestions submitted by employees are evaluated and decisions are made accordingly.

The Committee is also responsible for regularly reviewing and analysing Key Performance Indicators (KPIs) that measure the company's performance in achieving sustainability and climate change targets. The Committee evaluates KPIs related to sustainability and employee incentives on a quarterly and annual basis. All employees are evaluated based on performance-based KPI targets that determine rewards such as promotions and bonuses, and act in line with these targets.

Employees can participate in projects in areas such as business development, productivity, low-carbon economy, sustainability and financial benefits through the Idea Line and are rewarded with 2% of the profit generated from accepted projects. The system covers management and operational KPIs related to sustainability. The system includes key performance indicators in the areas of management, operations, and governance related to sustainability. These indicators include field training programmes conducted on HSE and sustainability issues, the number of projects presented to senior management in environmental and social areas, and district business visits carried out within the framework of the "Golden Rules".

The system established for senior managers includes at least two strategic objectives focused on combating climate change and sustainability. Core KPIs linked to climate change risk management and the implementation of related policies directly affect salaries and bonuses. Approximately 43% of financial incentives for senior managers and board members are linked to the effective management of environmental issues.

"The Sustainability Committee meets quarterly to report on sustainability performance.

Corporate Risk Management

Gdz Electricity treats risk management as a strategic priority for the sustainability of operations and the safety of stakeholders. Risk management processes are continuously developed to increase operational efficiency, ensure financial stability and adapt to changing market conditions. Risks that could affect all business processes are identified at an early stage, preventive measures are taken and risks are managed effectively with the aim of creating long-term value.

Risk management is approached from a broad perspective, covering strategic, operational, financial and environmental risks. Through Risk/Opportunity Assessment meetings held regularly each year by Gdz Electricity's risk management unit, long-term goals, potential risks and opportunities are systematically analysed.

The findings of these meetings are evaluated by the Early Risk Detection Committee and the Board of Directors, guiding the company's sustainable growth strategies and contributing to the enhancement of its corporate value.

A holistic assessment of environmental, social and economic impacts is adopted as a fundamental approach in Gdz Electricity's investment decisions. The impact of decisions made in the electricity distribution sector on end users' lives is addressed as an important area of responsibility in the company's risk management system.

Risks related to strategic, operational and financial objectives are addressed in detail within the scope of risk management policies in terms of the company's sustainability and continuity. These financial and non-financial risks are considered serious risks that could negatively affect the company's reputation among stakeholders, and effective measures predetermined for each are implemented.

Energy supply-demand imbalances, climate change, depletion of natural resources, and legal changes related to these factors are among the key elements considered in the assessment process . In addition, natural disasters, changes in economic balances, new market opportunities, digitalisation, and the effects of technological innovations are also analysed comprehensively.

Board of Directors' Responsibility in Risk Management

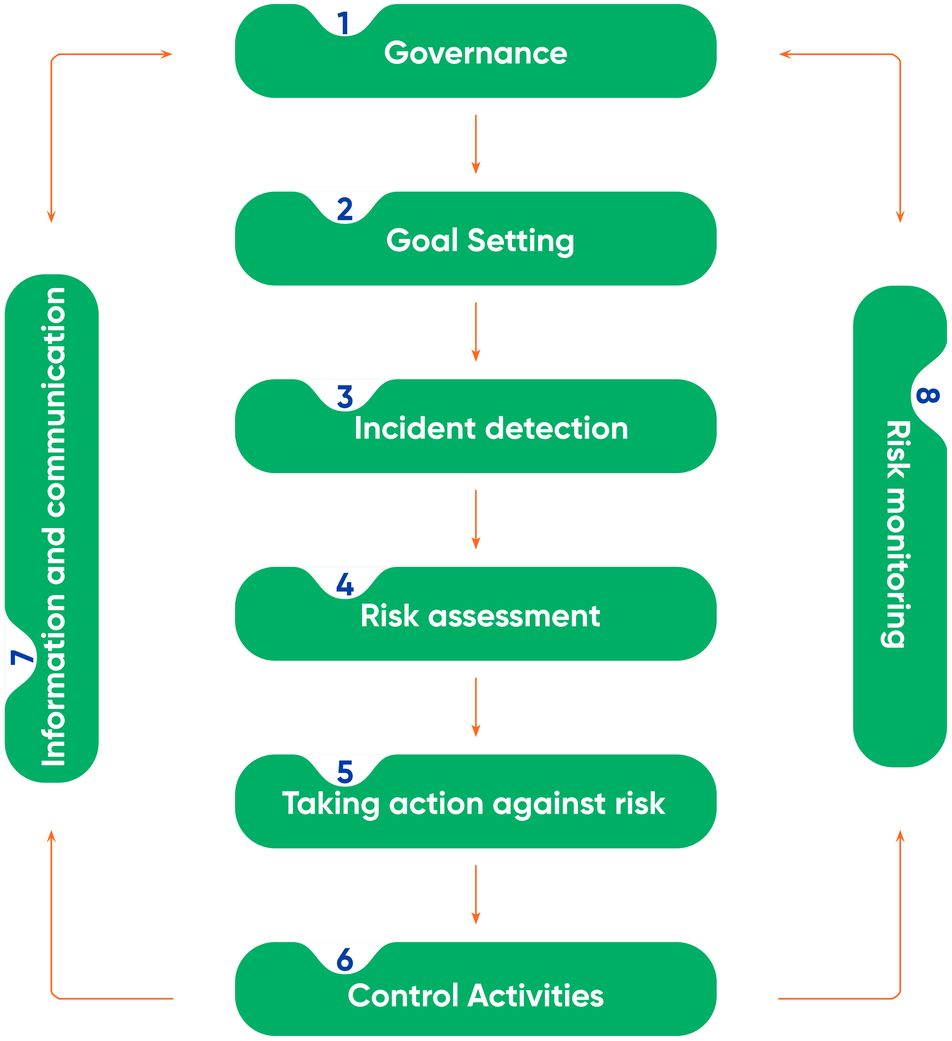
The Gdz Electricity Board of Directors ensures the implementation and oversight of risk management principles to effectively establish the risk management system and integrate it with operational processes. Significant and potential risks, risk appetite, acceptable risk levels, and risk policies across all business areas and core operational processes are qualitatively and quantitatively reassessed and approved annually.

The Board of Directors is committed to providing all necessary resources and support for the effectiveness of risk management activities. The current strategic approach of senior management demonstrates Gdz Electricity's commitment to risk management by ensuring that risks are managed proactively and effectively.

Early Risk Detection Committee

The Early Risk Detection Committee, established within the company, identifies all risks that could threaten the company's existence, sustainable growth, and operational continuity, particularly strategic, operational, and financial risks, at an early stage and addresses them within an effective management framework. Under the Committee's supervision, sustainability, energy supply security, climate change and ecological risks are regularly monitored, and the financial and non-financial impacts of these risks are analysed to develop forward-looking management strategies.

The Committee meets with the Audit Committee at least once a year to ensure that risk management processes are aligned with control mechanisms and evaluates the risks identified in the audit results. It submits its significant findings and recommendations on matters within its remit to the Board of Directors in writing. Although its decisions are advisory in nature, the final decision-making authority and responsibility rests with the Board of Directors.



Risk Management Strategy

Governance: The company's risk management policies and procedures are determined within the framework of corporate governance and integrated into operational processes. This structure makes risk management an integral part of the strategic decision-making mechanism.

Target Setting: Risk management activities are defined and directed in line with the company's overall objectives. This aims not only to prevent risks but also to turn them into opportunities.

Event Detection: Potential risks are identified proactively, taking into account internal and external factors. Thanks to the early detection of risks, effective measures are developed against possible threats.

Risk Assessment: Identified risks are analysed according to their magnitude and probability, prioritised, and management strategies are developed. This process contributes to the company's sustainable growth.

Taking Action Against Risks: Effective risk mitigation strategies and response plans are developed and integrated into operational processes. The measures taken aim to minimise the negative effects of risks.

Control Activities: The effectiveness of risk management strategies is monitored through regular audits and assessments, ensuring continuous improvement. This process guarantees the sustainability of risk management practices.

Information and Communication: Informed decision-making processes are supported by ensuring that information related to risk management is shared accurately and in a timely manner. Open and transparent communication contributes to raising risk awareness among all employees.

Risk Monitoring: Risk management processes are regularly reviewed and updated as necessary. Continuous monitoring and reporting ensure a swift and effective response to risks.

Risk Assessment Structure

Gdz Electricity has adopted a comprehensive methodology for identifying risks integrated into processes in its business units, as well as other potential threats, and for analysing and managing these risks.

The stages of this methodology are as follows;

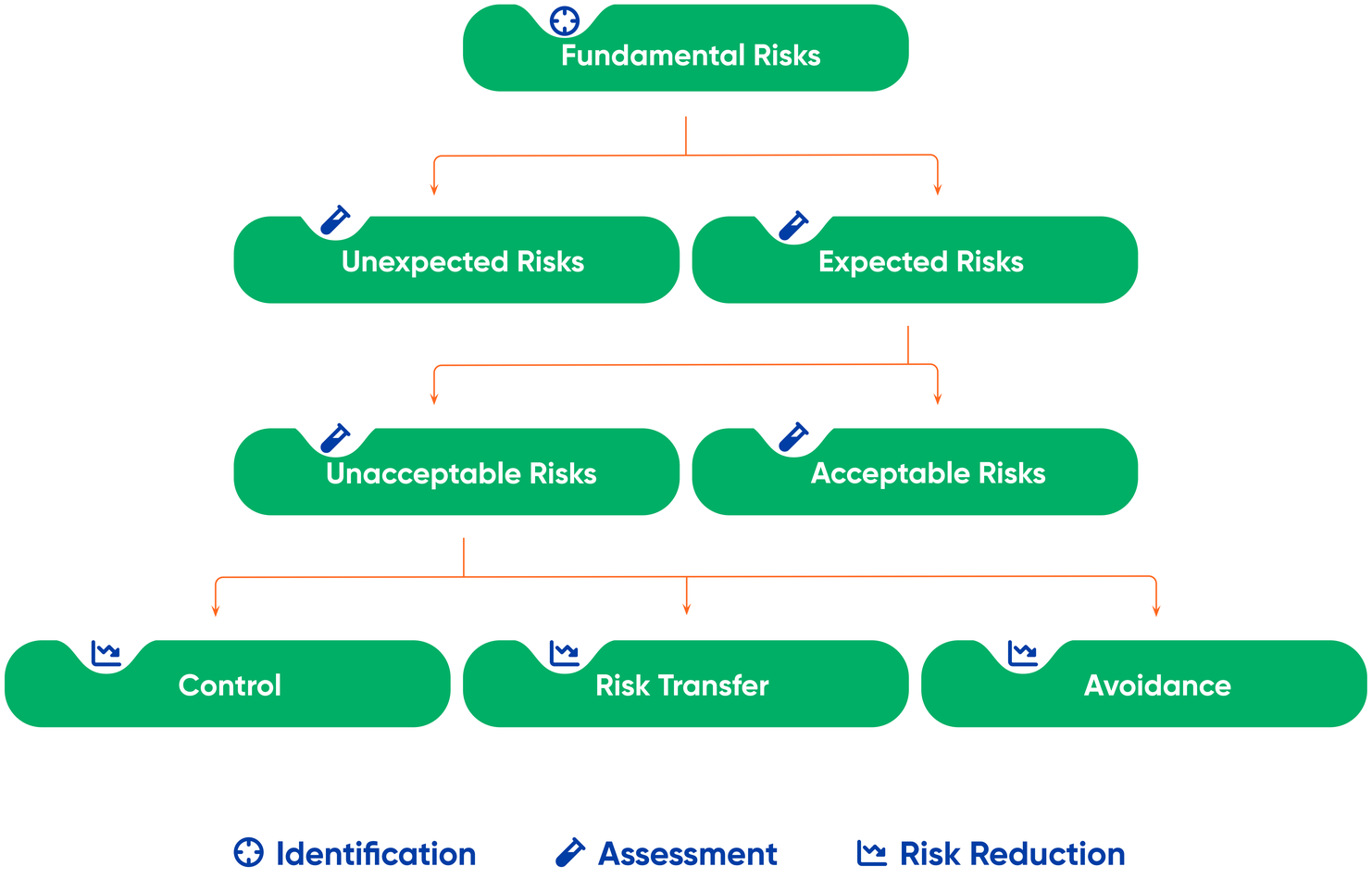
Risk Identification:
Clearly defining risks within the context of cause, event and consequence relationships.

Identification of Existing Controls:
Examination of existing controls, Risk Assessment: Measurement of the impact and likelihood of risks,

Risk Assessment:
Evaluation of risk impacts and occurrence probabilities,

Risk Management Strategies:
Strategies are defined for the acceptance, mitigation, rejection, or transfer of risks,

Action Planning and Monitoring:
Planning risk-reducing actions and monitoring implementation processes.



Risk Levels

Gdz Electricity classifies risks into four levels in its risk assessment processes:

Critical: Risks that seriously affect company objectives and values and exceed the tolerance level. A programme containing urgent and permanent solutions should be prepared and implemented for such risks.

High: Risks that exceed the tolerance level but are less critical in terms of urgency. Appropriate resources should be allocated to ensure that these risks are prevented within a reasonable timeframe.

Medium: Risks that have a significant impact on company objectives and values. Effective monitoring should be carried out to prevent risks from worsening, and action plans should be developed in a timely manner.

Low: Risks with a limited impact on company objectives. However, these risks should also be monitored and prevented from gaining significance by taking measures when necessary.

Supply Chain Management

Gdz Electricity effectively manages its supply chain in line with sustainability principles. The company aims to increase operational efficiency and minimise environmental and social impacts by creating a reliable, transparent and responsible supply chain. Long-term partnerships are established with suppliers; a supply management model based on quality, environmental compliance, ethical business practices and financial sustainability criteria is adopted.

Full compliance with standards and regulations specific to the energy sector is ensured in the procurement processes. In line with procurement policies, the technical competence, financial reliability and sustainability criteria of product and service providers are evaluated. The company collaborates with suppliers in the selection process, taking into account quality management systems, occupational health and safety standards (ISO 45001), and environmental management systems (ISO 14001) norms.

Within the scope of the sustainable supply chain approach, efforts are being made to reduce the carbon footprint. In line with green procurement strategies, the use of low-emission and energy-efficient equipment is encouraged, and recyclable materials are preferred. Alternative material solutions and recycling processes are being evaluated to increase the use of sustainable materials in the electricity distribution infrastructure.

As part of digitalisation efforts, supply chain management processes are being transferred to digital platforms, thereby increasing the transparency of procurement processes and ensuring operational efficiency. The use of electronic tendering and supply management systems promotes competitiveness, ensures cost efficiency, and establishes more effective communication with stakeholders.

The aim is to support the regional economy by giving priority to local suppliers. By collaborating with local producers and service providers operating in the provinces of Izmir and Manisa, contributions are made to regional development. In this process, the objective is to increase local technical capacities and support the transition to sustainable business models.
Gdz Electricity attaches great importance to ethical business principles in supply chain management. Under the Business Ethics and Compliance Policy, all suppliers are expected to operate in a manner that respects human rights, complies with occupational health and safety rules, and is sensitive to the fight against corruption.

Thanks to the control mechanisms established for suppliers, compliance with sustainability criteria is regularly reviewed and performance evaluations are conducted.

Stakeholder Engagement

Gdz Electricity adopts a transparent, participatory, and sustainable management approach in its operations, considering stakeholder engagement as a fundamental element of its corporate processes. The company strengthens its strategic planning and shapes its decision-making processes by maintaining effective communication with a wide range of stakeholders and incorporating their expectations and feedback.

Stakeholder engagement processes are structured on the principle of establishing strong dialogue with all relevant parties, including customers, employees, regulatory authorities, local administrations, suppliers, academic institutions, non-governmental organizations, and investors. In this context, stakeholder expectations are regularly assessed through various

Customer-Oriented Approach and Feedback Systems

In order to maximize customer satisfaction, rapid and effective solutions are provided through call centers, online service platforms, mobile applications, and social media channels. Regular customer satisfaction surveys and complaint management processes enable the implementation of actions aimed at enhancing service quality. In addition, customer information programs help raise awareness on energy efficiency, safe electricity use, and sustainability.

Employee Engagement and Internal Communication

Gdz Electricity adopts a management approach that promotes open communication in order to enhance employee motivation and engagement. Through internal communication platforms, employee satisfaction surveys, feedback systems, and regular internal stakeholder meetings, the suggestions and expectations of employees are taken into account. Various training programs and talent management processes are implemented to support employee development.

Cooperation with Regulatory Agencies and Public Institutions

In order to meet the legal and regulatory requirements of the energy sector, close cooperation is maintained with relevant public institutions, particularly the Energy Market Regulatory Authority (EMRA). Within the framework of legal compliance, regulatory changes are swiftly adopted, developments in the energy sector are closely monitored, and an active role is undertaken in regulatory processes.

Academic Collaborations and R&D Activities

Collaborations with universities and research institutions contribute to the development of innovative and sustainable solutions in the sector. Within the scope of R&D projects, academic partnerships are strengthened, and research is carried out on energy efficiency, smart grids, digitalization, and sustainable energy. University–industry collaboration programs aim to integrate students into the sector and enhance the exchange of technical knowledge.

Sustainable Collaborations with Suppliers and Business Partners

To establish a sustainable and efficient supply chain, long-term collaborations are developed with suppliers while ensuring compliance with ethical business principles. Through supplier evaluation processes, adherence to environmental and social responsibility criteria is encouraged, and environmentally friendly procurement practices are prioritized within the framework of green purchasing policies.

Engagement with Communities and Non-Governmental Organizations (NGOs)

Gdz Electricity aims to create a positive impact on society through social responsibility projects and collaborates with non-governmental organizations to implement various social, environmental, and educational initiatives. Awareness campaigns on energy efficiency and environmental consciousness are organized to reach wider audiences. Projects carried out in cooperation with local administrations contribute to the improvement of energy infrastructure and the development of community sustainability initiatives.

Practices that Strengthen Stakeholder Dialogue

In order to effectively manage stakeholders' opinions and expectations, regular workshops, surveys, meetings, and feedback mechanisms are organized. Continuous communication with stakeholders is maintained through digital platforms, encouraging their active participation in decision-making processes.

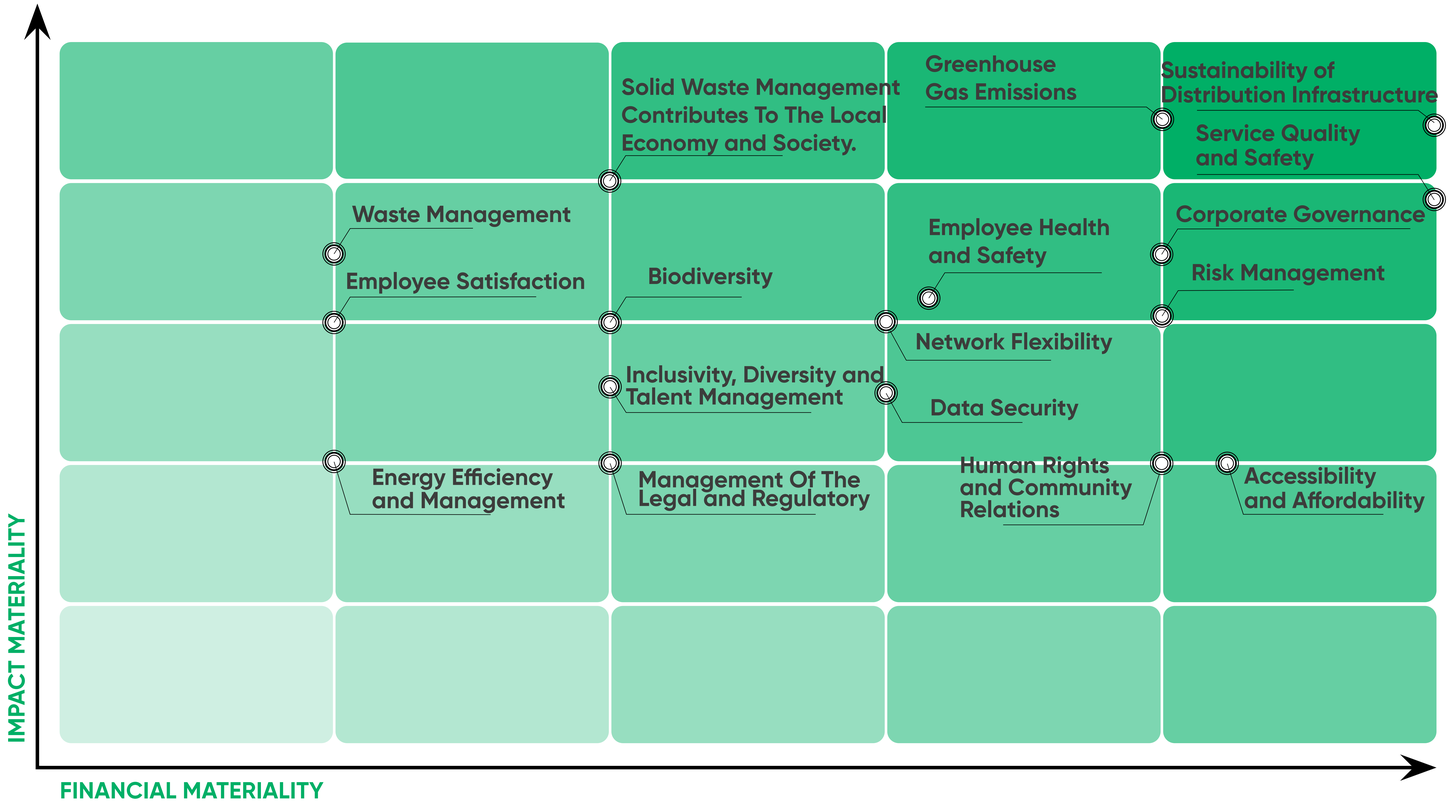
Identifying the Impact of Material Issues and Double Materiality Approach

The analysis was conducted taking into account the ESRS and EFRAG's double materiality guidelines, as well as the Sustainability Accounting Standards Board (SASB), World Economic Forum (WEF) trends, developments in the energy sector, competitor analyses, and regulatory frameworks. Furthermore, the financial materiality section of the study has been aligned with the Türkiye Sustainability Reporting Standard (TSRS).

The material issues identified within the sustainability strategy were assessed in terms of their environmental and social impacts, likelihood of occurrence, and effects on the value chain. Potential impacts on human rights were also taken into account during this process.

Using a risk management approach, the stages of the operational processes at which each impact arises were analysed, and its effect on the company's long-term value creation strategy was detailed. Priority issues were assessed taking into account their levels of environmental, social and financial materiality.

In line with these assessments, a Double Materiality Matrix was created to support the company's strategic decision-making processes and align stakeholder expectations with company priorities.



Contribution to Sustainable Development Goals

Gdz Electricity positions sustainability as one of the fundamental elements of its corporate strategy and shapes its business processes in an integrated manner with environmental, social and governance principles. The company operates in line with global sustainability goals by contributing directly and indirectly to the United Nations Sustainable Development Goals (UN SDGs).

Within the framework of the SDGs, materaility is given to areas such as supporting sustainable economic growth, accelerating the transition to clean and accessible energy, combating climate change, reducing social inequalities and protecting natural resources, and responsible practices are implemented in these areas.

Gdz Electricity fulfils its commitments for a sustainable future in line with its interaction with its stakeholders and its understanding of environmental responsibility, continuously contributing to economic, social and environmental development.

Environment

Greenhouse Gas Emissions, Biodiversity Energy Efficiency and Management Waste Management

A comprehensive climate transition plan, supported by scenario analyses, is being implemented with the goal of transitioning to a low-carbon energy infrastructure. Operational processes are continuously being improved for a more sustainable distribution network, with materiality given to digitalisation investments such as smart meter reading to reduce theft rates, a significant source of greenhouse gas emissions. The "New Home for Storks Project" contributes to the protection of biodiversity, and an effective waste management system is maintained through circular economy practices that include the reuse of scrap copper, aluminium and iron.

Social Capital

Contribution to the Local Economy and Community, Human Rights and Community Relations Accessibility and Affordability Data Security

Social benefits are increased through Energy Hunters, OHS training organised for vocational high school students, university-industry cooperation, and initiatives to bring students into the sector. Social inclusion is supported through investments that facilitate access to energy, particularly for disadvantaged groups, while stakeholder participation is encouraged through digital platforms and feedback mechanisms. High-standard policies on data security and personal information protection strengthen customer and stakeholder confidence.

Human Capital

Employee Health and Safety, Inclusion, Equality, Diversity and Talent Management Employee Satisfaction

Employee health and safety are protected to the highest standards; the Golden Rules Campaign, the 5x5 Matrix method, and regular field inspections aim to prevent workplace accidents. WEPs signatory status and the Equal Life Project strengthen the approach to inclusivity, equality and diversity, while the Professional and Personal Development and Aydem Start Orientation programmes enhance employee competencies. In addition, regular satisfaction surveys increase workforce motivation and commitment.

Business Model and Innovation

Sustainability of the Electricity Distribution Infrastructure, Physical Effects of Climate Change (Network Flexibility and Resilience)

Investments are made in smart grid technologies for the sustainability of the electricity distribution infrastructure; the energy infrastructure is monitored in real time with SCADA, GIS and digital twin systems, enabling maintenance processes to be carried out more quickly and efficiently. Machine learning-based projects predict faults, increasing grid flexibility and strengthening energy supply security against potential natural disasters and the effects of climate change. Sustainable partnerships are developed in supply chain management in line with environmental and ethical principles.

Leadership and Governance

Corporate Risk Management, Corporate Governance Management of the Legal and Regulatory Environment

Adopting a transparent and responsible management approach within the framework of the Code of Ethics and Working Principles Policy, Gdz Electricity develops trust-based relationships with stakeholders through its corporate values. Employee competencies are enhanced through training programmes such as the PEAK Leadership Development Programme, while operational risks are effectively managed and energy supply security is supported under the Risk Policy. Processes are continuously improved through innovative technologies and efficiency-focused investments, enabling rapid adaptation to sectoral developments.

Commitment to Responsibility as a Participant in the United Nations Global Compact

(UN Global Compact – UNGC) Gdz Electricity, as a participant in the United Nations Global Compact (UN Global Compact – UNGC), embraces and integrates into its business processes the ten universal principles established in the areas of human rights, labour standards, the environment and anti-corruption. By taking responsibility for achieving sustainable development goals on a global scale, it has made ethical and transparent management a fundamental element of its business strategies.

Policies and practices are implemented to protect employee rights, ensure safe and fair working conditions, minimise environmental impacts, and ensure full compliance with business ethics principles. In line with the UNGC commitment, efforts focus on promoting sustainability principles not only within the company but also throughout the supply chain.

Human Rights | Labor Standards | Environment | Anti-Corruption

Environmental Performance

Environmental Management

In line with its committed Environmental Policy, Gdz Electricity embraces a management approach focused on “Respect for People and Nature”. It implements various practices to protect natural resources, proactively manage environmental risks, and produce sustainable solutions in collaboration with stakeholders. The company aims to leave a liveable world for future generations by acting with environmental responsibility.

Gdz Electricity conducts its activities in accordance with the ISO 14001 Environmental Management System Standard and fully complies with the requirements of this standard. The company continuously improves its operations, increases resource efficiency and promotes environmentally friendly practices in order to minimise its environmental impacts and ensure sustainable energy distribution.

Climate Transition Plan

Gdz Electricity supports the transition to a low-carbon future by developing strategies in line with the NZE 2050 scenario for energy distribution and continuously updates its risk management processes, aware that its emissions are largely due to distribution line losses. The company is working towards minimising loss and theft rates by 2024, making investments to increase energy efficiency and reduce losses within the framework of financial planning integrated with sustainability targets.

To build a resilient structure against climate change risks, the threats posed by the RCP 8.5 scenario are analysed, and climate change adaptation strategies aimed at minimising energy losses and reducing fossil fuel dependency are implemented. Digitalisation, smart grid applications and modernisation investments are increasing the efficiency of the grid infrastructure and supporting sustainable transformation in energy distribution.

The company’s climate transition plan has been shaped by the expectation that Türkiye’s energy policies and regulatory framework will accelerate the transition from fossil fuels to renewable energy sources. This approach plays a critical role in determining short- and long-term transition plans in line with the NZE 2050 scenario. Within the framework of these plans, net zero commitments have been established to reduce Scope 1 and 2 emissions.

Biodiversity Management

Gdz Electricity bears the responsibility of protecting natural ecosystems and sustainably managing biodiversity in the regions where it operates. Biodiversity risks are analysed and strategies are developed to minimise the negative impacts on ecosystems in order to minimise the potential effects of electricity distribution activities on nature.

Environmentally friendly practices are implemented to make the electricity distribution infrastructure compatible with natural life, support biological diversity, and minimise negative impacts on the ecosystem. The company conducts risk analysis, impact assessment studies, and field monitoring activities, taking environmental sensitivity into account in its investment planning.

Training programmes are organised for employees to raise awareness of biodiversity, and awareness-raising activities are carried out on ecosystem management. In addition, social awareness projects are supported to encourage the local community to participate in ecosystem protection processes.

Projects Implemented Under Biodiversity Management

Protected Areas and Ecosystem Sensitivity Analysis

In energy transmission line and distribution infrastructure projects, planning processes are managed by analysing ecosystem sensitivities and areas critical in terms of biodiversity. Using Geographic Information System (GIS)-supported analyses, protected areas, natural habitats and migration routes are identified, and environmentally sensitive investment strategies are developed for these areas.

In new projects, alternative routes are evaluated to protect natural habitats. Field studies are conducted to minimise the impact of existing energy lines on biodiversity, and infrastructure solutions compatible with natural habitats are developed.

“New Home for Storks” Project

Gdz Electricity is developing various projects to make electricity distribution lines safe for storks and other migratory bird species. This project involves installing special nesting platforms on electricity poles, ensuring that birds have safe nesting areas while also reducing the risk of collision with power lines.

Insulation coatings are added to power lines in areas with high migration routes, and additional precautions are taken in risky areas. At the same time, bird protection devices are installed on transformers and power transmission lines to minimise the risk of harm to animals.

By 2024, the use of nests produced from recycled materials and their integration into the electrical infrastructure is targeted. Within the scope of field studies and biodiversity monitoring processes, projects aimed at protecting the local ecological structure are being carried out in collaboration with stakeholders.

Awareness-raising activities for employees and the local community are being continued with the aim of increasing biodiversity awareness. Within the scope of environmental policies, solutions are being developed to balance the protection of natural ecosystems with energy infrastructure projects, and sustainable practices are being supported.

Gdz Electricity views its work to protect natural life as a fundamental component of its sustainability strategy and carries out its activities with a commitment to minimising its impact on the ecosystem.

11 SUSTAINABLE CITIES AND COMMUNITIES

15 LIFE ON LAND

New home for Storks

1,400 Total Nests

13,000 Stork Habitats (Annually)

Emissions Management

Gdz Electricity implements a comprehensive emissions management strategy to minimise greenhouse gas emissions in its energy distribution processes. The decarbonisation process is accelerated through the modernisation of the electricity distribution network and the integration of smart grid technologies. The targets include reducing electricity loss and theft rates , increasing network efficiency, and improving infrastructure.

Electricity consumption data is tracked more effectively with digital monitoring systems and smart meter technologies, and demand management strategies are developed to balance the load on the grid. This minimises energy losses and reduces carbon emissions. Furthermore, the integration of renewable energy sources increases sustainability in distribution processes.

Gdz Electricity conducts its emission management processes in full compliance with legislation and regulatory frameworks and develops long-term strategies to reduce its carbon footprint. In line with its goal of creating a low-carbon energy infrastructure for the future, it is determined to continue building a cleaner, more efficient and sustainable energy distribution network. Since 2021, the reliability of Scope 1 and Scope 2 emissions under direct control, as well as Scope 3 emissions outside the direct control area that contribute significantly to the overall carbon footprint, has been ensured through independent verification processes.

Greenhouse gas emissions are calculated in accordance with the ISO 14064-1 standard and the GHG Protocol, and the accuracy and reliability of the emission values are confirmed by independent auditors. In the emissions reporting carried out in 2024, Scope 1 emissions were determined to be **79,874 tonnes of CO_2 equivalent**, while Scope 2 emissions were determined to be **410,913 tonnes of CO_2 equivalent**.

Emissions

Greenhouse Gas Emissions	Unit	2022	2023	2024
Scope 1	tCO_2e	74,248	73,134	79,874
Scope 2	tCO_2e	358,021	355,089	410,913
Scope 3	tCO_2e	161,260	125,592	77,317

Energy Management

Gdz Electricity views energy management as one of the fundamental elements of operational excellence and sustainable growth, implementing comprehensive strategies to enhance energy efficiency in distribution processes. Investments are made in infrastructure modernisation, digitalisation, and smart grid technologies to minimise energy losses, improve network performance, reduce environmental impacts, and ensure long-term sustainability.

The company regularly monitors energy consumption and implements continuous improvement processes to reduce losses. Digital solutions such as automatic meter reading systems, remote monitoring, and fault management systems are being implemented to enhance the reliability of the electricity distribution network. This ensures optimised energy consumption and minimised losses.

To evaluate energy efficiency performance, technical and non-technical losses are closely monitored and analysed. These indicators help identify areas for improvement, guiding efforts to increase efficiency in operational processes.

Gdz Electricity, which has succeeded in remaining below the loss and theft targets set by EPDK, implements the sector's leading practices in energy management through network modernisation and infrastructure investments. Innovative projects are being developed to reduce loss rates and make energy distribution processes more efficient, field operations are being strengthened, and training programmes are being organised to raise employee awareness of energy management.

> **As of 2024, technical and non-technical loss rates in the distribution area have been reduced to 5.41%, falling below the 6.74% target set by EPDK**

Water Management

> In line with the 2024 water footprint assessments, the **blue water footprint was calculated as 35,813 m3, the green water footprint as 18,503 m3,** and the grey water footprint as 32,232 m3

Climate change, increasing water demand, and environmental impacts have made the sustainable management of water resources more important than ever. Although Gdz Electricity does not directly cause high water consumption during its activities, it considers the efficient use and conservation of water to be among its primary environmental responsibilities. In this regard, it contributes to the conservation of natural resources by implementing practices that encourage water savings in its operational processes.

The company applies systematic water management strategies to minimise its impact on water resources and develops solutions to prevent unnecessary water use in energy distribution processes. It also monitors water management performance in accordance with the ISO 14001 Environmental Management System Standard and invests in technologies that increase resource efficiency.

Water footprint calculations, carried out in line with the ISO 14046: 2014 Water Footprint Standard, determine the company's water consumption and water-related environmental impacts, with regular measurements identifying areas for improvement. As of 2024, analyses have been conducted to calculate the company's total water consumption and related footprint values. Based on these data, efforts continue to develop sustainable water management practices.

Furthermore, the reliability of water footprint calculations is ensured through independent verification processes in accordance with the ISO 14046 standard.

Water Management

Water Footprint	Unit	2022	2023	2024
Blue Water Footprint	m^3/year	41,547	35,331	35,813
Green Water Footprint	m^3/year	21,663	18,533	18,503
Grey Water Footprint	m^3/year	36,589	31,798	32,232

Water Stress

Gdz Electricity closely monitors water risks in the regions where it operates and conducts regional analyses using data from the World Resources Institute's (WRI) Water Risk Atlas (Aqueduct). With water stress levels expected to reach critical levels by 2030, the company aims to minimise the impact of its operations on water by taking proactive measures against these risks.

According to the WRI Water Risk Atlas, water stress maps for the provinces of Izmir and Manisa for 2024 and 2030 are provided below:

> **Based on the assessments, it is anticipated that water resources in Izmir and Manisa will face greater pressure in the future**

2024, Izmir and Manisa

2030, Izmir and Manisa

Water Stress

Low	Low to Medium	Medium to High	High	Very High
(<10%)	(10-20%)	(20-40%)	(40-80%)	(>80%)

Waste Management

Gdz Electricity implements a comprehensive waste management strategy to minimise the environmental impact of waste generated during its activities. The company integrates circular economy principles into its operations by managing the processes of waste reduction at source, recovery and disposal in accordance with national and international legislation. Sustainable resource management and improvement processes are carried out within the framework of environmental responsibility.

Hazardous waste generated during electricity distribution activities is sent to licensed waste disposal facilities and managed without harming the environment. Equipment that has reached the end of its useful life is collected in accordance with relevant legislation and processed using environmentally sensitive methods. In particular, transformer scrap, switch and disconnector scrap, batteries and metal-based equipment are separated in a controlled manner and directed to licensed recycling facilities. Modern tracking systems are used to minimise environmental impacts in waste management processes, and processes are developed to reduce the generation of hazardous waste. Waste management processes are regularly monitored and reported, and optimised in line with performance indicators.

Non-hazardous waste is managed through separation in line with the company's sustainability objectives. Recyclable materials are directed to appropriate facilities to ensure the efficient use of resources, thereby contributing to the reduction of natural resource consumption. Many materials, primarily copper, aluminium and iron scrap, are included in reuse processes to minimise waste amount. The best practices are followed in the storage, transportation and disposal of waste, ensuring compliance with sustainability principles.

The effective control mechanisms adopted by the company in its waste management processes are supported by regular audits, aiming to ensure full compliance with environmental legislation. Waste management training is provided to employees, raising awareness among field teams and encouraging the proper management of waste. Projects are developed to reduce waste generation within the electricity distribution network, and investments are made in technologies that minimise environmental impacts.

Total Waste

By Type	Unit	2022	2023	2024
Hazardous Waste	Ton	944,094	848,471	280,385
Non-Hazardous Waste	Ton	851,457	924,502	173,792,279
Total Waste	Ton	1,795,551	1,772,973	174,072,664

Social Performance

Human Resources Policies and Practices

Human Resources Management

Gdz Electricity embraces the creation of an equitable, inclusive, and fair working environment for all employees as a corporate priority. In line with the "Equal Life" philosophy, training, seminars, and awareness programmes supporting gender equality are organised, aiming to increase female employment and raise the proportion of female managers at senior and middle management levels.

As of 2024, the company, which has 1,020 employees, does not tolerate any discrimination against its employees based on race, language, religion, gender, age, health status, physical disability, or any other factors, in line with its Human Rights Policy. Furthermore, the Code of Ethics and Working Principles establish a binding framework for all employees and business partners, and the Personal Data Protection and Processing Policy is implemented in accordance with the principle of protecting data security and privacy to the highest degree.

Furthermore, the company considers domestic violence and abuse to be a fundamental violation of human rights and offers confidential support mechanisms to affected employees through its Domestic Violence Prevention Procedure. Gdz Electricity is committed to providing a sustainable, fair and safe working environment based on equality, diversity and ethical values.

Human Resources Digitalisation Projects
- Recruitment, Performance & Training Modules
- Enport
- EBA

Remote & Hybrid Working Models

S-Energy & Full Energy Young Talent Programme

I'm Doing This Job

Candidate Experience Projects
- Recruitment Processes
- Orientation & Buddy

Academy and Development
- LED Programme
- My Path
- AYTEM
- MÜGEP
- Internal Training

Future

- **Competency-Based Performance Management System**
- **Internal Career Path**
- **Promotion and Transfer Processes**
- **Remuneration & Fringe Benefits**
- **Idea Hotline**
- **Leadership & Mentoring**
- **Seniority Awards**
- **Performance Recognition System**

Success

- **Special Occasion Communications & Celebrations**
- **Recruitment and Promotion Dinners Events**
- **Internal Communication Activities (Marriage, Birth, Death, Promotion, First Day, Passing)**
- **Corporate Wellbeing Project**
- **Aydem Equal Life Project**
- **Human Rights Policy**
- **NGO Partnerships**
- **Social Responsibility Projects**
- **Leadership Meetings**
- **General Manager Meetings, Three Names in the Spotlight**
- **Health Support Packages and Private Health Insurance**

Life

Human Rights Policy

Anti-Discrimination Approach

Gdz Electricity rejects all forms of discrimination in the workplace and views diversity as part of its corporate strength.

Anti-Child Labour and Anti-Forced Labour Policy

Child labour and forced labour are absolutely unacceptable; the same standards are expected from business partners.

Healthy Working Conditions

Health and safety at work are a priority; a safe and hygienic working environment is provided.

Equal Opportunities and Support for Female Employees

Equality in remuneration and career opportunities is fundamental; empowering female employees is a priority.

Education and Freedom of Expression

All employees are provided with education and development

Ethical Values and Human Rights

Gdz Electricity adheres to ethical principles; it is a signatory to the UN Global Compact and the Women's Empowerment Principles and carries out various awareness projects.

Employee Experience Enhanced by Fringe Benefits

Gdz Electricity offers a comprehensive fringe benefit package to enhance the well-being of its employees and support work-life balance. Full-time and non-unionised employees are covered by life insurance and supplementary health insurance, and benefit from financial support such as death, birth, and marriage allowances.

To support employees' social and private lives, they are granted one day's leave on their birthdays, one day's additional leave for moving house, and seven days of annual social leave for official procedures, the first day of their child's school year, or situations requiring accompaniment. Annual leave periods are arranged to exceed the duration specified in the Labour Law.

Service incentive bonuses and gratuities are paid to encourage employee loyalty and increase motivation. Gdz Electricity embraces this fringe benefit as an integral part of its corporate policies to ensure that its employees work in a safe, fair and supportive working environment.

Equal Life Project

Gdz Electricity has launched the "Equal Life Project" to support gender equality in the energy sector and increase the proportion of female employees. The project ensures gender equality in management positions, organises awareness training, and implements gender-neutral CV evaluation processes.

The project aims to remove gender-based barriers in work and social life and to provide lasting solutions to gender inequality. Committed to creating a working environment that supports diversity, the company organises training programmes and seminars to increase the number of female managers, and these efforts contribute to its inclusivity goals.

Women's Empowerment Principles (WEPs)

In order to support women's participation in the workforce, gender equality principles are observed in all practices and processes, and strategies are implemented to increase female representation on the board of directors and in senior management. As a participating member of the United Nations Global Compact and a signatory to the Women's Empowerment Principles (WEP), the company supports its commitment to these principles. It develops awareness initiatives, career development and work-life balance projects in this area, thereby increasing employee satisfaction while contributing to sustainable growth.

Talent Management

Professional and Personal Development Programmes

Gdz Electricity offers comprehensive training and development programmes aimed at creating a qualified workforce by supporting the professional and personal development of its employees. The company promotes sustainable success through training that enhances its employees' leadership, technical competence and operational efficiency.

The PEAK Leadership Development Programme is implemented to develop leadership competencies, while the Aydem Start Orientation Programme and Face-to-Face Orientation and Preparation Training Programme are conducted to help new employees quickly adapt to the organisation.

Aydem Academy contributes to the continuous learning and development processes of employees by offering comprehensive training content. In technical areas of expertise, Technical Trainer Training, Life Safety and Fault Response Training Programmes increase operational efficiency in the field.

Electrical and Electronic Engineer Training, EKAT Certification Process, Legal Document Acquisition Processes, Customer Experience Training Programme, and Blue Collar Training Programmes are conducted throughout the year to develop employees' professional competencies. In addition, special training programmes are designed for subcontractor employees to enhance their technical knowledge and communication skills.

Gdz Electricity plans all training processes in line with its corporate development strategies, aiming to strengthen the competencies of its employees and increase its competitive power in the sector.

Investing in New Talent at Gdz Electricity

Gdz Electricity has launched the Enerjim Tamam Programme with the aim of discovering and developing young talents who will shape the future of the energy sector. Successfully running for three terms, this programme aims to recruit young professionals who are recent university graduates, postgraduate students or have up to one year of work experience. My Energy is Complete supports the professional development of young people, enabling them to make a quick and well-equipped entry into the energy sector.

Within the scope of the **Young Energy Education Programme**, high and low voltage workshops have been established and technical training has been provided in collaboration with vocational high schools. Led by the Technical Training Directorate, this programme supports students' development in basic electrical knowledge and field applications, while offering a hands-on learning experience through virtual reality-based training.

> **Gdz Electricity aims to equip the sector with skilled, innovative, and profitable professionals through these comprehensive programmes designed to develop the professional skills of young talents.**

Occupational Health and Safety Management

Gdz Electricity shapes its occupational health and safety (OHS) management with the understanding that "no job is so important or urgent that it should jeopardise human life," and ensures full compliance with legal regulations and international standards in all its activities. . aims to ensure the safety of its employees by taking effective measures to prevent workplace accidents and occupational diseases, and to strengthen the OHS culture through a continuous improvement approach.

The company safeguards the rights of its employees and provides a safe working environment within the framework of the Labour Law No. 4857, the Occupational Health and Safety Law No. 6331, the Social Insurance and General Health Insurance Law No. 5510, and the High Voltage Electrical Installations Regulation. It continuously improves its processes with the ISO 45001 Occupational Health and Safety Management System and enhances its OHS performance through regular audits and controls.

Gdz Electricity conducts regular risk analyses, field observations, and safety inspections to ensure the safety of field operations. Monthly OHS Committee meetings are held at the South, North, Metropolitan and Manisa Regional Directorates, and all relevant processes are continuously monitored and necessary improvements are made. In order to ensure the effective management of OHS processes, employer representatives, technical managers, occupational safety experts and employee representatives regularly participate in risk assessments. In this context, potential hazards in the workplace are identified and necessary preventive measures are taken. Digital platforms such as OHS software systems and the Quality Document Management System (QDMS) are used to increase employee participation in occupational health and safety processes. All employees can report hazardous situations, behaviours, and near misses and make suggestions through these platforms. Furthermore, the Golden Rules Campaign is used to raise awareness among field workers, particularly strengthening safety measures in critical areas such as working at height, hand protection, work permits, vehicle use, fire hazards, and lifting operations.

The company conducts regular site inspections and risk assessments using the 5x5 Matrix method to prevent workplace accidents and occupational illnesses. Following workplace accidents, comprehensive root cause analyses are carried out and corrective and preventive actions are implemented.

"No job is so important or urgent that it should put a person's life at risk.

To protect employee health, infirmary services are provided at regional offices, and periodic health examinations and mobile health screenings are carried out regularly. The workplace doctor and health personnel ensure easy access for employees with a five-day work schedule. In addition, nutrition and first aid training is organised to promote a healthy lifestyle culture in the workplace. Gdz Electricity requires not only its own employees but also contractors to fully comply with OHS processes. OHS committees are established for contractors, and regular inspections are conducted.

To develop an occupational health and safety culture, OHS Week events are organised, and theatre performances, seminars, and interactive training sessions are held to raise employee awareness. The company conducts all its activities with a proactive OHS management approach, continuously improves safe working environments, and treats employee health and safety as an integral part of its business processes. The OHS culture is continuously developed through innovative projects and technology-based solutions.

Corporate Social Responsibility

Education and Awareness Projects
Energy Hunters Illuminate the Future

Gdz Electricity continues its "Energy Hunters" project, which aims to instil energy efficiency and conservation awareness at an early age. Launched in 2016 and winning 7 awards, this corporate social responsibility project provides training on the importance of energy and conscious consumption to children aged 4-8 in Izmir and Manisa. This project, which helps children gain awareness about energy saving and sustainability, aims to establish conscious consumption habits that will last for generations.

The educational process is carried out using drama-supported interactive methods and is conducted in collaboration with the Provincial Directorates of National Education. This method, which offers students a fun and educational environment, conveys how energy can be used more efficiently through practical examples. After the training, children who earn the title of "Energy Hunter" contribute to spreading energy conservation awareness throughout society by sharing what they have learned with their families and friends. In addition, the Energy Hunters matching box game distributed to children during the activities ensures that energy conservation is supported by awareness within the family.

To date, 32,000 children have been trained under the project, touching the lives of a total of 80,000 people. As of 2024, 17 schools have been visited, enabling 5,250 children to participate in the project.

Endangered species: The aim is for children to gain not only energy efficiency awareness but also ecosystem awareness

Digitalisation steps: The certificates distributed are being digitised to transition to an environmentally friendly application.

Expansion of scope: In addition to energy efficiency, various awareness-raising activities on sustainability and endangered animals are planned to be integrated into the project.

The process of training Energy Hunters is continuing at full speed.

In 2024, an educational programme was implemented to increase the occupational health and safety awareness of students studying in the Electrical-Electronic Technology departments of vocational high schools in the distribution area. Visits were organised to 22 schools, mainly with the participation of 10th and 11th grade students from . Following an introduction to the institution and information about the sector, training on occupational health, safety and sustainability was provided. The project aimed to raise young people's awareness of the sector and instil a culture of safe working practices at an early age.

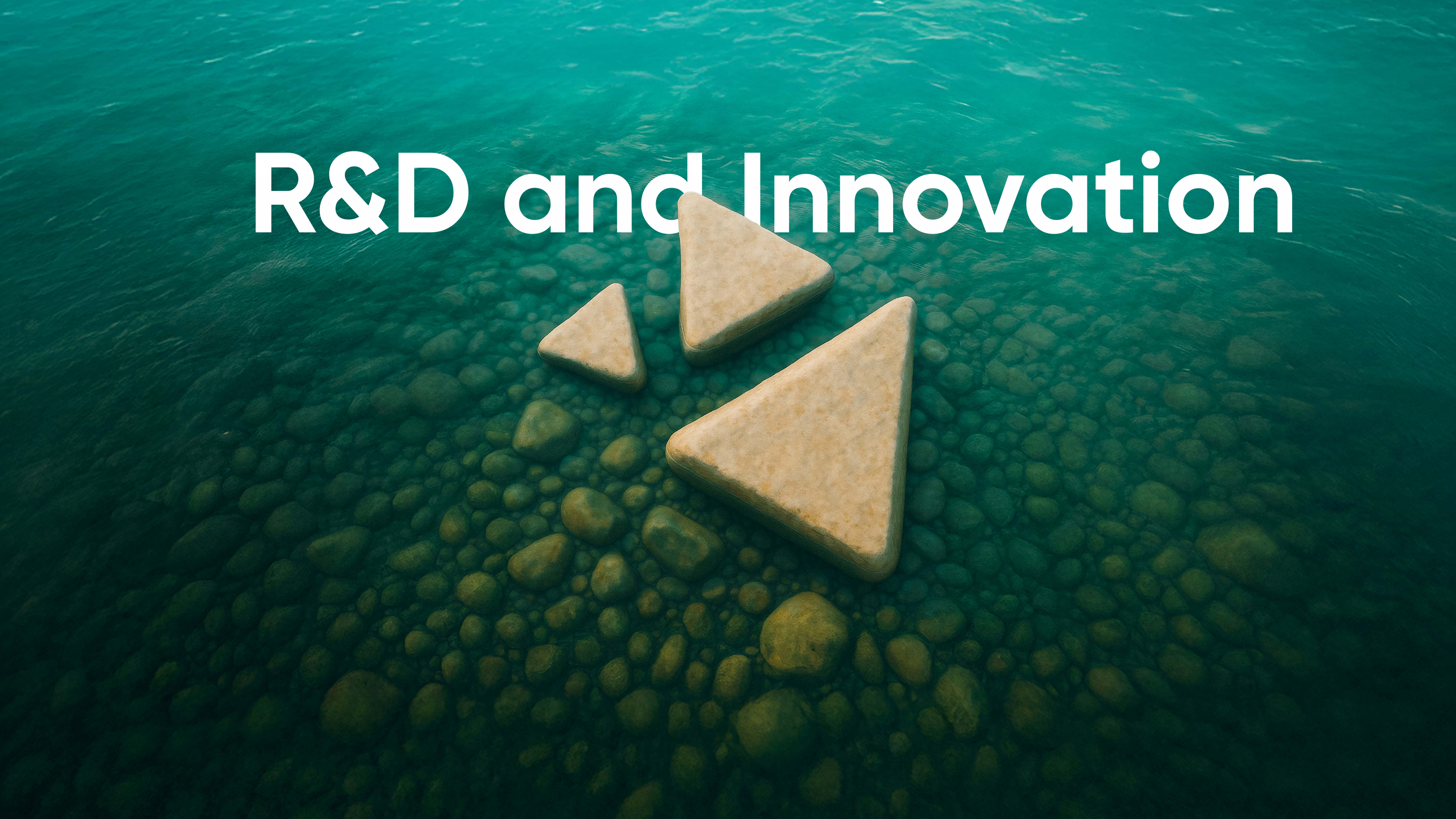
Night-time Museum Visits at the Ancient City of Ephesus:

Illuminating History with Gdz Electricity Located in the Selçuk district of Izmir, the Ancient City of Ephesus has begun offering visitors a unique experience with the “Night Museum” initiative, launched for the first time in 2024. Gdz Electricity provided the lighting infrastructure for this project, making the ancient city suitable for night visits with energy-efficient LED systems that preserve the historical fabric. This has enabled cultural heritage to reach a wider audience while providing sustainable lighting with an environmentally friendly approach.

Night museum visits offer a comfortable alternative, especially for visitors seeking to avoid the daytime heat during the summer months, while also revitalising tourism in the region. Key sites such as the Celsus Library, the Great Theatre, and the Marble Street were highlighted with smart lighting systems. Gdz Electricity developed a model that minimises light pollution, reduces the carbon footprint, and integrates renewable energy sources.

This application became an important example of how historical heritage can be sustainably preserved with modern technology. The infrastructure provided by Gdz Electricity inspired smart city lighting solutions while supporting cultural values. Night museum visits, which began in Ephesus, will continue to be implemented in different historical areas in the coming years, promoting cultural tourism and encouraging environmental sustainability.

R&D and Innovation



Digitalisation

Gdz Electricity prioritises digital transformation to make energy distribution processes more efficient, secure and sustainable. By integrating technological innovations into its operations, it is both improving service quality and strengthening the resilience and flexibility of the network infrastructure. The digitalisation strategy is designed to optimise energy management processes, make business processes more efficient and improve the customer experience.

The company is modernising its operational processes with technological infrastructure investments such as smart grid systems, remote monitoring and automation solutions, data analytics and digital security systems. Thanks to SCADA (Supervisory Control and Data Acquisition) systems, GIS (Geographic Information Systems) and digital twin technologies, the energy infrastructure is monitored in real time, and maintenance and repair processes are carried out more quickly and efficiently. SCADA systems enable the immediate detection of outages in the grid and increase energy continuity by providing remote intervention capabilities.

Digital meters and smart metering systems enable real-time monitoring of energy consumption and minimise energy losses. Digital systems allow for more transparent management of consumer data, simplify billing processes, and encourage energy savings. Remote monitoring is carried out with smart meter reading systems, preventing technical and non-technical losses.

Cybersecurity is considered a critical component of the digitalisation process, and all digital infrastructure is secured within the framework of the ISO 27001 Information Security Management System. Data security measures are continuously updated to protect the energy infrastructure against cyber threats, and necessary actions are taken upon detection of security vulnerabilities.

Gdz Electricity uses artificial intelligence and big data analytics technologies to make its operations smarter and more predictable. Machine learning algorithms detect anomalies on the network and optimise maintenance processes with failure prediction models. This strengthens preventive maintenance processes and prevents unexpected outages.

Furthermore, digitalisation processes are also utilised to improve the customer experience. Online service platforms, mobile applications and digital customer support systems are implemented, reducing the need for call centres while increasing customer satisfaction.

The company is advancing its digital transformation process in line with sustainability principles and aims to create a more reliable and efficient energy infrastructure by modernising the energy distribution network. Gdz Electricity continues to transform energy management through digitalisation and is shaping the energy systems of the future with smart solutions.

R&D

Gdz Electricity attaches great importance to R&D activities with the aim of increasing operational efficiency, ensuring energy supply security and contributing to a sustainable future by developing innovative solutions in the energy sector. The company is leading the transformation processes in the sector by developing projects in areas such as digitalisation, energy efficiency, smart grids, artificial intelligence-supported systems and renewable energy integration.

Fifty-nine R&D projects approved by EPDK are being carried out for the period January 2021-2025. These projects focus on critical issues such as modernising the network infrastructure, demand management, reducing outage times, and improving customer experience. The projects developed include the detection and classification of faults in medium and low voltage networks using distributed/three-phase calculation methods, dynamic line capacity (DLR) pilot applications on overhead lines, and demand management through consumer perception management.

Gdz Electricity is also actively involved in international R&D projects, currently executing five accepted and ongoing international and TÜBİTAK projects. Within the scope of the projects developed, work is being carried out in critical areas such as the integration of advanced storage systems into photovoltaic production, transformer location and capacity optimisation with geospatial analytical applications, and the development of decision-making mechanisms in distribution networks with digital process twin integration.
Furthermore, as of 2024, applications have been submitted for 14 new international R&D projects, marking significant steps towards expanding the company's R&D activities globally. Additionally, four R&D dissemination projects have been completed.

The projects developed by Gdz Electricity as part of its R&D strategy include innovative solutions such as cable fault detection devices for medium-voltage underground electrical networks, intelligent robot systems for unmanned monitoring and control in distribution centres, and AI-supported voice control and command systems for electrical distribution buildings. Demand balance controller devices, smart electro-magnetic medium voltage fuse systems, and modular transformer development projects also contribute to making the company's energy infrastructure more resilient.

Within the scope of R&D activities, the use of digitalisation and automation technologies is being increased with the aim of making energy management processes smarter, more efficient and more sustainable. E-mobility projects, innovative energy storage solutions and AI-supported network monitoring systems demonstrate Gdz Electricity's contribution to energy transformation.

The company does not limit its R&D projects to technological developments alone; it implements innovative solutions in a broader ecosystem through partnerships developed with industry stakeholders, universities, research centres, and technology companies. Gdz Electricity is building the energy infrastructure of the future with R&D projects that support the transition to sustainable and smart energy systems, driving transformation in the energy sector by encouraging innovation.

59 R&D projects
approved by EPDK for the 2021-2025 period

14 new R&D project applications
as of 2024

G-lab R&D & Entrepreneurship Centre

Gdz Electricity established the G-lab R&D & Entrepreneurship Centre to encourage innovative solutions, support the entrepreneurial ecosystem in the energy sector, and implement sustainable projects. Located on the company campus, this centre works in collaboration with the İzQ Entrepreneurship & Innovation Centre and the Science Park Office to support entrepreneurs in developing their innovative ideas.

Activities Conducted at G-Lab

G-Lab develops joint projects with the Izmir Development Agency to encourage entrepreneurship in the energy sector and organises training and support programmes to enable young entrepreneurs to enter the sector. Capacity development training and innovative idea workshops are organised for the electricity distribution sector, with support provided to 70 entrepreneurs during the programme.

Innovation and entrepreneurship events are organised to bring together idea owners, investors and academic circles, contributing to the development of the technology and entrepreneurship ecosystem in Izmir and Manisa. These events enable entrepreneurs to develop new projects and increase sectoral cooperation.

Gdz Electricity's traditional Datathon event, which provides data and focuses on predicting power outages, encourages entrepreneurs and technology developers to produce innovative solutions for the energy sector. Held for four years, this event has received 7,933 applications to date, and many creative ideas have been brought to life within G-Lab.

Gdz Electricity aims to support innovative projects, increase collaborations with technology companies, and bring about innovation-focused transformation in the sector through the G-Lab R&D & Entrepreneurship Centre.

Appendices

Performance Tables

Economic Performance Indicators

Economic Value Created	2022	2023	2024
Economic value created (revenues) (million TL)	19,696.63	24,539.93	29,496.71

Distributed Economic Value	2022	2023	2024
Operating expenses (including procurement, excluding wages) (million TL)	14,641.12	13,973.54	11,430.66
Wages and fringe benefits paid to employees (million TL)	723.82	1,071.60	1,356.14
Taxes and similar payments made to the state (million TL)	431.75	672.66	938.53
Donations, sponsorships and corporate responsibility expenditures (TL)	115,466	5,656,260	579,163

Financial Indicators	2022	2023	2024
Net sales value (million TL)*	34,815.96	38,299.85	29,496.71
Net profit (million TL)*	6,677.97	9,352.80	1,591.97
Total current assets (million TL)*	17,821.99	19,528.51	19,856.12
Total assets (million TL)*	37,380.55	41,688.26	41,795.48
Total equity (million TL)*	7,611.25	15,617.72	17,371.90

Environmental Performance Indicators

ENERGY

Direct Energy (Consumption)	Unit	2022	2023	2024
Petrol*	litre	69,359.18	11,341.19	49,587.92
Diesel*	litre	672,728.97	700,645.79	724,997.41
Natural gas*	Sm^3	102,159.63	64,762.31	18,712.27

* Data indicated with a symbol are subject to limited assur

ENERGY

Indirect Energy (Consumption)	Unit	2022	2023	2024
Electricity*	kWh	2,801,012	2,044,833	1,276,894

EMISSIONS

Greenhouse Gas Emissions	Unit	2022	2023	2024
Scope 1 CO_2 Emissions*	t CO_2e	74,248	73,134	79,874
Scope 2 CO_2 Emissions*	t CO_2e	358,021	355,089	410,913
Scope 3 CO_2 Emissions*	t CO_2e	161,260	125,592	77,317
Total CO_2 Emissions*	t CO_2e	593,529	553,815	568,104

* Data indicated with a symbol are subject to limited assur

WASTE

By Type	Unit	2022	2023	2024
Hazardous Waste*	Ton	944,094	848,471	280,385
Non-Hazardous Waste*	Ton	851,457	924,502	173,792,279
Total Waste*	Ton	1,795,551	1,772,973	174,072,664

WATER

Water Management	Unit	2022	2023	2024
Amount of water withdrawn from municipal supply*	m3	7,903.74	9,600.48	7,897.35
Total amount of water consumed*	m3	4,958.37	3,533.14	3,581.32
Amount of groundwater extracted*	m3	32,750.63	25,050.00	27,177.05
Water Footprint	**Unit**	**2022**	**2023**	**2024**
Blue Water Footprint*	m3/year	41,547	35,531	35,813
Green Water Footprint*	m3/year	21,663	18,533	18,503
Grey Water Footprint*	m3/year	36,589	31,798	32,232

* Data indicated with a symbol are subject to limited assur

Social Performance Indicators

WORKFORCE – EMPLOYMENT

By Employment Type	Unit	2022	2023	2024
White-Collar – Female*	Person	237	250	261
White-Collar – Male*	Person	394	398	393
Blue-Collar – Female*	Person	0	0	0
Blue-Collar – Male*	Person	329	344	366

WORKFORCE – EMPLOYMENT

By Contract Type	Unit	2022	2023	2024
Indefinite Term – Female*	Person	237	249	261
Indefinite Term – Male*	Person	720	742	759
Fixed-Term – Female*	Person	0	0	0
Fixed-Term – Male*	Person	3	0	0

* Data indicated with a symbol are subject to limited assur

WORKFORCE – EMPLOYMENT

By Gender	Unit	2022	2023	2024
Male*	Person	723	742	759
	Ratio	75	75	74
Female*	Person	237	250	261
	Ratio	25	25	26

WORKFORCE – EMPLOYMENT

Age Group	Unit	Gender	2022	2023	2024
18–30 years old*	Person	Female	39	60	77
		Ratio	16	24	30
		Male	121	163	199
		Ratio	17	22	26
31–40 years old*	Person	Female	133	133	128
		Ratio	56	53	49
		Male	352	353	356
		Ratio	49	48	47
41–50 years old*	Person	Female	55	49	49
		Ratio	23	20	19
		Male	190	181	165
		Ratio	26	24	22
Aged 51–60*	Person	Female	10	8	7
		Ratio	4	3	3
		Male	40	31	27
		Ratio	6	4	4
Above 60 years*	Person	Female	0	0	0
		Ratio	0	0	0
		Male	20	14	12
		Ratio	3	2	2

* Data indicated with a symbol are subject to limited assur

WORKFORCE – EMPLOYMENT

Other Groups	Unit	Gender	2022	2023	2024
Disabled*	Person	Female	7	7	7
		Ratio	0.03	0.03	0.03
		Male	25	25	24
		Ratio	0.49	0.48	0.47

WORKFORCE – EMPLOYMENT

By Management Category	Unit	Gender	2022	2023	2024
Senior Management*	Person	Female	1	1	1
		Ratio	0.25	0.25	0.33
		Male	3	3	2
		Ratio	0.75	0.67	0.67
Middle Management*	Person	Female	15	18	20
		Ratio	0.16	0.19	0.20
		Male	80	78	80
		Ratio	0.84	0.81	0.80
Other*	Person	Female	221	231	240
		Ratio	0.26	0.26	0.26
		Male	640	661	677
		Ratio	0.74	0.74	0.74

* Data indicated with a symbol are subject to limited assur

WORKFORCE – EMPLOYMENT

Employment and Turnover	Unit	2022	2023	2024
New Hires – Total*	Person	160	124	112
White-Collar*	Person	145	84	74
Blue-Collar*	Person	15	40	38
Departures – Total*	Person	75	92	85
White-Collar*	Person	64	67	68
Blue-Collar*	Person	11	25	17

WORKFORCE – EMPLOYMENT

By Gender	Unit	2022	2023	2024
Male – Hired*	Person	119	90	78
	Ratio	0.74	0.73	0.70
Male – Resigned*	Person	58	71	62
	Ratio	0.77	0.77	0.73
Female – Hired*	Person	41	34	34
	Ratio	0.26	0.27	0.30
Female – Resigned*	Person	17	21	23
	Ratio	0.23	0.23	0.27

* Data indicated with a symbol are subject to limited assur

WORKFORCE – EMPLOYMENT

By Age	Unit	2022	2023	2024
18–30 years old – New Hires*	Person	109	82	79
	Ratio	68.13%	66.13%	70.54%
18–30 years old – Departures*	Person	21	23	28
	Ratio	28.00%	25.00%	32.94%
31–40 years old – New Hires*	Person	44	38	26
	Ratio	27.50%	30.65%	23.21%
31–40 years old – Departures*	Person	35	33	27
	Ratio	46.67%	35.87%	31.76%
41–50 years old – New Hires*	Person	6	3	7
	Ratio	3.75%	2.42%	6.25%
41–50 years old – Departures*	Person	7	23	24
	Ratio	9.33%	25.00%	28.24%
51–60 years old – New Hires*	Person	1	1	0
	Ratio	0.63%	0.81%	0.00%
51–60 years old – Departures*	Person	10	7	4
	Ratio	13.33%	7.61%	4.71%
Over 60 years old – New Hires*	Person	0	0	0
	Ratio	0.00%	0.00%	0.00%
Over 60 years old – Departures*	Person	2	6	2
	Ratio	2.67%	6.52%	2.35%

* Data indicated with a symbol are subject to limited assur

TRAINING AND ORIENTATIONS

All Training (by Type)	Unit	2022	2023	2024
Professional Development*	Hour	10,655	6,438	5,502
Personal Development*	Hour	5,021	1,375	3,762
Other (Leadership)*	Hour	12,874	15,580	23,476
Mandatory Legal Training*	Hour	1,890	1,399	690
Total Training Hours*	**Hour**	**30,440**	**24,792**	**33,430**

OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety Training	Unit	2022	2023	2024
Number of Company Employees*	Person	975	996	1,033
Number of Subcontractor Employees*	Person	2,173	613	1,035
Company Employees*	Person*Hour	5,190	1,206	12,310
Subcontractor Employees*	Person*Hour	61,573.77	59,200.5	9,340
Total OHS Training*	**Person*Hour**	**66,763.77**	**71,216.5**	**21,650**

* Data indicated with a symbol are subject to limited assur-

OCCUPATIONAL HEALTH AND SAFETY

Occupational Health and Safety (OHS) Committee	Unit	2022	2023	2024
Total Number of Members in Established OHS	Person	65	65	70
Number of Employee Representatives in Established	Person	5	5	6

Limited Assurance Statement

LIMITED ASSURANCE STATEMENT

Verification Scope

Necessary verification activities were carried out to independently verify the compliance of GRI performance disclosures (environmental and social indicators) in the Gdz Elektrik Dağıtım A.Ş. 2024 Sustainability Report prepared by Gdz Elektrik Dağıtım A.Ş. for the year ended 31 December 2024 with the GRI Standard at a limited confidence level.

This Statement of Assurance covers the data and information relating to the performance disclosures assessed within the scope of the work described below.

Environmental Indicators

Direct CO_2 Emissions (Scope 1) (ton CO_2e)
Indirect CO_2 Emissions (Scope 2) (ton CO_2e)
Indirect CO_2 Emissions (Scope 3) (ton CO_2e)
Blue Water Footprint (m^3/year)
Green Water Footprint (m^3/year)
Grey Water Footprint (m^3/year)
Direct Energy Consumption (Gasoline - Liter)
Direct Energy Consumption (Diesel - Liter)
Direct Energy Consumption (Natural Gas - Sm^3)
Indirect Energy Consumption (Electricity - kWh)
Hazardous Waste (ton)
Non-Hazardous Waste (ton)

Social Indicators

Number of Female and Male Employees by Employment Type
Number of Female and Male Employees by Contract Type
Number of Employees by Gender and Age
Number of Employees by Management Category
Number of Newly Hired Employees by Gender and Age
Number of Employees Who Left by Gender and Age
Total Training Hours by Training Topics
Occupational Health and Safety Training Hours
Near-Miss Rate
Injury Frequency Rate
Absenteeism Rate

Verification Activities

The accuracy and responsibility for the information contained in the Sustainability Report lies with Gdz Elektrik Dağıtım and Unity Belgelendirme Muayene ve Test Hizmetleri Ltd. Şti. did not participate in the preparation of this report. The responsibility of Unity Belgelendirme Muayene ve Test Hizmetleri Ltd. is to verify the accuracy and reliability of the information available and to provide independent assurance of the underlying systems and processes used to obtain, analyse and review this information.

Unity Belgelendirme Muayene ve Test Hizmetleri Ltd. Şti.
İlk Yerleşim Mah., 1901. Cad. No: 4/3, Yenimahalle, Ankara
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The procedures we perform are based on our professional judgement and include research, interviews, observation of processes performed, review of documentation, analytical procedures, assessment of the appropriateness of measurement methods, review of reporting policies and reconciliation of underlying records.

The limited assurance procedures we carry out are as follows:

1. Interviews were conducted with the persons responsible for the relevant environmental and social indicators.
2. It includes the control and verification of environmental and social performance reporting data with reference documents.
3. The source data used for the preparation of environmental and social indicators have been evaluated and selected specific examples of calculations have been redone.
4. Limited testing was carried out on a sample basis for the compilation and preparation of environmental and social indicators prepared by the Company.
5. It covers the evaluation of data and information management systems in terms of collecting, combining, analysing and reviewing data.

Limited Assurance Statement

Unity Certification has planned and implemented verification studies in order to collect the information, explanations and evidence required to provide limited assurance in line with the processes and procedures applied.

In line with the procedures we have carried out and the evidence we have obtained, the GRI performance disclosures (environmental and social indicators) in the Company's 2024 Sustainability Report until 31 December 2024 have been verified and approved in all material aspects by the verification team.

Restriction

This report has been prepared to assist in the reporting of the Company's sustainability performance and activities, including the results. We authorise the inclusion of this report in the 2024 Sustainability Report for the year ending 31 December 2024 so that the Company can demonstrate that it has fulfilled its responsibilities by having a limited independent assurance report prepared on the performance data. To the extent permitted by law and with our prior written approval, we do not accept any responsibility to any person or organisation other than Gdz Elektrik Dağıtım A.Ş. in relation to the study or report we have carried out, except in cases expressly agreed upon.

UNITY CERT

Abdulkadir ÖZDOĞAN / Lead Verifier

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GRI Content Index

Content Index – Basic Information Services for GRI Services has assessed that the GRI content index has been prepared in accordance with the reporting requirements of the GRI Standards, and that the information in the index is presented clearly and is accessible to stakeholders. The service was performed on the English version of the report.

Statement of Use	Gdz Electricity, reporting in accordance with GRI Standards for the period 1 January 2024 – 31 December 2024
GRI Usage	GRI 1 : Foundation 2021

GRI STANDARD	EXPLANATION	REPORT PAGE
GRI 2: General Disclosures 2021	2-1 Organisation Information	About Gdz Electricity, pp. 10-13
	2-2 Organisations included in sustainability reporting	About the Report, p.5
	2-3 Reporting period, frequency, and contact point	About the Report, p.5
	2-4 Restatement of information	About the Report, p.5
	2-5 External assurance	Limited Assurance Statement, p.71
	2-6 Activities, value chain and other business relationships	About Gdz Electricity, pp. 10-13

GRI STANDARD	EXPLANATION	REPORT PAGE
GRI 2: General Disclosures 2021	2-7 Employees	Human Resources Practices, pp. 44-49
	2-8 Non-employee workers	Confidentiality restrictions
	2-9 Governance structure and components	Corporate Governance, pp. 18-19
	2-10 Nomination and election of the highest management body	Confidentiality restrictions
	2-11 Chair of the highest management body	Board of Directors, p.19 Sustainability Governance Structure, p.20
	2-12 Role of the highest governance body in overseeing the management of impacts	Corporate Governance, p.18, Sustainable Governance Structure, p.20
	2-13 Responsibility delegation for managing impacts	Corporate Governance, p.18, Sustainable Governance Structure, p.20
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