



Distributing Energy for Life

Sustainability Report 2023

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Adm

Distributing Energy for Life



ABOUT THE REPORT

Adm Electricity Distribution Inc., as one of Turkey's leading companies in energy distribution and services, is increasing its commitment to sustainability principles day by day. This report has been prepared to evaluate Adm Electricity Distribution Inc.'s sustainability performance towards 2023 and to ensure transparent communication with its stakeholders. In the rest of the report, Adm Electricity Distribution Inc. will be referred to as Adm Electricity Distribution.

Reporting Scope

This report is the 3rd Sustainability Report of Adm Electricity Distribution and includes Adm Electricity Distribution's sustainability strategy, activities and targets in the fields of environmental, social and governance, its approach to focal points that are important for its stakeholders and its performance in the 12-month period starting on 1 January 2023 and ending on 31 December 2023.

Reporting Principles and Standards

The report content has been prepared with reference to the GRI Sustainability Reporting Standards, the requirements of the Task Force on Climate-Related Disclosures (TCFD) methodology and the Turkish Sustainability Reporting Standards (TSRS) published in December 2023. In addition, the report includes our contributions to the United Nations Sustainable Development Goals (SDGs), which are widely recognised in the industry.

Contact us

The 2023 Sustainability Report has been prepared both in Turkish and English and the data and information contained in the report have been subjected to limited assurance by an Independent Audit Firm. You can send your opinions, suggestions and feedback

Publication Date and Frequency

This report was published in June 2024 to fulfil Adm Electricity Distribution's commitment to share its sustainability performance with its stakeholders.





GENERAL MANAGER MESSAGE

Dear Stakeholders

As Turkey's first private electricity distribution company, we have been distributing 'energy for life' in Aydın, Denizli and Muğla provinces since 2008, realising electricity infrastructure investments in line with economic, social and ecological needs. Throughout this 15-year journey that began with bold steps, we have been working with an approach that considers the sustainability of our natural resources and the environment in line with our vision of becoming Turkey's leading and innovative energy distribution company.

As a part of Aydem Energy, one of the leading players in the energy sector, we provide services over 78,751 km of electricity distribution lines with our human resources of 2,563 people and modern technological systems in an area of 33 thousand square kilometres consisting of 49 districts and nearly 2 thousand neighbourhoods/villages. At 2.3 million consumption points, which constitute approximately 4.5 per cent of the number of consumers in Turkey, we deliver over 10 TWh of electricity, corresponding to approximately 5 per cent of our country's electricity consumption, to a population of 3.3 million in a safe and high quality manner.

"In sustainability and operational excellence, we became the sector leader in Turkey and ranked third in the emerging markets category internationally. With this success, we are taking firm steps towards becoming the leading distribution company on a global scale."

Global developments and rising costs, especially after the pandemic and the Russia-Ukraine crisis, led to radical changes in energy policies in Europe. This situation encouraged countries to turn to their own energy sources and accelerate the transition to renewable energy. These changes are increasing the importance of e-mobility and highlighting cyber security concerns in the energy sector. In addition, issues such as the proliferation of electric vehicles and microgrid management accelerate energy storage and charging station investments, bringing them to the agenda of the sector.

In order to continuously improve customer satisfaction and integrate technological innovations, we are breaking new ground in the sector in the implementation of pioneering technological systems such as SCADA/DMS, OSOS and call centre operations. In the five-year investment period between 2021 and 2025, we aim to realise infrastructure and technology investments and infrastructure maintenance works with a total nominal amount of 13.74 billion TL with our innovative approach. These investments will further strengthen our energy distribution infrastructure, improve our service quality and directly contribute to the quality of life of the people in our region.

In addition, by adhering to the 10 principles of the United Nations Global Compact, we are creating a sustainable business model that focuses on human rights, labour standards, environmental protection and anti-corruption.

We reinforced our leadership in sustainability by ranking first among Turkish companies in Moody's ESG assessment. In the Carbon Disclosure Project (CDP), an environmental reporting initiative, we proved our environmental performance and effectiveness in combating climate change by succeeding in raising our "Score B" rating we received in 2022 to "Level A" in 2023.

In the coming period, we will increase the system integration of renewable energy sources, focus on projects that promote energy efficiency and savings, and support sustainable energy solutions in our region. We will continue to work for a sustainable future with a greener, cleaner and more livable world approach not only for today but also for future generations.

Yours sincerely,

Ahmet Bayramoğlu
General Manager

COMPANY PROFILE





About Adm Electricity Distribution

Adm Electricity Distribution is the first private electricity distribution company to assume a pioneering role in Turkey's electricity distribution sector, bringing a new dynamic to the industry. Since 2008, it has become an integral part of daily life by providing uninterrupted electricity distribution services to 2.28 million consumers and 3.28 million population in Aydın, Denizli and Muğla provinces. Serving critical sectors such as agriculture, trade and industry with safe, efficient and environmentally friendly approaches, the company offers innovative electricity distribution services in line with the technological requirements of the age.

Adm Electricity Distribution continues its activities as the only licensed distribution company that will continue to serve in Aydın, Denizli and Muğla provinces for 30 years as of 16.08.2008 with the distribution licence obtained from the Energy Market Regulatory Authority. With our 24/7 fault, maintenance and repair teams, call centre unit and meter reading teams coordinated by our Denizli-based headquarters, four regional directorates and 16 district managers.

Adm Electricity Distribution holds ISO 9001, ISO 10002, ISO 14001, ISO 27001, ISO 45001 management system certificates in the fields of quality, environment, occupational health and safety, information security and customer satisfaction. As a participant of United Nations Global Compact (UNGC), the world's most comprehensive sustainability platform, it is committed to complying with The 10 Principles of the UNGC. By adopting a transparent working method in accordance with procedures and rules, the company fulfils its responsibilities towards individuals, society, our country and the environment, while supporting the vision of carrying the company into the future.

Adm Electricity Distribution reinforces its leading position in the regional and national energy sector with its customer-oriented approach, continuous improvement and innovation spirit, setting high standards in the field of energy supply and sustainability. In this context, the company continues to play a leading role in the energy sector by shaping all its operations in line with sustainable growth, environmental sensitivity and social contribution for the future.

Aydın

Adm Electricity Distribution Aydın Regional Directorate
Adm Electricity Distribution Aydın Central Plant
Adm Electricity Distribution Aydın Nazilli-Kuyucak Plant
Adm Electricity Distribution Aydın Kuşadası Operation
Adm Electricity Distribution Aydın Didim Operation
Adm Electricity Distribution Aydın Söke Operation
Adm Electricity Distribution Aydın Çine Operation

Denizli

Adm Electricity Distribution Denizli Regional Directorate
Adm Electricity Distribution Centre
Adm Electricity Distribution Acıpayam - Tavas Operation
Adm Electricity Distribution Çal - Çivril - Çardak Operation
Adm Electricity Distribution Sarayköy -Buldan Operation

Muğla

Adm Electricity Distribution Muğla Regional Directorate
Adm Electricity Distribution Centre
Adm Electricity Distribution Ortaca - Dalaman - Köyceğiz Operation
Adm Electricity Distribution Fethiye - Seydikemer Operation
Adm Electricity Distribution Marmaris - Datça Operation

Bodum-Milas

Adm Electricity Distribution Bodrum - Milas Regional Directorate
Adm Electricity Distribution Bodrum Operation
Adm Electricity Distribution Milas Operation



Mission, Vision



MISSION

To offer high quality, modern and environmentally friendly power distribution services.



VISION

To be a leading distribution company on a global scale, adding value to life with its technology.

Our Values

Sensitivity

While carrying our organisation into the future by doing our job in the best way possible, we fulfil our responsibilities towards individuals, society, our country and the environment. We ensure that our work is carried out within the framework of our business ethics while performing our work in the targeted time and quality. We adopt a transparent and accountable working style in accordance with procedures and rules. We speak up if we encounter an unethical or unfair practice. We take into account how our behaviour affects others.

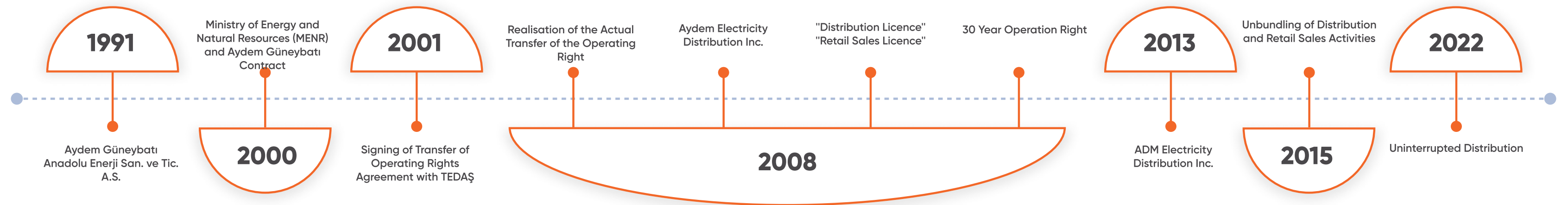
Dynamism

We follow the needs of our colleagues and stakeholders that arise under changing conditions, and we make the necessary improvements in the working environment, our business conduct system, products and services. We pioneer the electricity sector with the steps we take and lead the development and change in the sector. With curiosity in our soul, we try new ways to fulfil products, processes and services more efficiently, quickly and error-free.

Touching Life

"Human" is at the centre of every work we do and every step we take. We develop solutions that add energy and value to every moment of life with our continuous development, curiosity, inquisitive spirit and the expertise we have gained over the years. We enable our colleagues to express their different ideas, value their social needs and celebrate their successes together. We work to improve the quality of life of our stakeholders by accurately analysing their needs and expectations.

Adm Electricity Distribution Milestones





Adm Electricity Distribution Highlights

Investment Budget Increased to 3 Billion TL

	2022	2023
Total Investment Budget	2.8 Billion TL	3 Billion TL
Budget Allocated for Renewal and Improvement	2.6 Billion TL	2.7 Billion TL
Technology and R&D Investments	200 Million TL	300 Million TL
Budget Allocated for Maintenance	320 Million TL	350 Million TL

	Birim	2023
Number of People Services Provided	Milyon	3.28
Consumers of Service Provided	Milyon	2.28
Line Length	Km	78,751

Total Number
of Transformers

24,654

Pieces

Transformer
Capacity

10,458

MVA

Unlicensed
Producers

2,230

Pieces

Licensed
Producers

73

Pieces

Number of
Employees

811

Person

Energy
Distributed

10.16

TWh

Number of
General Lighting

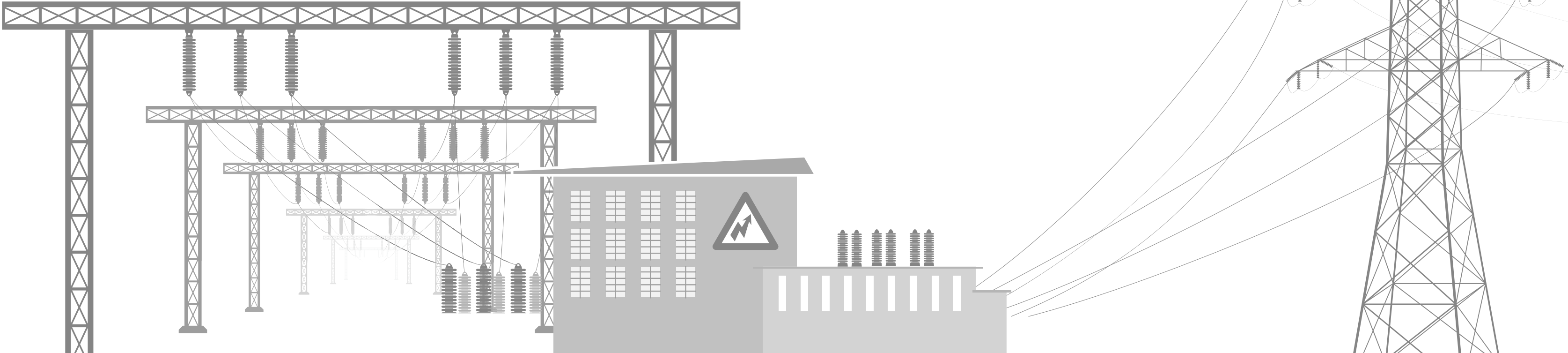
12,801

Pieces

Distribution
Area

32,904

km²





Our Awards in 2023

In the reporting for 2022, which was carried out in 2023, Adm Electricity Distribution succeeded in raising our rating in the Climate Change Programme of the Carbon Disclosure Project (CDP), the world's largest environmental reporting platform, to A. With the A Leadership score we received, we managed to be among the leading companies in the energy sector in Turkey again. We continue to take strong steps for the future.

Adm Electricity Distribution received the award for the Company with the Highest Investment in the Energy Sector at the Aegean Investment Export Innovation Technology 2023 Awards (EGE YİİT) organised by Yeni Asır newspaper.

Adm Electricity Distribution received the award for the Company with the Highest Investment in the Energy Sector at the Aegean Investment Export Innovation Technology 2023 Awards (EGE YİİT) organised by Yeni Asır newspaper.

Adm Electricity Distribution won a total of 5 Stevie® awards (2 Gold, 1 Silver and 2 Bronze) at the Middle East and North Africa Stevie® Awards with its New Nest for Storks corporate social responsibility project –in 2023

At the 20th Stevie® International Business Awards, Adm Electricity Distribution won the Bronze Stevie® award in the "Communication/Public Relations Campaign of the Year-Corporate Responsibility" category with the New Nest for Storks corporate social responsibility project. – 2023 Adm Electricity Distribution was included in Great Place to Work® Turkey's 2023 Social Responsibility & Volunteering List after winning the Great Place to Work and Best Employer awards.

At the 21st Golden Compass Turkey Public Relations Awards, Adm Electricity Distribution won the Golden Compass award in the "Corporate Responsibility-Environment" category with its New Nest for Storks corporate social responsibility project. – 2023

In the programme conducted by the Great Place to Work® Institute, which provides services on a global scale on workplace culture and employee satisfaction; Adm Electricity Distribution was certified as a "Great Workplace" this year as a result of the trust index survey in which our colleagues participated and evaluated according to the criteria of reliability, fairness, team spirit, pride and respect culture.

Adm Electricity Distribution entered the "Turkey's Best Employers List" as a result of the research conducted by the Great Place to Work® Institute.

Adm Electricity Distribution was included in Great Place to Work® Turkey's 2023 Social Responsibility & Volunteering List after winning the Great Place to Work and Best Employer awards.

Adm Electricity Distribution ranked 5th in Great Place to Work® Turkey's 2023 Best Workplaces for Innovation By All™ Most Innovative Companies List.

At the TEGEP Learning and Development Awards, Adm Electricity Distribution was awarded in the Talent Development Programme category with its Engineer Development Programme (MÜGEP).

With the Engineer Development Programme (MÜGEP), Adm Electricity Distribution was awarded at the Brandon Hall HCM Excellence Awards.



2023



BOARD OF DIRECTORS

Ali Murat Korkmaz

- Chairman of the Board

Chairman of the Board of Directors of Adm Electricity Distribution Inc.

He worked as a partner and manager in companies in the energy sector for many years. In 2008, he was appointed as the Chairman of the Board of Directors of Adm Electricity Distribution and Gdz Electricity Distribution in 2013.



Elmas Yaşar Bostancı

- Vice Chairman of the Board

Board Member of Adm Electricity Distribution Inc. and Gdz Electricity Distribution Inc.

Since 2003, Bostancı, who has work experience in different positions in the energy sector, was appointed as the General Manager and Chairman of the Board of Directors of Eti Mining Operations in 2016. Bostancı, who was previously a member of the Board of Directors in different group companies of Aydem Energy, has been serving as a Board Member in Adm Electricity and Gdz Electricity as of 2023.



Ahmet Bayramoğlu

- Board Member

Adm Electricity Distribution Inc. General Manager

With nearly 20 years of experience in the energy sector, Bayramoğlu has assumed different roles and responsibilities in the company since 2008, when Aydem started its service. Since 2019, he has been serving as General Manager and Managing Director of the Board of Directors at Adm Electricity Distribution.



Uğur Yüksel

- Board Member

Gdz Electricity Distribution Inc. General Manager

He has more than 30 years of experience in the energy, IT and defence industries. He worked as Project Manager at the Undersecretariat of Defence Industry of the Ministry of National Defence, General Manager at METU Teknokent, Turkey's first technopark, Lotus Energy Procurement and Business Development Director in Turkmenistan, and Secretary General of ELDER - Electricity Services Association. In 2018, he joined Aydem Energy Group as General Manager of Gdz Electricity Distribution. In August 2018, he was appointed as a member of the Board of Directors of Adm Electricity Distribution.



Executive Committee

Early Detection of Risk Committee

Committee Chairman Elmas Yaşar Bostancı

Audit Committee

Committee Chairman Ali Murat Korkmaz

Corporate Governance Committee

Committee Chairman Elmas Yaşar Bostancı

Sustainability, Environment, OHS Committee

Committee Chairman Ahmet Bayramoğlu

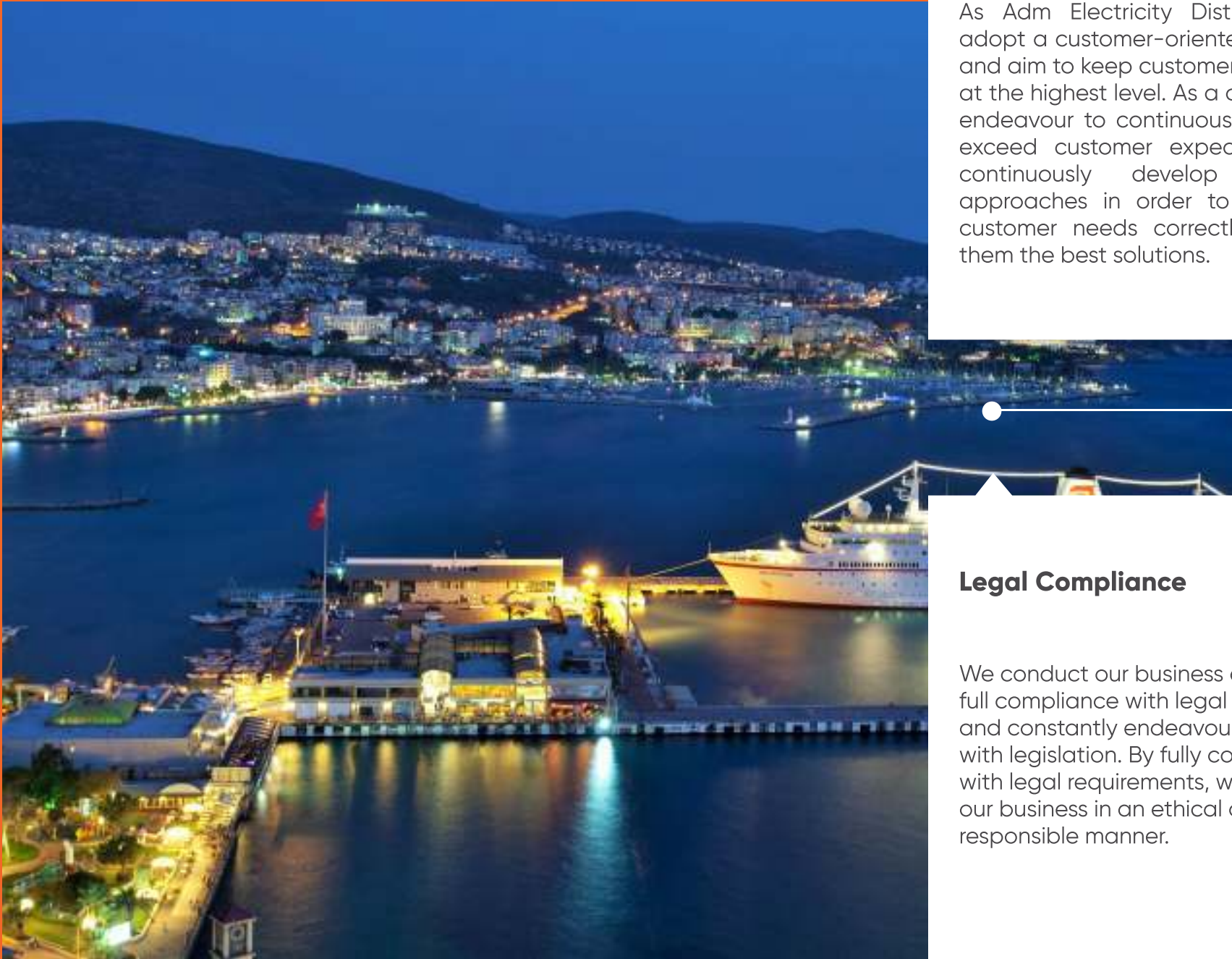
Investment Committee

Committee Chairman Ali Murat Korkmaz

OUR FOCUS AREAS



As Adm Electricity Distribution, we focus on creating an energy transformation that supports the lives of all our stakeholders and our operations and positively affects the environment. With this mission, we strategically direct our activities to provide safe and sustainable energy.



Customer Oriented Approach



As Adm Electricity Distribution, we adopt a customer-oriented approach and aim to keep customer satisfaction at the highest level. As a company, we endeavour to continuously meet and exceed customer expectations. We continuously develop innovative approaches in order to understand customer needs correctly and offer them the best solutions.

Employee Welfare and Safety



We provide all necessary resources and support to ensure the welfare and safety of our employees. We aim to increase the success and productivity of our employees by ensuring that they work in a safe and healthy work environment.

Environmental Protection and Sustainability



We take various measures to protect the environment by using natural resources efficiently. Aiming to leave a healthy environment to future generations, we attach great importance to environmental sustainability.

Legal Compliance



We conduct our business activities in full compliance with legal regulations and constantly endeavour to comply with legislation. By fully complying with legal requirements, we conduct our business in an ethical and responsible manner.

Operational Efficiency



We continuously review our business processes and make improvements to ensure operational excellence. By ensuring high standards of operational efficiency, we endeavour to meet customer expectations and utilise resources properly.

Financial Sustainability



We determine our financial management policies in line with sustainable profitability and create a strong financial foundation for the future. By investing in long-term opportunities, we strengthen the financial soundness of our company and support sustainable growth.



SECTOR OUTLOOK

Increasing Energy Demand Worldwide

By 2023, global electricity demand is expected to grow from 25,000 terawatt-hours (TWh) to between 52,000 and 71,000 TWh by 2050. This growth is driven by increasing energy needs, especially in emerging markets, and the electrification of the economy. In 2023, the global electricity transmission and distribution market is valued at USD 34,353 million and is expected to reach approximately USD 41,812 million in the next five years, with an annual growth rate of 3.33%. This growth reflects a transformation process shaped by both technological innovations and strategic investments.

Achieving a Sustainable Structure of the Sector

Electricity distribution systems have many components such as switchyards, transformers and power cables. The modernisation of this infrastructure makes it possible to build a cleaner and more efficient energy system. In particular, the integration of renewable energy sources and energy efficiency are critical to efforts to reduce carbon emissions. Within the industrial sector, power demand is projected to double by 2050 due to the electrification of low to medium heat processes and increased demand from data centres. Similarly, energy demand in buildings is expected to nearly double due to increasing demand in emerging markets and investment requirements for electrification in OECD countries.

Impact of Logistics Sector

In the logistics sector, it is predicted that there will be a significant increase in electricity demand, especially with the increasing use of electric vehicles. By 2050, the global passenger battery electric vehicle park is expected to be approximately 1.3 billion, outnumbering all existing vehicles. The expectation that the costs of electric vehicles will be equalised with petrol vehicles by 2025 will encourage the widespread use of electric vehicles. This will necessitate the reinforcement of electricity distribution networks to meet the need for high capacity charging stations.

Synergy of Technology and Investment

With the share of renewable energy in the global power mix expected to more than double in the next 20 years, flexible capacity may need to be increased to ensure security of supply. Technological advances and successive investments are shaping the future of the sector. In this process, the use of data analytics tools provides real-time information, accelerating decision-making processes and enabling a better understanding of market dynamics.

The next decade will witness further growth and evolution of the electricity distribution market, with continuous technological innovations and increased investments. This period will allow the sector to become greener and more efficient within the framework of sustainability and environmental awareness.

The Role of Electricity Distribution Sector in Combating Climate Change

By 2023, the electricity distribution sector has cemented its position as a key actor in achieving global climate goals. Leveraging the power of big data and analytical tools, the sector is restructuring itself to not only provide energy but also support environmental sustainability. This transformation requires a broad perspective that includes both technological innovation and strategic investments. The future offers not only great potential for this dynamic market, but also the opportunity for a green transformation. As Adm Electricity Distribution, we follow all developments in the sector, identify potential areas of opportunity and adopt a proactive management approach. Our studies and future forecasts play an active role in our decision-making processes while guiding our investment strategies.





OUR SERVICES

Network Operations

Adm Electricity Distribution provides service with fault repair teams at 45 different points in a wide region covering Aydın, Denizli and Muğla provinces. These teams work on the basis of notifications and notices received through various technological channels such as OSOS and SCADA systems or problems detected during regular planned maintenance. Faults may occur in low and high voltage networks and lighting systems, and our teams ensure that energy supply is maintained uninterruptedly and safely by quickly eliminating these faults on a 24 hour a day basis, 365 days a year. This process is a fundamental part of our company's mission to provide reliable energy and plays a critical role in our efforts to increase customer satisfaction.

Investment Activities

Adm Electricity Distribution has developed comprehensive investment plans to meet the increasing demand for electrical energy in our region and the future needs of our distribution network. These plans are prepared by taking into account the changes in supply-demand dynamics and include investments in capacity increase, network renewal, technology integration and other necessary areas.

Our investment activities are carried out in accordance with our investment budget approved by the Energy Market Regulatory Authority (EMRA) and the necessary resources are allocated for the implementation of the planned projects. Our investment processes are carried out within the framework of transparency and accountability principles, and the investments realised are regularly shared with the relevant institutions such as the Ministry of Energy and Natural Resources, EMRA and Turkish Electricity Distribution Company (TEDAŞ).

These strategic investments aim to increase the long-term sustainability and competitiveness of our company, support regional economic growth and achieve our goals of providing uninterrupted and high quality electricity to our customers. In addition, these investments integrate technological innovations into the grid to increase operational efficiency and minimise environmental impact.





Geographic Information System (GIS)

Geographic Information System (GIS) is an indispensable tool for electricity distribution companies. Adm Electricity Distribution uses a MAPINFO-based GIS software to store, associate and manage geographical and verbal information about the assets that make up the electricity network (transformers, lines, etc.) and events related to these assets (maintenance, outages, etc.). This system systematically records all the inventories of the network, eliminating the dependence on individuals for information and enabling access to up-to-date information from a single source.

GIS not only fulfils the functions of data storage and management but also enables the generation of alternative strategies through queries and analyses. With these features, it makes significant contributions to the operational and planning processes of Adm Electricity Distribution and supports more effective decision-making processes. Thanks to this system, which can be accessed via desktop and web applications, GIS data entries and updates, management operations, queries and reports can be easily performed, which increases the overall efficiency and operational success of the company.

Maintenance and Repair Activities

Adm Electricity Distribution attaches great importance to carefully planned maintenance and repair works in order to maximise energy continuity and service quality. The company carries out periodic planned maintenance and repair activities within the framework of annual maintenance plans, and at the same time continuously renews processes by effectively utilising technological opportunities in line with preventive and predictive maintenance principles. This approach is supported by innovative methods and simultaneous applications in the field.

During maintenance works, planned power outages are carried out in accordance with occupational health and safety standards and within the limits permitted by the legislation. Users are informed about planned interruptions at least 48 hours before the interruption via the company's website, written and visual media and broadcasting channels, and customers who contact our call centre are informed via SMS or e-mail.

Maintenance processes are progressing under three main headings: observation and detection activities, maintenance works and network renewal projects. Within the scope of these processes, a systematic infrastructure has been established by collecting various data on critical and strategic components of our network, such as age, climate and environmental factors, and failure history. In addition, during monitoring activities, our energy transmission lines are inspected from the air by using drones throughout the network and especially in rural areas, and needs are quickly identified.

The Health Index and Criticality Index studies of our network are constantly updated, and equipment that has completed its economic life is identified and replaced within the framework of network renewal activities. These comprehensive maintenance and renewal activities aim to ensure that our network continuously operates with high performance and increase customer satisfaction.

As Adm Electricity Distribution, we support the goal of maintaining uninterrupted and reliable energy supply with our maintenance and repair works.



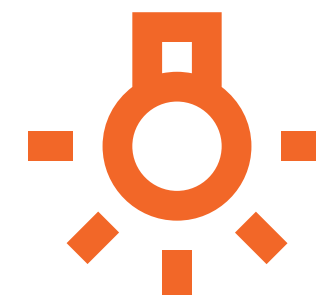


Lighting Activities

Adm Electricity Distribution attaches great importance to the maintenance and improvement of lighting systems, which are one of the most important elements of cities in terms of safety and aesthetics. Within the framework of planned maintenance programmes, it meticulously inspects lighting systems at specified periods, replacing equipment that has completed its economic life and maintains equipment that is still usable. This process is critical to protect both safety and urban aesthetics.

In accordance with the investment plan approved by EMRA, new lighting facilities are integrated into the system in line with the decisions taken by the Lighting Commission. This is a major step to ensure that cities are illuminated with a continuously updated and improved infrastructure.

Lighting-related malfunctions, notifications and complaints are systematically monitored and resolved through our 186 Call Centre, website, written and telephone applications. In this way, we aim to provide uninterrupted and high quality service to our customers.





Customer Operations

New Connection

Adm Electricity Distribution provides services for the supply of electrical energy by ensuring the connection of new facilities or places of use to the electricity distribution system in its area of activity. For a new connection request, real or legal persons can apply through our company's Distribution Connection System (DBS) programme through an authorised intermediary. This process is managed within the framework of Article 10 of the Electricity Market Connection and System Utilisation Regulation and applicants are required to submit all necessary documents to the distribution company.

In addition, real or legal persons who want to supply electrical energy by making a temporary connection to the distribution system for a limited period of time for the purpose of use may also apply, provided that they submit the relevant electricity project and the authorisation document required for the purpose of use.

Adm Electricity Distribution evaluates the application and the submitted documents according to the criteria of the Electricity Market Connection and System Utilisation Regulation. After the necessary examinations are made, the applicant is informed about the connection possibilities and conditions. If the application is approved, the necessary connection cost calculations are made and the connection agreement is prepared.

The connection agreement is signed between the distribution company and the consumer. This agreement includes the rights and obligations of the parties, connection conditions and other technical details. With the signing of the agreement, the necessary preparations for the planned connection works are initiated.

Following the signing of the connection agreement, physical connection operations are carried out by technical teams. This process involves the safe and orderly integration of the new facility or place of use into the distribution network. After the connection is completed, the facility or place of use starts to receive electrical energy.

Adm Electricity Distribution has all the necessary technical and administrative capacity to manage these processes as efficiently and smoothly as possible. It aims to finalise new connection requests quickly and effectively by prioritising customer satisfaction.





Meter Reading

Adm Electricity Distribution collects energy consumption data by regularly reading the meters of consumers. These meter readings, which are carried out once in each calendar month at intervals of at least 25 and at most 35 days, are considered as monthly readings. According to Article 35 of the Electricity Market Licence Regulation, situations where readings cannot be taken due to reasons such as force majeure, severe seasonal conditions or periodic use are not considered as a practice contrary to monthly reading. In these cases, the meters at the relevant consumption points are read at least twice a year.

All meters in our area of responsibility are read by our meter reading teams within a determined plan. Meters included in the scope of the Automatic Meter Reading System (OSOS) are read remotely and automatically. After the reading process, a reading notification is left to the consumers. If consumers request, these notifications can also be received electronically.

Reading notifications contain at least the following information:



Name-surname or title of the consumer, address, eligible consumer unique code or EIC, profile type if applicable.



Brand, type and serial number of the meter or meters, multiplier, current and/or voltage transformer ratios, if any.



First and last indices and reading dates of active and reactive consumption.



The amount of electrical energy consumed.



If there is a replaced counter, details of the index values of the counters.



Telephone and fax numbers, internet and electronic mail addresses of the distribution licensee's consumer services centres, telephone number that can be called in case of malfunction and emergencies.

Reading notifications can be arranged in writing and can also be sent via permanent data storage medium, according to the consumer's preference. This process is part of our commitment to provide a transparent, reliable and efficient service to our consumers as Adm Electricity Distribution.



Cutting and Opening

Adm Electricity Distribution upon fulfilling its payment obligations, acts in accordance with the procedures specified in the retail sales contract or bilateral agreements with the relevant supply company. If a consumer fails to make the prescribed payments on time, the supply of electricity to the consumer may be temporarily suspended by Adm Electricity Distribution upon the request of the supply company.

After the customers whose electricity is cut off pay their debts and fulfil the necessary obligations, a notification is made by the supply company to Adm Electricity Distribution. Following this notification, electric energy:

- **24 hours within urban settlement areas,**
- **4 hours within non-urban settlement areas.**

This process serves as an incentive mechanism for consumers to understand their responsibilities and fulfil their obligations on time. As Adm Electricity Distribution, by implementing these procedures in a transparent and fair manner, we both ensure security of supply and maintain operational efficiency.

Meter Supply, Replacement and Calibration

Adm Electricity Distribution has undertaken the responsibility to fulfill obligations such as reading, maintenance and operation of meters in the distribution region as per the Electricity Market Law. Within this framework, our company the allocation and installation of meters necessary for new connection requests, and the replacement of malfunctioning or expired meters of existing consumers free of charge. In particular, meters with an expired 10-year validity period are replaced at no cost with new meters the same technical specifications.

For consumers whose annual electricity consumption exceeds the limit established by the Energy Market Regulatory Authority, if the technical specifications of the existing meters are not appropriate, these meters are also replaced free of charge with new meters compliant with the relevant legislation.

In cases where a meter malfunction or doubts about measurement accuracy arise, consumers or relevant legal entities may request a meter check in accordance with Article 51 of the Electricity Market Consumer Services Regulation. If it is determined that the meter is measuring correctly, the meter control fee is borne by the requester. Within 10 working days from the consumer's request, the meter is dismantled by the relevant distribution company and the necessary replacements are made.

It is emphasized that no intervention should be made to the electricity meters or measurement system, except for the officials authorised by Adm Electricity Distribution. Otherwise, in accordance with the relevant provisions of the Electricity Market Consumer Services Regulation, legal and/or criminal proceedings may be initiated for actions defined as "Illegal Electricity Use".



Combating Illegal Electricity Use

At Adm Electricity Distribution , we place significant emphasis on combating illegal electricity use in order to ensure safe, efficient and uninterrupted energy supply. In this regard, our company carries out uninterrupted field inspections and supports these processes through modern technologies. Our remote network monitoring and control systems enable real- time monitoring of current and voltage values, so that illegal electricity use can be effectively detected.

Utilizing big data analytics, we identify instances of illegal use by comparing consumer consumption data with relevant transformer consumption data. This method plays a crucial role in accurately and quickly identifying illegal activities. Furthermore, these analyses allow us to draw meaningful conclusions from complex data sets, enabling us to minimise energy loss and improve the overall efficiency of our system.

Distributed Energy Sources

Aligned with the growing global significance of distributed energy resources, Adm Electricity Distribution actively manages the integration of licensed and unlicensed generation facilities based on renewable energy resources within our operational region. These energy sources offer various benefits such as reducing carbon emissions, increasing energy efficiency and reducing transmission and distribution investments of our electricity system, as well as contributing to the overall performance of the energy system by increasing its flexibility and reliability.

Distributed generation facilities such as solar and wind, which are renewable energy sources, also have the effect of reducing system losses and improving voltage and energy quality. Adm Electricity Distribution continuously monitors all distributed energy sources with a generation capacity of 50 kW and above in its region online and transfers the generation data obtained to the Turkish Electricity Transmission Corporation (TEİAŞ) systems instantly. This process not only ensures more efficient and organised energy generation, but also enables more effective management of energy consumption.



Continuous field inspections with modern technology



Continuous monitoring of current and voltage values with our remote network monitoring and control systems



Comparison of consumption data of consumers and transformer consumption data



SUSTAINABILITY AT ADM ELECTRICITY DISTRIBUTION





Sustainability Approach

As Adm Electricity Distribution, a sustainable business model and an understanding of environmental responsibility are among our fundamental principles. Sustainability is at the center of our business strategy, and every decision taken and every planning made by taking into account environmental, social and governance (ESG) impacts is shaped by these basic principles. This approach is based on a robust sustainability strategy that supports both the current operations and long-term company goals

With tincreasing global and local environmental challenges and evolving social expectations, it has become inevitable for us operating in the energy sector to adopt sustainable practices. In this context, sustainability serves as our guiding compass at Adm Electricity Distribution, shaping our strategic decisions. Minimising our environmental footprint in energy generation and supply processes, making positive contributions to communities through social responsibility projects and gaining the trust of all stakeholders by keeping our governance structures transparent are among our main priorities.

While sustainability lies at the core of our business practices and corporate values, it is supported by advanced programmes, policies and procedures based on industry best practices in corporate sustainability. Our goals include expanding clean energy options for customers, ensuring reliable energy supply through innovative and flexible infrastructure investments, and creating a sustainable environment for future generations by reducing our operational environmental impact. Aligned with these goals, we are committed to fostering a sustainable future both within the company and in society.





Our Environmental Commitments:

Environmental sustainability drives our operations. We minimise our negative environmental impact by reducing our carbon footprint, optimising our energy use and utilising renewable resources. We offer our customers long-term sustainable energy solutions through our distributed energy resources.

Our Social Responsibilities:

As a company, we implement various programmes to support the welfare and development of our employees. Keeping health and safety standards at the highest level and providing training and career development opportunities are among our main priorities. We also endeavour to strengthen our relations with the communities we serve and to add value to these communities through social responsibility projects. Understanding stakeholders need in our operational regions and developing projects to meet those needs allow us to create positive impacts in these communities..

Our Governance Approach:

Our governance practices are founded on transparency, accountability and fair business practices. Internal policies and procedures ensure that all business units adhere to high ethical standards. These policies guided our responsibilities towards our customers and other stakeholders, Encompassing ESG criteria in areas such as supply chain management to innovation, from employee rights to environmental impact management.

By embracing technological innovations for sustainable , we aim to set a model for other the industry. In this journey, we aim to make continuous improvements in environmental, social and managerial areas, expand our sphere of influence and achieve sustainable success with the support of our customers, employees and stakeholders.

In the coming periods, Adm Electricity Distribution will continue to develop pioneering projects in environmental, social and governance areas. Our achievements inspire and motivate us to increase the value we provide to our customers, employees and all stakeholders and to raise sustainability standards in the electricity sector.





Sustainability Policy

As Adm Electricity Distribution, we believe in the importance of creating value for our stakeholders and society for long-term success. We adopt an approach that takes into account the requirements of global standards and the sustainability of natural resources and the environment. In this context, we have established our sustainability policy by adhering to the following principles:

Environment and Natural Resources

With the awareness that natural resources are limited, we aim to minimise the use of natural resources and reduce environmental impacts in our operations. To this end, we are committed to continuous improvements in energy efficiency and waste management.

Society and Stakeholders

We aim to contribute to the social and economic development of society with our activities and to take into account the expectations of our stakeholders. In this context, we work to support local employment, invest in social projects and observe sustainability criteria in our supply chain.

Climate Change and Sustainability Goals

We are committed to taking various measures to combat climate change and contribute to sustainability goals. We aim to make continuous improvements by focusing on targets such as reducing carbon emissions, optimising water consumption and reducing waste.

Ethical and Transparent Management

We are committed to an ethical and transparent approach in all our activities. While adhering to the principle of zero tolerance in the fight against bribery and corruption, we endeavour to comply with corporate governance principles and to be in open communication and cooperation with our stakeholders.

We announce our sustainability policy to all our stakeholders and conduct our company activities in compliance with our policies.

For more detailed information, you can access our sustainability policy here. (<https://www.admelektrik.com.tr/en/sustainability/our-sustainability-report>)





Corporate Sustainability Governance Structure

As Adm Electricity Distribution, we integrate our corporate governance model with sustainability principles and implement it through various committees operating under the supervision of our Board of Directors. These committees carry out activities based on the principles of transparency and accountability as a reflection of our company's integrated management network.

Our Various Committees and Their Duties

Early Detection of Risk Committee: This committee monitors risks in various areas such as sustainability, energy supply security, climate change and ecological risks. It assesses the financial and non-financial impacts of these risks and develops proactive management strategies by considering the impacts on our employees, partners, society and the environment.

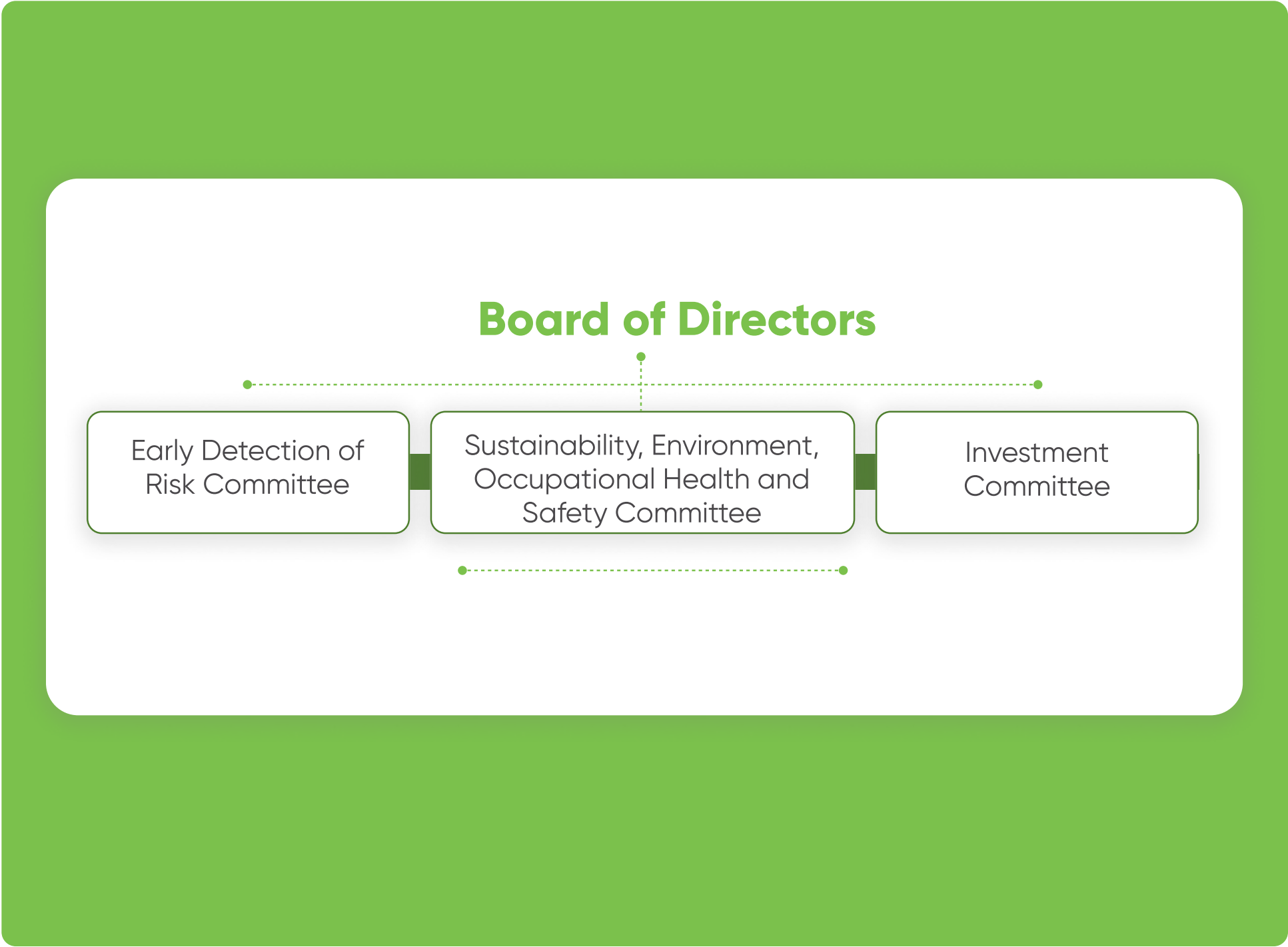
Investment Committee: Considering environmental, social and governance factors in our investment assessments, this committee makes strategic decisions for environmentally friendly investments that will support energy supply security and meet energy needs. In this process, it determines the most appropriate and effective solutions to ensure efficient and safe distribution of energy.

Sustainability, Environment, Occupational Health and Safety Committee: This committee analyses sustainability-related issues in our business operations and value chain in depth. While continuously improving our company's compliance with environmental regulations, occupational health and safety, it ensures that a sustainable culture is spread to all personnel.

Sustainability in Operational Processes

In addition to our committees reporting to our Board of Directors, the management of sustainability issues in distribution centres and operational processes is carried out in cooperation with Sustainability Leaders working in Regional Directorates and District Managements and members of our Sustainability Management Team. This structure ensures that sustainability principles are integrated into all our business processes and implemented effectively.

This comprehensive governance structure contributes to the sustainable growth of Adm Electricity Distribution and supports us in achieving global goals such as energy supply security, combating climate change, responsible consumption and production. As a company, we will continue to demonstrate our commitment to our sustainability principles not only in our internal processes but also in our interactions with all our stakeholders.

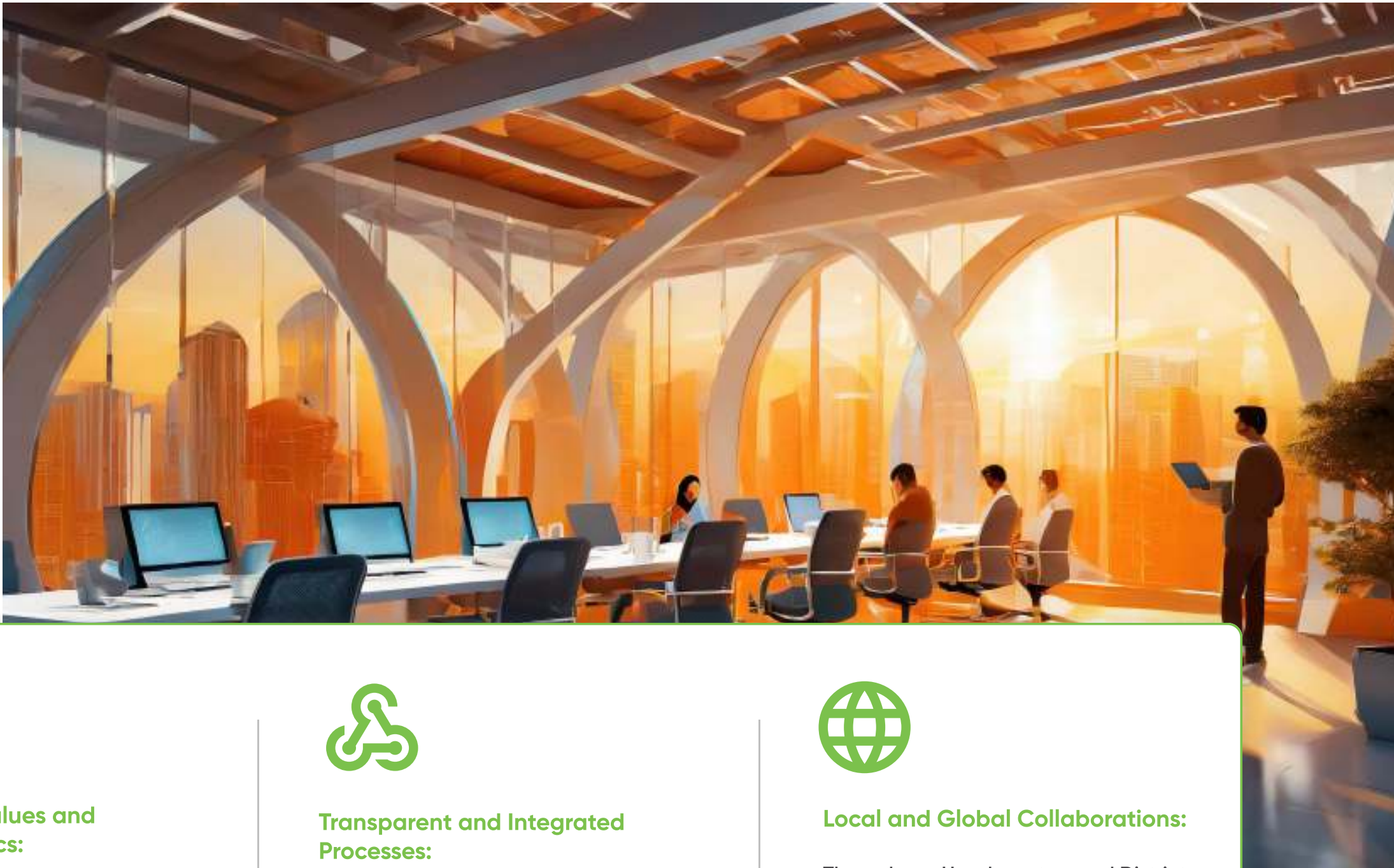


Stakeholder Management

As Adm Electricity Distribution, we manage our interactions with our stakeholders in line with our company's core values and sustainability commitments. Instead of limiting our environmental, social and financial responsibilities only to our internal stakeholders, we extend them to a wide range of stakeholders, including our suppliers, contractors and consumers.

These approaches reinforce Adm Electricity Distribution's sustainability vision and enable the creation of a strong and effective communication network with a wide range of stakeholders. Managing our relationships with our stakeholders in depth and supporting our continuous improvement and innovation processes with the feedback obtained from these relationships ensures our corporate sustainability.

How Do We Manage Our Relations with Our Stakeholders?



Environmental Management and Responsibility:

Our innovative approaches and adoption of new technologies, combined with our sensitivity in our environmental management processes, constitute the most important components of our sustainable value chain.

From safe and efficient energy supply to maintenance and repair activities, we manage our value chain in a transparent and integrated manner.



Corporate Values and Business Ethics:

Our business ethics framework and corporate values are the fundamental elements that shape our relations with our stakeholders.

By defining various communication methods and platforms for our stakeholders, we establish continuous and effective communication with each stakeholder group.



Transparent and Integrated Processes:

All our business processes are handled in interaction with public institutions, suppliers, contractors, employees and local communities.

Our awareness of our material issues and our cooperation with our stakeholders include environmental protection, social development and economic development criteria at every stage of our value chain.



Local and Global Collaborations:

Through our Headquarters and District Directorates in our geographical region, we actively support many projects by collaborating with both public and non-governmental organisations.

These collaborations play an important role in achieving our sustainable development goals and increase social participation.



Our Memberships

As Adm Electricity Distribution, we create solutions to environmental and social problems and create mutual learning and development opportunities on a local and global scale by effectively coming together with our stakeholders through collaborations and joint studies. To this end, we actively participate in memberships and working groups of various national and international associations, institutes, unions and sectoral organisations, and contribute with our knowledge and experience to initiatives carried out with different objectives.

We are in close relations with important associations and organisations in our sector. We have memberships and collaborations with sector associations and associations such as the Association for Digitalisation in Energy, Electricity Distribution Services Association, Aegean Industrialists' and Business People's Association, Turkish Quality Association, World Energy Council, and Turkish Standards Association. In addition, we support global sustainability efforts through our membership in international organisations such as the UN Global Compact and Foundation for the Global Compact.

Through these memberships and collaborations, we support the development of sustainability and ethical principles, share the best practices in our industry and create solutions for a better future.

Materiality Analysis

As Adm Electricity Distribution, we continue our efforts to create a fully integrated and smart electricity distribution system in order to respond to the increase in electricity demand and technological innovations. By building a robust, secure and accessible network, we realise the necessary infrastructure investments to meet the modern and innovative electricity service expectations of our customers. We diversify our business model to take into account both our internal dynamics and market and environmental impacts.

As part of our responsible business approach, we guide our business processes by adopting the Environmental, Social and Governance (ESG) framework. this framework ensures that our business activities are carried out in accordance with sustainability principles, while also considering the impacts on our stakeholders and the environment.

When identifying our key stakeholders, we focus on a wide range of groups that include the various groups in which our company operates. These groups include consumers, suppliers, local communities and regulatory bodies. By identifying our key stakeholders, we focus on understanding the issues they care about, prioritising these issues and developing consistent and transparent responses.

We prioritise the various issues facing our stakeholders and operations, focusing on the most pressing and impactful issues. This includes, in particular, environmental impacts, social responsibility projects and our governance standards.

Based on the identified priorities, we develop transparent and consistent policies and practices. These policies guide us in achieving our sustainability goals, strengthen our relationships with our stakeholders and help us meet their expectations. All these efforts position our company as a leader in the energy sector and enable us to take firm steps towards a sustainable future.

TUSIAD

ENERJİ
VERİMLİLİĞİ
DERNEĞİ



United Nations
Global Compact

EPDK
T.C. ENERJİ PİYASASI
DÜZENLEME KURULUMU

KİD
KURUMSAL İKTİSADİ KURULUŞLAR DERNEĞİ



AYDIN
SANAYİ ODASI

UN WOMEN
United Nations Entity for Gender Equality
and the Empowerment of Women

Elder
Elektrik Dağıtım Hizmetleri Derneği

TEMA

AFAD

CDP

**T.C. ENERJİ VE TABİİ
KAYNAKLAR BAKANLIĞI**

**AYDIN
TİCARET ODASI**

DENİZLİ TİCARET ODASI
DENİZLİ CHAMBER OF COMMERCE

DENİZLİ SANAYİ ODASI
DENİZLİ CHAMBER OF INDUSTRY

**T.C. ÇEVRE, ŞEHİRCİLİK VE
KLİM BÜYÜKŞİHUR BAKANLIĞI**

**T.C. SANAYİ VE
TEKNOLOJİ BAKANLIĞI**

**T.C. TARIM VE
ORMAN BAKANLIĞI**

**T.C. ÇALIŞMA VE
SOSYAL GÜVENLİK BAKANLIĞI**



Our Contribution to Sustainable Development Goals

As Adm Electricity Distribution, we embrace sustainability as a fundamental part of our business strategy. This understanding is integrated with our risk management policies and guides our journey of continuous progress and improvement. We continuously enhance ourselves to increase our direct and indirect contributions to the United Nations Sustainable Development Goals.

The core focus of the United Nations Sustainable Development Goals are: the spread of peace and prosperity for everyone, inclusive economic growth, transition to clean energy, the reduction of inequalities and the alleviating poverty. In order to achieve these goals, we endeavour in the following areas:

Transition to a Low Carbon Economy and Access to Clean Energy: We review our processes to reduce carbon emissions and take care to make environmentally friendly choices.

Combating Climate Change and Reducing Greenhouse Gas Emissions: We fight climate change by reducing greenhouse gas emissions by combating and taking various measures to minimise our environmental impact.

Building Sustainable Cities and Communities: We invest in infrastructure projects to support the sustainability of our cities and communities and promote sustainable lifestyles.

Reducing Inequalities and Promoting Inclusive Economic Growth: We support various social and economic projects to reduce social inequalities and ensure fair economic growth for all.

Protecting Natural Resources and Ensuring Sustainable Use: We contribute to environmental sustainability by protecting natural resources and promoting their sustainable use.

Our activities, our relations with society and our interaction with the environment support the United Nations Sustainable Development Goals. As Adm Electricity Distribution, we will continue to work with determination to achieve these goals and play an important role for the sustainable future of our society and our planet.



ASSESSMENT OF CLIMATE-RELATED IMPACTS





Governance

Board Oversight

As Adm Electricity Distribution, we are among the organisations leading Turkey's clean energy transformation. In this context, we play an active role in combating climate change through sustainability governance, which we have integrated into our corporate governance system. Our committees reporting to the Board of Directors continuously monitor risks related to climate change and assess the financial and non-financial impacts of these risks on our company, our employees, all our stakeholders, society and the environment.

The Early Detection of Risk Committee identifies risks that may arise from climate change and analyses the impact of these risks on our operational and financial profile. As a result of these analyses, detailed reports are submitted to the Board of Directors when necessary.

The Sustainability, Environment, Occupational Health and Safety (EHS) Committee prepares action plans to manage the related risks and proactively implements these plans. This committee is also responsible for ensuring the continuous improvement and development of the sustainability and EHS culture throughout the company. It encourages behaviour-based safety approaches and compliance with environmental regulations and adopts proactive developments in these areas.

In addition, our Board of Directors Investment Committee organises our investment portfolio according to environmental, social and governance (ESG) criteria and makes investment decisions based on these criteria. This approach increases the sustainability and effectiveness of our investments and supports both our company and our environmental and social goals. With these comprehensive governance practices, we aim to make a significant contribution to the fight against climate change.





Board Responsibility and Competence

As Adm Electricity Distribution, we place combating climate change and carbon management among the priorities of our company strategy. In this context, we organise special trainings and continuous development programmes at the Board of Directors level to address climate-related issues. Our trainings on sustainability are shared with all employees on the Aydem Academy training platform and information e-mails are sent about the trainings.

The Sustainability, Environment, Occupational Health and Safety (EHS) Committee operates under the Board of Directors and prepares and reports climate-related action plans. This committee also ensures the continuous improvement of the sustainability and EHS culture throughout the company by operating in a structure that includes non-executive employees with sustainability experience and competence. Committee meetings are organised four times a year.

At the highest management level, our General Manager plays an important role in the supervision and management of climate-related issues within the company. The General Manager actively contributes to the processes of defining strategic goals, setting corporate governance and organising and managing climate-related issues, and is responsible for managing annual budgets for climate mitigation investments. From this position, he is responsible for aligning business strategies with climate-related issues and implementing the climate transition plan.

The Early Detection of Risk Committee, in support of the General Manager, is responsible for managing and monitoring the overall risk profile of our company, including climate-related risks. This committee plays a critical role in the assessment and management of climate-related risks. This structure aims to raise sustainability awareness throughout the entire company and support an effective governance structure, while reinforcing our corporate responsibility in combating climate change.





Strategy

Combating Climate Change and Adaptation Strategy

As Adm Electricity Distribution, our strategy to combat and adapt to climate change focuses on our goal of creating a sustainable and environmentally friendly energy future. Climate and energy-related regulations at national and international level play a decisive role in our financial performance and strategic plans. In this context, we prioritise issues affecting our operations, such as reducing environmental impact, optimising waste management, pollution prevention and compliance with environmental legislation.

Renewable energy policies in Turkey are supported by mechanisms such as fixed feed-in tariffs that incentivise electricity generation from various sources such as wind, solar, biomass, hydro and geothermal. These regulations directly affect our strategic investment and operational decisions and enable us to raise sustainability standards in our energy production.

As Adm Electricity Distribution, we also carefully monitor international regulations such as the European Union's Green Deal. These regulations have indirect effects on our energy production and consumption processes and shape the general economic dynamics and international commercial relations of our company. Therefore, we closely monitor any legislative changes related to climate change and develop strategies to quickly adapt to these changes.

Our Board of Directors has established a special committee to address climate-related issues in an integrated manner with company strategies. This committee oversees our sustainability goals and environmental compliance policies, while guiding our climate strategy, risk assessment processes and growth strategies. Our CEO plays a central role in implementing and updating these strategies, leading the fight against climate change across the company.

We carry out our efforts to reduce our carbon footprint and greenhouse gas emissions in accordance with international standards. These processes are clearly stated and regularly updated in our company's sustainability reports, thus maintaining our commitment to transparency and accountability to all our stakeholders.





Risk Management

Climate Risk Management

As Adm Electricity Distribution , we place significant importance on comprehensively evaluating environmental, social and economic impacts in our investment decision-making processes. Operating in the energy distribution sector, our decisions have direct impacts on the daily lives of our end users. This responsibility is considered as a fundamental part of our risk management system.

Situations that could jeopardise the sustainable growth and potentially harm our strategic, operational and financial targets are meticulously evaluated within the framework of our risk management policies. This types of situations are among the serious risks that may adversely affect our company image in the eyes of all our stakeholders, and effective pre-determined measures are taken for each of them. We continuously monitor financial and non-financial risks and take proactive steps to minimise and manage these risks.

In our assessment process, we take into account various dynamics such as energy supply-demand imbalances, climate change, depletion of natural resources and legal changes that may occur or will occur due to these factors. Additionally, events such as natural disasters, changes in economic balances, new market opportunities, technological innovations and digitalisation, and the consequences of these events are among the important factors we consider in our risk assessment.

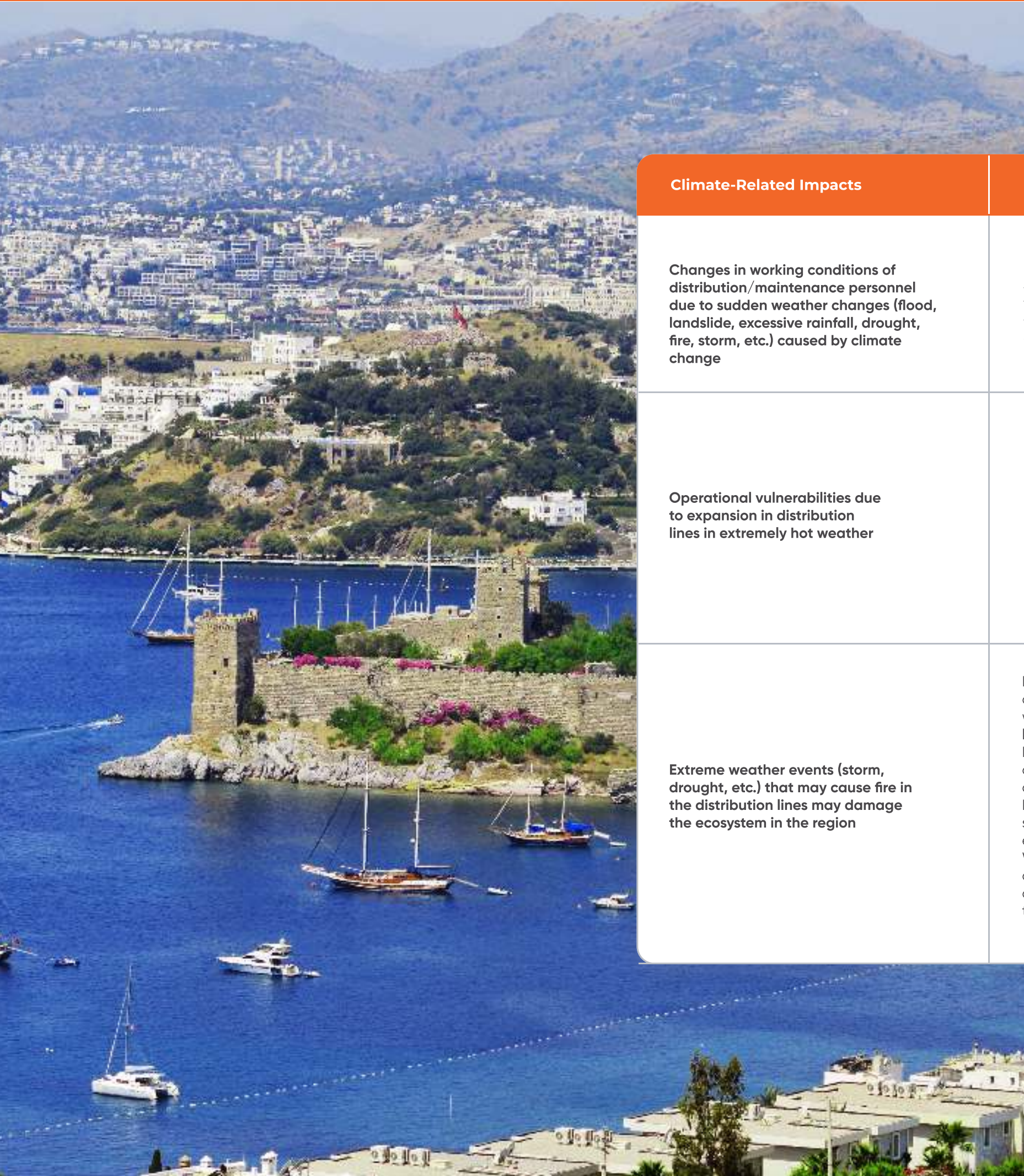
This comprehensive risk assessment approach enables us to identify potential threats facing our company and to develop strategic measures against these threats. Thus, we aim to secure our long-term success and sustainability by protecting the interests of both our company and our stakeholders.

Climate-Related Impacts	Management Approach
Changes in investor/creditors' expectations (difficulty in accessing capital/financing) in a way that is sensitive to climate change and failure to meet these expectations	As Adm Electricity Distribution we are taking proactive steps to adapt to the increasing expectations of investors and creditors regarding climate change. By transparently sharing our environmental, social and economic data, we aim to overcome potential difficulties in accessing financing and actively contribute to the fight against climate change by voluntarily participating in international initiatives. The ESG (Environmental, Social, Governance) rating of A by Moody's demonstrates the importance our company attaches to its environmental and social responsibilities and our commitment to our sustainable development goals. In the coming period, as Adm Electricity Distribution, we plan to further improve our access to green financing and the conditions of this financing through ESG (Environmental, Social and Governance) rating studies and energy regulations.
Risks arising from the increase in insurance costs due to climate change and/or the inability to find a company to take out insurance	Risks such as increased insurance costs due to climate change and the inability to find a suitable insurance provider may affect our operating expenses. Such situations may have a significant impact on our company's financial structure and operational efficiency. In order to manage these impacts, we consider all insurance policies that are mandatory under EMRA regulations as uncontrollable operating expenses (KEİG). These expenses are covered by the tariff mechanism, thus balancing our company's financial liabilities and supporting our financial stability.
High costs that may be incurred to develop decarbonisation efforts in line with low-carbon energy demand	As Adm Electricity Distribution, we are taking strategic steps to respond to low-carbon energy demand and accelerate the decarbonisation process by developing emission reduction plans in accordance with the 2050 Net Zero Emission (NZE) scenario. In our company, we continuously review our reduction plans and targets and shape our investments and operations accordingly. Thus, we aim to achieve our environmental targets while ensuring financial sustainability. Our Company provides energy distribution services within the scope of its distribution licence. It does not have any energy sales activities and authorisation within the scope of end-source supply and bilateral agreements. For this reason, there is no detrimental effect in an environment open to competition.
Potential exposure to climate-related litigation or other legal sanctions	Legislative changes and legal rules to be harmonised are monitored daily by our company. Legislative provisions that are expected to be published are analysed prior to their publication and proactively adapted in case of any issue that will affect our activities. Thanks to this meticulous approach, we have not faced any legal process related to climate events so far.



Climate-Related Impacts	Management Approach
Failure to meet reporting expectations in sharing data with the public, failure to ensure consistency between reports	<p>The relevant legal regulations are sensitively followed by our company and the necessary actions are taken quickly in order to adapt to the changes that occur. Due to our regulated activities, all kinds of legal changes from the Ministry of Energy and its subsidiaries are directly notified to us. In light of this information, the processes of data procurement and fulfilment of regulatory requirements are meticulously managed by our relevant departments and all data sets are subjected to a second check. These processes, carried out in line with the framework set by the legislation, continuously strengthen the legal compliance and operational efficiency of our company.</p>
Failure to evaluate climate projections and impacts in network positioning/investment modelling	<p>Our Company takes a proactive approach towards climate changes and takes climate projections into account in network positioning. In order to prevent potential damages that may affect underground transformers, especially in the event of natural disasters such as floods and floods, network elements are identified on site and where possible, they are positioned above ground.</p> <p>Line equipment is selected in accordance with the ice load map determined by TEDAŞ and project criteria are determined by taking into account ice loads and other effects according to the specific characteristics of the regions, thus aiming to minimise the effects. In addition, efficiency checks are carried out on transformers that are subject to overload at certain times of the year due to temperature increases, and the load capacities of these transformers are reviewed and specifications are re-evaluated when necessary. Periodic maintenance works are carried out regularly.</p>
Damage to distribution lines by extreme weather events (flood, landslide, excessive rainfall, drought, fire, storm, etc.)	<p>Our Company takes various measures to guarantee a resilient energy infrastructure against extreme weather events. A safer and more robust distribution network is created by prioritising underground network investments. In the route planning of new distribution lines, various risk maps such as floods, earthquakes and protected areas are evaluated and the routes with the least risk against possible disasters are determined.</p> <p>In order to minimise the risk of fire, fire-resistant concrete and iron poles are used in distribution networks and the use of wooden poles is avoided.</p> <p>Our emergency action plans are prepared and periodically updated in coordination with the Ministry of Energy. Our capacity to respond to emergencies is continuously tested and improved through regular drills within the framework of these plans.</p> <p>In addition, mobile generators are available in every region to ensure energy continuity in extreme weather events. Thanks to these generators, energy interruptions are responded to quickly and effectively, and service continuity can be maintained uninterruptedly.</p> <p>In case the distribution company personnel are insufficient in case of disaster and emergency, there are disaster and emergency service procurement contracts. Within the framework of these contracts, the necessary reinforcement labour force and equipment can be provided quickly and at your disposal.</p>
The effects of extreme weather events (floods, landslides, excessive rainfall, drought, fire, storms, etc.) on operational efficiency and service delivery	<p>In order to minimise the effects of extreme weather events (floods, landslides, excessive rainfall, drought, fire, storms, etc.) on operational efficiency and service continuity, our company takes proactive measures and performs regular maintenance activities. Every year, first level monitoring and second and third level maintenance and repair works are carried out to increase the robustness of the distribution network.</p> <p>In regions experiencing extreme weather events, mobile generators are actively used to energise users in case the distribution network is damaged. Our emergency action plans are prepared under the coordination of the Ministry of Energy and are constantly updated. Within the scope of these plans, drills are organised periodically, and in case the distribution company personnel are insufficient in emergency situations, emergency service procurement contracts will be activated.</p>





Climate-Related Impacts	Management Approach
Changes in working conditions of distribution/maintenance personnel due to sudden weather changes (flood, landslide, excessive rainfall, drought, fire, storm, etc.) caused by climate change	<p>In order to be prepared for sudden weather events caused by climate changes, our company specially trains distribution and maintenance personnel to work in these conditions. Trainings are organised annually by our Technical Training Directorate and our field personnel are provided with skills to adapt to weather conditions.</p> <p>To increase the effectiveness of these trainings, toolbox trainings are widely used and practical information is provided. Within the framework of the cooperation with TEDAŞ, field simulation trainings are organised through tablets and VR glasses. In addition, in cooperation with organisations such as AFAD and AKUT, it is planned to provide specially designed trainings for our employees.</p>
Operational vulnerabilities due to expansion in distribution lines in extremely hot weather	<p>Mobile TM (Substation) and Mobile DM (Distribution Centre) have been included in our inventory for the management of unpredictable demand increases against sudden temperature increases in order to proactively intervene in operational vulnerabilities that may occur due to expansion in distribution lines in extreme hot weather conditions.</p> <p>In order to effectively manage the energy increases at HV (High Voltage) level, our substation demands to be realised by TEİAŞ (Turkish Electricity Transmission Company) are determined in our annual network facility coordination meetings. In these meetings, within the scope of strategic planning, long-term plans are made by taking into account the management of demands that may arise from temperature increases and 5-10 year energy demand increases.</p> <p>In addition, our plans are regularly reviewed for the efficient operation of the distribution network due to sudden temperature increases and our investment plans are revised accordingly.</p>
Extreme weather events (storm, drought, etc.) that may cause fire in the distribution lines may damage the ecosystem in the region	<p>In our energy transmission lines passing through forested routes, the Life Energy Corridor project is being implemented in order to reduce the damages on the ecosystem and fires that may be caused by storms, droughts and similar extreme weather events. This project aims to protect the natural balance of the region by opening corridors along the power lines to protect the ecosystem. These corridors have been opened in all risky areas in our distribution region.</p> <p>In addition, tree pruning activities are regularly carried out on distribution lines in our low voltage distribution network and these activities are repeated periodically every year. While our distribution lines are checked every 2 years, 2nd level and 3rd level maintenance and repair activities are carried out every year.</p> <p>Particular attention is paid to the location of new distribution lines outside sensitive areas, and fire risk monitoring sensors are placed in areas with high forest fire risk. Thanks to these sensors, the early warning system is activated, enabling rapid intervention in case of a possible fire.</p> <p>While life energy corridor activities are continuously carried out on our lines passing through forested areas, tree pruning activities in risky areas are also continued. Thus, we minimise the risks arising from situations that may cause fire in our distribution lines. In addition, periodic control, observation and maintenance-repair activities continue uninterruptedly, thereby continuously increasing the safety and operational efficiency of our distribution lines.</p>



Enterprise Risk Management

At Adm Electricity Distribution, we implement a risk management strategy designed to protect the company's assets and values in a long-term, ensuring sustainability and realibility. This strategy is of critical importance in supporting sustainable financial performance, gaining competitive advantage and facilitate our business expansion. We approach the management of risks related to environmental factors and sustainability, particularly climate change, with great seriousness taking into account the interests of our stakeholders.

Risk management is an integral part of our company operations and strategic planning, supported by internationally recognised principles, address in depth the potential risks to our reputation, financial results, impacts on our people and our overall value chain.

By applying our risk management mechanisms reliably, we regularly review our investment decisions and business processes. We reinforce a culture of risk awareness in each unit of the company and implement our strategic decisions within the limits of risk tolerance. Our focus is on effectively managing all risks that could negatively impact our financial performance and corporate reputation in the best possible way.

Moreover, We also regularly update our risk management policies and systems in areas risk identification,analysis, setting risk limits, and establishing key risk indicators. This continuous evaluation and renewal process ensures that Adm Electricity Distribution is well-prepared against risks and contributes to our goal of creating value for all our stakeholders.

In our role as the risk management unit, we identify and evaluate our long-term goals, risks and opportunities through our Risk/Opportunity Assessment meetings The outcomes of these meetings are regularly reviewed by the Early Detection of Risk Committee and the Board of Directors to enhance our company's value.

our risk assessmentsadopt a holistic approach encompassing environmental, social and economic factors. Environmental risk analyses play a significant role in our daily operations and investment decisions, and proactive measures are taken for the risks identified through these analyses. In addition, we manage our activities in line with our environmental policies through the Integrated Environmental Management System (IEMS)and ensure compliance with ISO 14001, ISO 9001, ISO/IEC 27001, ISO 45001 and ISO 10002 standards.

In order to ensure the effectiveness of risk management processes, our Board of Directors has appointed the Early Detection of Risk Committee to provide support in early detection of risks and factors that threaten the sustainability of our company and to implement appropriate strategies. This strategic and integrated approach plays a major role in both protecting the value of our company and improving the overall risk profile.



Early Detection of Risk Committee

At Adm Electricity Distribution, the Early Detection of Risk Committee, Sustainability, Environment, Occupational Health and Safety Committee and Investment Committee organise coordination meetings by reporting directly to the Board of Directors. These meetings ensure the establishment of comprehensive governance mechanisms where the company's implementation and performance monitoring processes.

The Committees are involved in the integration and oversight of work in the following areas:

- Monitoring acquisitions and divestments,
- Management of large capital expenditures,
- Provision of employee incentives,

- Detailed review of annual budgets,
- Updating risk management policies,
- Determining R&D and innovation priorities,

- Establishment of performance targets,
- Effective management of public policy engagement,
- Reviewing value chain interactions,

- Monitoring the implementation of transition plans,
- Auditing scenario analyses,
- Setting corporate objectives and continuously monitoring progress in achieving these objectives.

Responsibility of the Board of Directors in Risk Management

Adm Electricity Distribution Board of Directors ensures the implementation and supervision of risk management principles in order to effectively establish and integrate the company's risk management structure into company operations. In this process, risk appetite, acceptable risk tolerance levels and risk policies are re-evaluated and approved qualitatively and quantitatively every year. Significant risks and potential threats faced by the Company are regularly reviewed and assessed within the framework of approved risk policies and limits. The Board of Directors is committed to providing the necessary resources and support for risk management operations. This systematic approach ensures that risks are managed effectively and proactively and emphasises Adm Electricity Distribution 's strong commitment to risk management.

“Adm Electricity Distribution’s risk management process plays an important role in achieving sustainable growth and operational excellence targets by effectively guiding the company’s strategic and operational decisions.”





RISK MANAGEMENT PROCESSES



Risk Management Strategy

The risk management strategy implemented at Adm Electricity Distribution is structured in accordance with the legal framework and international standards. Our Board of Directors takes the lead in establishing risk management policies and assigns the Early Detection of Risk Committee to manage these risks efficiently. This committee operates under the guidance of the Board of Directors.

Our risk management process is based on rapidly identifying, measuring, managing, reporting and monitoring potential threats to the company's strategic, operational and financial targets. This process aims to make risk profile adjustments in line with the company's risk appetite, to increase the effectiveness of risk management in strategy and decision-making processes, to protect the company's capital, to allocate capital effectively and to provide sustainable financial performance to the company.

In addition, the objectives of this process include protecting the company's reputation and developing a strong culture of disciplined and informed risk-taking by increasing risk awareness. Our risk management strategy is based on an eight-step methodology for identifying and assessing risks. With this methodology, we identify existing and potential risks that may affect the achievement of the company's goals in line with corporate risk management systems.

Our company's risk management strategy involves continuous information sharing and integrated work between relevant departments and committees. In addition, we create different scenarios and apply stress tests by considering external factors such as climate change, depletion of natural resources, and changes in the frequency and impact of natural disasters. In light of these factors, we regularly check the efficiency of our business continuity activities and make improvements when necessary.

Metrics and Targets

Net Zero Roadmap

Aiming to play a leading role in the fight against climate change, Adm Electricity Distribution shapes its strategies in accordance with the International Energy Agency's (IEA) Net Zero Emissions (NZE) 2050 Scenario. This scenario envisages the energy sector to achieve net zero carbon dioxide emissions by 2050 and encourages developed economies to reach this target faster. In addition, these targets are in line with the United Nations' Sustainable Development Goals (SDGs) and support the Intergovernmental Panel on Climate Change's (IPCC) goal of maintaining the 1.5°C temperature rise limit.

Adm Electricity Distribution is making significant changes in its operational processes to achieve these global and national targets. It aims to reduce its carbon footprint by increasing efficiency in energy generation and distribution processes and investing in renewable energy sources. In addition to reducing emissions, the Company develops advanced technologies and methods to prevent energy losses and reduce illegal use, thereby minimising environmental impact and reducing operational costs.

Adm Electricity Distribution encourages the use of sustainable and environmentally friendly products and supports behaviours that comply with environmental standards in the supply chain. The company aims to achieve maximum efficiency with minimum energy consumption by using materials and technologies that support energy efficiency. Additionally, the Company organises in-house sustainability trainings and programmes aimed at raising the environmental awareness of employees, thus promoting sustainability among both internal and external stakeholders.

On the way to achieving the net zero emission target, Adm Electricity Distribution integrates climate change risks and opportunities in its strategic planning processes, identifies the challenges encountered in this process and develops solutions for these challenges. This approach is critical to ensure the long-term success of our company and contribute to global climate goals.

Adm Electricity Distribution aims to assume a leading role in the fight against climate change and accordingly, sets its strategic goals based on performance indicators under the supervision of the Corporate Governance Committee. Our company constantly evaluates its performance in providing a safe and efficient energy supply and combating climate change by taking into account environmental, social and governance (ESG) criteria in all distribution activities and new investments.

Within this framework, while carrying out R&D, technology investments and maintenance works for renewal, improvement and capacity increase in line with five-year plans, it sets targets to increase line length, number of transformers and installed capacity. These investments contribute to sustaining the fight against climate change by supporting clean and renewable energy distribution. In addition, all investments are carried out with environmentally friendly methods, taking into account environmental impacts.

Adm Electricity Distribution also makes evaluations within the scope of combating climate change by taking into account environmental, social and governance criteria on power plant and project basis. Our company identifies ESG risks within the framework of sustainability, periodically monitors and manages these risks. These processes support the company's long-term strategies and sustainable growth targets, while reinforcing the company's leadership in reducing its carbon footprint and environmental sustainability.





Adm Electricity Distribution is at Level A in CDP

As Adm Electricity Distribution, we maintain our commitment to environmental sustainability and transparency. We have the opportunity to objectively evaluate our environmental performance through the world's leading non-profit environmental reporting platforms such as the Carbon Disclosure Project (CDP). The 'Level B' rating we achieved in 2022 was upgraded to 'Level A' in the 2023 Climate Change Programme.

This success is an indicator of our selfless efforts in combating climate change and our leadership in environmental risk management. Our ability to effectively manage environmental risks builds trust with our stakeholders and proves that our sustainability efforts are recognised on international platforms.

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The 'Level B' rating we achieved in 2022 was upgraded to 'Level A' in the 2023 Climate Change Programme.

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ENVIRONMENTAL SUSTAINABILITY





Environmental Management

Creating value in the eyes of our stakeholders and society is our most important success criterion in ensuring long-term success. We adopt an approach that considers the sustainability of natural resources, the environment and the needs of future generations. In this context, we develop various strategies to increase energy efficiency, reduce losses and ensure sustainable energy supply.

We see contributing to the fight against climate change and sustainable development goals as our main mission. Accordingly, we aim to reduce our energy consumption and carbon footprint, minimise waste, prevent pollution and manage the use of natural resources in the most efficient way.

As Adm Electricity Distribution, we continuously monitor the impact of our electricity distribution activities on the ecosystem. In this context, we carry out various studies to protect biodiversity and manage our impacts on the ecosystem more effectively.

Especially with regard to the protection of biodiversity, we have implemented our "New Nest for Storks" project, which aims to create positive impacts on local ecosystems, by financing it with our own resources. This project aims to protect and support the natural habitats of storks by creating safe nests for them. Our project is not only aimed at protecting a species, but also contributes to the sustainability of the storks' habitat, supporting overall ecosystem health and reinforcing our efforts to raise environmental awareness.

We provide regular trainings to increase the environmental awareness of our employees and contractors, and continuously carry out environmental awareness activities. In addition, we aim to keep initiatives for environmental improvement alive through effective communication with our stakeholders and to announce the environmental policy we are committed to to all our employees. In this context, we maintain effective communication with all our stakeholders and ensure continuous improvement and development by periodically evaluating the goals and targets set for the environment.





Emission Management

Our industry has a critical role in the transition to a low-carbon world. Accordingly, reducing our carbon emissions and combating climate change are at the top of our priorities. Calculating, managing and developing strategies to reduce greenhouse gas (GHG) emissions associated with our operations on an annual basis is one of the key steps we take on our journey to reach our net zero target. From 2021 onwards, in addition to our Scope 1 and Scope 2 emissions that are under our direct control, we also calculate Scope 3 emissions from activities outside our direct control, which contribute significantly to our overall carbon footprint.

In 2023 reporting, our Scope 1 emissions were calculated as 21,550.52 tonnes CO₂ equivalent and Scope 2 emissions were calculated as 237,787.15 tonnes CO₂ equivalent.

We regularly review and improve our reporting methods and audit our emissions in accordance with Scope 1, 2 and 3. Our Scope 1, 2 and 3 emissions have been undergoing an annual external assurance process since 2020, during which independent auditors confirm the accuracy and reliability of our emission reports. The work we have done is an indicator of our commitment to sustainability and our determination to achieve our environmental goals and shows that we are a pioneer in the sector and that we take our commitments to environmental sustainability seriously.

In 2023 reporting,

- Our Scope 1 emissions were calculated as **21,550.52 CO₂ tonnes equivalent**
- Our Scope 2 emissions were calculated as **237,787.15 CO₂ tonnes equivalent**

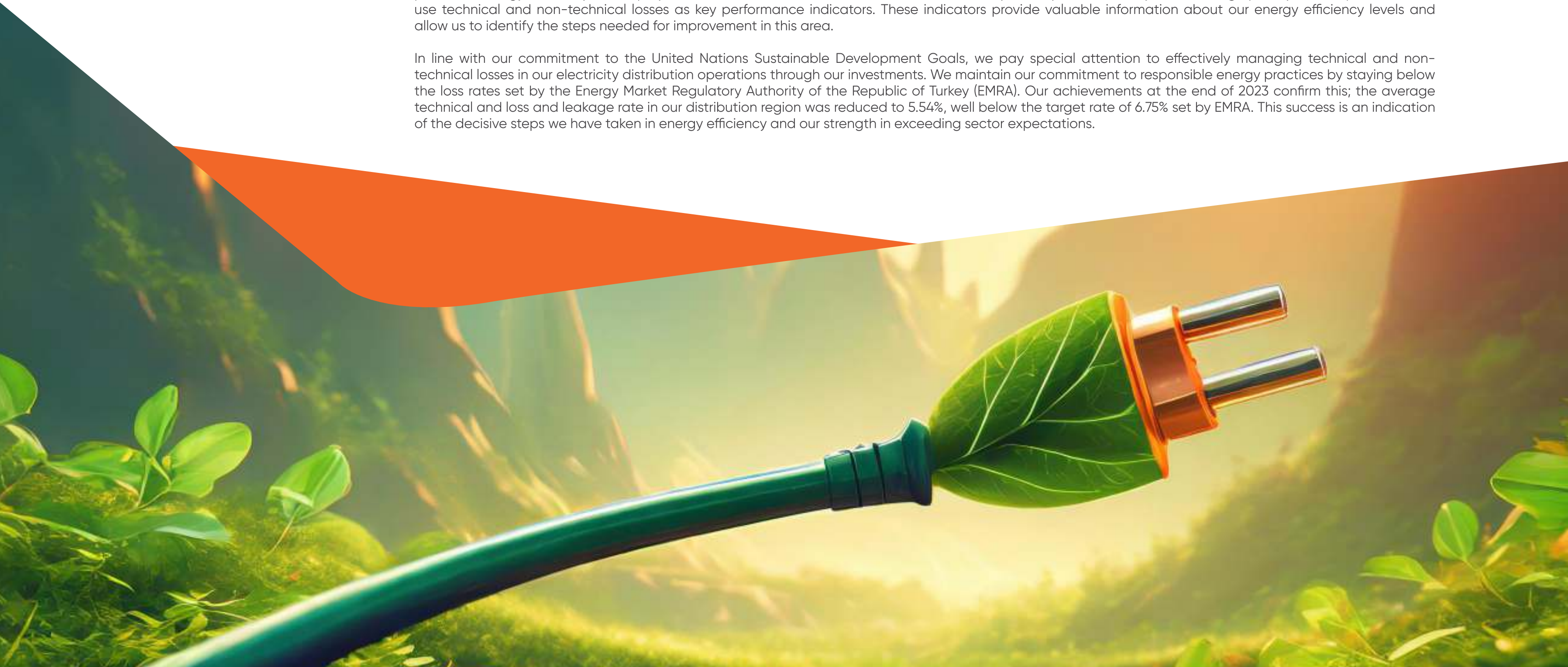


Energy Management

Our focus on energy efficiency is one of the important first steps we take in the fight against climate change and includes our efforts to reduce the direct and indirect impacts of the energy used in our operations. We continuously monitor our energy consumption, invest in energy efficiency and make systematic efforts to minimise our environmental impact. It is among our goals to effectively manage energy use in all our activities, increase resource utilisation and reduce our energy consumption. In this context, we have established and implemented a comprehensive energy management system to improve our energy utilisation performance and efficiency.

In this process, we continuously work to optimise energy efficiency, reduce losses and reduce our emissions in line with our commitment to sustainable business practices. Energy efficiency, which plays a critical role in the transition to an environmentally friendly distribution system, is a high priority in our operations. We use technical and non-technical losses as key performance indicators. These indicators provide valuable information about our energy efficiency levels and allow us to identify the steps needed for improvement in this area.

In line with our commitment to the United Nations Sustainable Development Goals, we pay special attention to effectively managing technical and non-technical losses in our electricity distribution operations through our investments. We maintain our commitment to responsible energy practices by staying below the loss rates set by the Energy Market Regulatory Authority of the Republic of Turkey (EMRA). Our achievements at the end of 2023 confirm this; the average technical and loss and leakage rate in our distribution region was reduced to 5.54%, well below the target rate of 6.75% set by EMRA. This success is an indication of the decisive steps we have taken in energy efficiency and our strength in exceeding sector expectations.





Water Management

Over 2 billion people worldwide lack access to safe drinking water, and the United Nations predicts that factors such as population growth and climate change will worsen this situation. Increasingly severe droughts could exacerbate water scarcity, leading to shortages of agricultural crops and negative impacts on ecosystems and human health. Turkey is a country facing increasing pressure on water resources and the risk of becoming "water poor" due to large agricultural areas, growing cities and a growing population. This situation leads to some communities having access to sufficient water while others face serious water shortages.

As Adm Electricity Distribution, we carry out our activities carefully to ensure the protection and sustainable use of water resources. Although our water consumption does not directly create a major impact, we aim to contribute to the sustainable use of water resources and minimise our water footprint. To this end, we take proactive steps towards water efficiency through the Environmental Management System and regularly report our water consumption data to the HSE and Sustainability Group Directorate. Within the framework of ISO 14046 standard, we carefully calculate and verify our water footprint.

In 2023, our blue water footprint was calculated as 19,741.67 m³ , green water footprint as 44,267.23 m³ and grey water footprint as 15,793.34 m³ . These data allow us to clearly understand and manage our water consumption and our impact on water resources. With these processes, we, as Adm Electricity Distribution, maintain our commitment to sustainable business practices and adopt an environmentally friendly approach.



TECHNOLOGY AND INNOVATION



Our R&D Activities

R&D and technological innovation have been established as one of the cornerstones of Adm Electricity Distribution's future vision. Aiming to pioneering role in the sector and continuously improve the services we provide, we took an significant step in 2021 by establishing in-house R&D Centre The importance we attach to our R&D activities has been crowned by the recognition of our R&D Centre by the Republic of Turkey's Ministry of Industry and Technology. As a requirement of this status, we have developed reward and incentive systems that encourage our employees' innovative ideas and academic studies support their articles and projects.

With our three recent projects with a budget of TL 2.5 million, we have focused on innovative solutions and technologies. The aim of these projects is to provide our customers with higher quality, reliable and sustainable energy and to build an environmentally friendly energy system by promoting the use of renewable energy sources.

With a strong framework in corporate governance and innovative approaches, we are preparing our energy distribution system for the future by investing in infrastructure modernisation. Our efforts to minimise energy losses contribute to increasing our network efficiency and thus improving our environmental performance. By integrating technological innovations, we aim to meet the needs of our customers and society more effectively and to be a leader in the energy transition.

As part of this process, we engage in constructive dialogue with public institutions and other stakeholders, contributing to the formulation of policies and regulations that support the changes taking place in the energy sector. Our innovative approaches and commitment to sustainable energy are the guarantee of our company's long-term success.



2023 R&D Projects	Description
Virtual RTU	By developing a virtual RTU software platform, the functions provided by RTUs were realised on web servers, independent of the hardware in the field.
Development and Pilot Application of Visible Hazard Signage with Luminescence Technology - (LTL)	Increased visibility of network inventories in "dark" and "unfavourable" weather conditions.
Design, Development and Pilot Application of a New Generation Product Line for Overheating and Fire Protection	A system for monitoring the thermal stress in mechanical connections has been established.

Our Projects in Cooperation with Özyeğin University	
Argenergy-Pro Phase-3	A web-based project tracking platform was developed for the effective management of R&D projects carried out in distribution companies.
Digital Maturity Assessment Model and Development Roadmap	The digitalisation levels of distribution companies were measured and a roadmap was created for them to reach a high level of digitalisation.
DÖMNi (Deployment Specific National Processor) Phase-1	A feasibility study was carried out for the placement of processors in the devices used in the electricity distribution sector.

Digitalisation

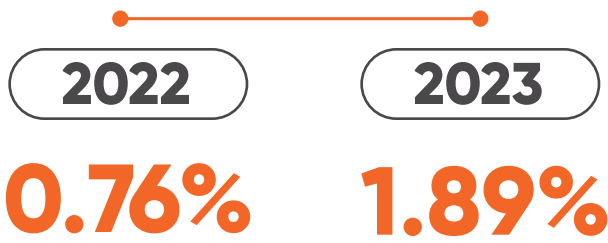
At Adm Electricity Distribution, technological development forms the basis of our business strategy and the technological standards of the energy sector in Turkey are strictly regulated by EMRA. Within this framework, we continuously integrate new technologies to strengthen our market position, comply with regulations and minimise our environmental impact. In the energy distribution sector, we use innovative emission-reducing technologies such as solar panels and battery systems.

“ **As Adm Electricity Distribution, we are proud to be one of the pioneers of this technological transformation.** ”

We allocate a large portion of our 9.09 billion TL investment to be made between 2023 and 2025 to R&D and technological development projects. In 2023, one of our prominent projects was the development of the Virtual RTU software platform, which enables the functions provided by RTUs to be performed on web servers, independent of hardware in the field.

With the awareness that we have a critical importance in our sector, we undertake the mission of realising better today and in the future, investing in innovative technologies and developing the electricity distribution infrastructure of our country. We attach great importance to scientific and technological collaborations and focus on technology development through education and training activities.

Ratio of R&D and Innovation investments to total investments





Smart Grid Applications

Remote Monitoring and Control Systems (SCADA)

In 2012, we launched the first private SCADA/DMS system in the electricity distribution sector in order to ensure that network management in electricity distribution is carried out in a secure, uninterrupted, remotely monitored, fast and effective controllable structure using high-tech equipment, with optimum labour consumption. Accordingly, we can remotely control 1,371 stations and 5,601 fiducials. The number of transformers and distribution centres included in the SCADA system continues to increase every year.

Geographical Information Systems

We manage the electricity distribution network inventory in our region with GIS. In this context, our entire distribution network has been electronically transferred and modelled from the source to all subscribers.

Thanks to GIS software, we use other systems that enable the management of the distribution network such as SCADA / DMS, Customer Relationship Management (CRM), SAP Software, Asset Maintenance Management System as the main data source..

Automatic Meter Reading System (OSOS)

Within the scope of OSOS, we remotely read approximately 32,013 meters, including high consumption customer meters, all generation facility meters connected to the licensed and unlicensed distribution network and all lighting meters within the scope of the distribution region, and transfer their consumption and profile values to the system. We ensure the traceability of the system with the accrual values and data provided by OSOS, and we contribute to customer satisfaction and total quality increase by sharing this data with the user.

The active electric energy consumption limit of the meters that must be included in OSOS is approved by the Turkish Energy Market Regulatory Authority. For our consumers with consumption above this limit, meters with the necessary qualifications are installed by our company without any charge from consumers, except for the cases specified in the legislation.



Digital Workshop Protocol from Adm Electricity Distribution and TEDAŞ

Adm Electricity Distribution, together with TEDAŞ General Directorate, signed a cooperation agreement for TEDAŞ Digital Workshop System, breaking new ground in the sector. This cooperation aims to offer trainings in the electricity distribution sector in a time and space independent manner. The signing ceremony took place at TEDAŞ General Directorate and this new system will ensure that technical information and occupational health and safety trainings will be prioritised.

The system will offer trainings using an interactive software technology through reality scenarios created in three-dimensional virtual environments, based on problems encountered in real life. In this way, a practical and interactive environment will be provided for employees to find solutions to the problems they may encounter.



PEOPLE ORIENTATED MANAGEMENT





Human Resources Management

Adm Electricity Distribution acts with the vision of creating value for society and the environment to maintain our leading position in the sector and to become a brand from local to national, national to global. As a company, we believe that our most valuable asset is our colleagues and we support them with innovative and value-creating practices for their development.

While we aim to create competence and skill sets among our colleagues that will reinforce our leading position in the energy sector, we act with the awareness of the public service responsibility brought by the electricity distribution sector with our human resources management policies. In addition to creating ethical, environmentally friendly and innovative teams within the framework of our values and corporate culture, we stand out with an egalitarian structure and a management approach that respects diversity.

In our business processes, we fight against discrimination and provide equal opportunities to all our colleagues. We consider our differences as richness and endeavour to create a fair, reliable and equitable business environment at every stage. Our Human Rights Policy is an important guide that embodies these values.

Adm Electricity Distribution is a signatory of the "Women's Empowerment Principles" as well as a participating member of the United Nations Global Compact. We aim to support the growth and development of both our employees and our company with our projects on career development, work-life balance and awareness activities.

Especially in our human resources policies, we pay attention to respond to the needs of our colleagues with the benefits we offer to them. We provide our colleagues with additional advantages such as life insurance, additional health insurance, death, birth and marriage benefits. In addition, we support important moments in the lives of our employees with additional leave days and social leave rights in special occasions such as marriage, birth and circumcision wedding. We offer more leave rights than the annual leave periods determined by the labour law, and we appreciate the achievements of our employees with service incentive bonus awards.



Our Human Rights Policy

As Adm Electricity Distribution, we clearly express our respect for human rights and our commitments in this field through our Human Rights Policy. Our policy aims to act in line with the United Nations Universal Declaration of Human Rights as an integral part of our code of ethics and is shaped accordingly.



Anti-Discrimination and Equality of Employees:

Adm Electricity Distribution does not accept discrimination based on race, religion, language, gender and similar factors in business life. The basic principle is to value the differences of our colleagues and to see these differences as the strength of our company.



Equal Opportunity and Supporting Women's Employment:

It is at the centre of our policy to provide all employees with equal rights to benefit from remuneration and career opportunities. We are committed to empowering our female colleagues and implementing the principles of equal opportunities at all levels.

These policies and commitments are at the centre of all activities of Adm Electricity Distribution and guide us in our business conduct, human resources management and all our business relationships in line with our company's sustainability strategy. These guidelines also set standards that apply to our business partners and everyone in our supply chain and underlining our responsibility to society and the environment as Adm Electricity Distribution.



Stand Against Child Labour and Forced Labour:

We absolutely reject the use of child labour or forced labour at any stage. We expect all our partners to adhere to these standards when conducting business.



Education, Equality and Freedom of Expression:

We care that all our colleagues benefit from fair training and development opportunities and that their freedom of expression is respected while using these opportunities.



Working Conditions and Occupational Safety:

We guarantee healthy, ergonomic, hygienic and safe working conditions and always prioritise occupational health and safety principles.





Diversity, Equality and Inclusion

Gender Equality and Opportunity Justice with "Equal Life Project"

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hayat



As Adm Electricity Distribution, we reinforce our commitment to increase the number of female employees in the energy sector and to provide equal opportunities in general with the "Equal Life Project". This project is a comprehensive initiative aimed at creating a wide-reaching impact among our employees in society

Our project includes presenting candidates for management positions by taking gender equality into account, organising trainings to raise awareness in evaluation processes and implementing CV evaluation processes that do not include gender information. "Equal Life" is designed to eliminate gender-based barriers in business and social life and to provide permanent solutions to gender inequality.

This project, which operates under five main headings—education, policy, business processes, and awareness activities—was shared with all our employees on December 10, Human Rights Day, featuring the themes of "Equal Opportunities," "Stand Against Violence," and "Inclusion and Diversity." These policies promote a culture that supports equality and diversity within the company and in society at large. As Adm Electricity Distribution, we focus on training and seminars aimed at supporting gender equality and increasing the number of women employees, with the goal of fostering more women managers at the upper and middle levels. Our company policies are based on strictly rejecting all kinds of discrimination among our colleagues and valuing diversity and differences.

Women's Empowerment Principles (WEPs)

In order to emphasise the importance we attach to gender equality and women's empowerment, we are proud to be one of the signatories of the Women's Empowerment Principles (WEPs), established in partnership with the United Nations Entity for Gender Equality and the Empowerment of Women and the United Nations Global Compact.

This important step demonstrates our company's commitment to providing equal opportunities for women and promoting gender equality internationally. As a signatory of the WEPs, we are committed to strengthening women's roles in business and society, enabling them to take a more active role in decision-making processes, and ensuring their equal rights.

Women's Empowerment Principles

- Establish high-level corporate leadership for gender equality
- Treat all women and men fairly at work – respect and support human rights and nondiscrimination
- Ensure the health, safety and well-being of all women and men workers
- Promote education, training and professional development for women
- Implement enterprise development, supply chain and marketing practices that empower women
- Promote equality through community initiatives and advocacy
- Measure and publicly report on progress to achieve gender equality



Adm Electricity Distribution's Responsibility Commitment as a Participant of the United Nations Global Compact

As Adm Electricity Distribution, we operate with the pride and responsibility of being a participant of the United Nations Global Compact (UNGC). This platform is recognised as the world's most comprehensive sustainability initiative and within this scope, we conduct our business processes in line with our responsibilities towards society, the environment, our country and all individuals. We carry out our work within the framework of planned time and quality, in accordance with our business ethics, and we adopt a transparent and accountable business approach by adhering to procedures and rules.

We are firmly committed to UNGC's 10 fundamental principles in areas such as human rights, labour standards, environment and anti-corruption. While integrating these principles into our business processes, we fulfil our responsibilities by reporting our work on these issues every year and determining the commitments we fulfil with concrete indicators.

We will continue to participate in projects that make a difference in the industry and aim to achieve sustainable goals with people-oriented approaches. In this way, we will continue to create a fair and balanced business environment by adhering to ethical values and considering how others will be affected in all our decisions.

10 Principles of the Global Compact



Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: Make sure that they are not complicit in human rights abuses.ihlallerinin suç ortağı olmamalı.



Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labour;

Principle 5: The effective abolition of child labour; and

Principle 6: The elimination of discrimination in respect of employment and occupation.



Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies. desteklemeli.



Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Adm Electricity Distribution's Business Culture with "Great Place to Work" Success

As Adm Electricity Distribution we attach great importance to employee satisfaction and happiness with our working policies and innovative practices shaped on the basis of high trust culture. Our company was certified as a "Great Place to Work" in 2023, this success shows that we meet the criteria of great workplaces. One of our biggest goals is to make these labour policies sustainable in the coming years.

It is important for us to enable our colleagues to express their ideas freely, to care about their social needs and to celebrate their successes together. We constantly monitor the needs of our employees and stakeholders in line with changing conditions and update our working environment, business model and the products and services we offer accordingly. In addition, we lead development and change in the electricity distribution sector by taking pioneering steps in the sector.

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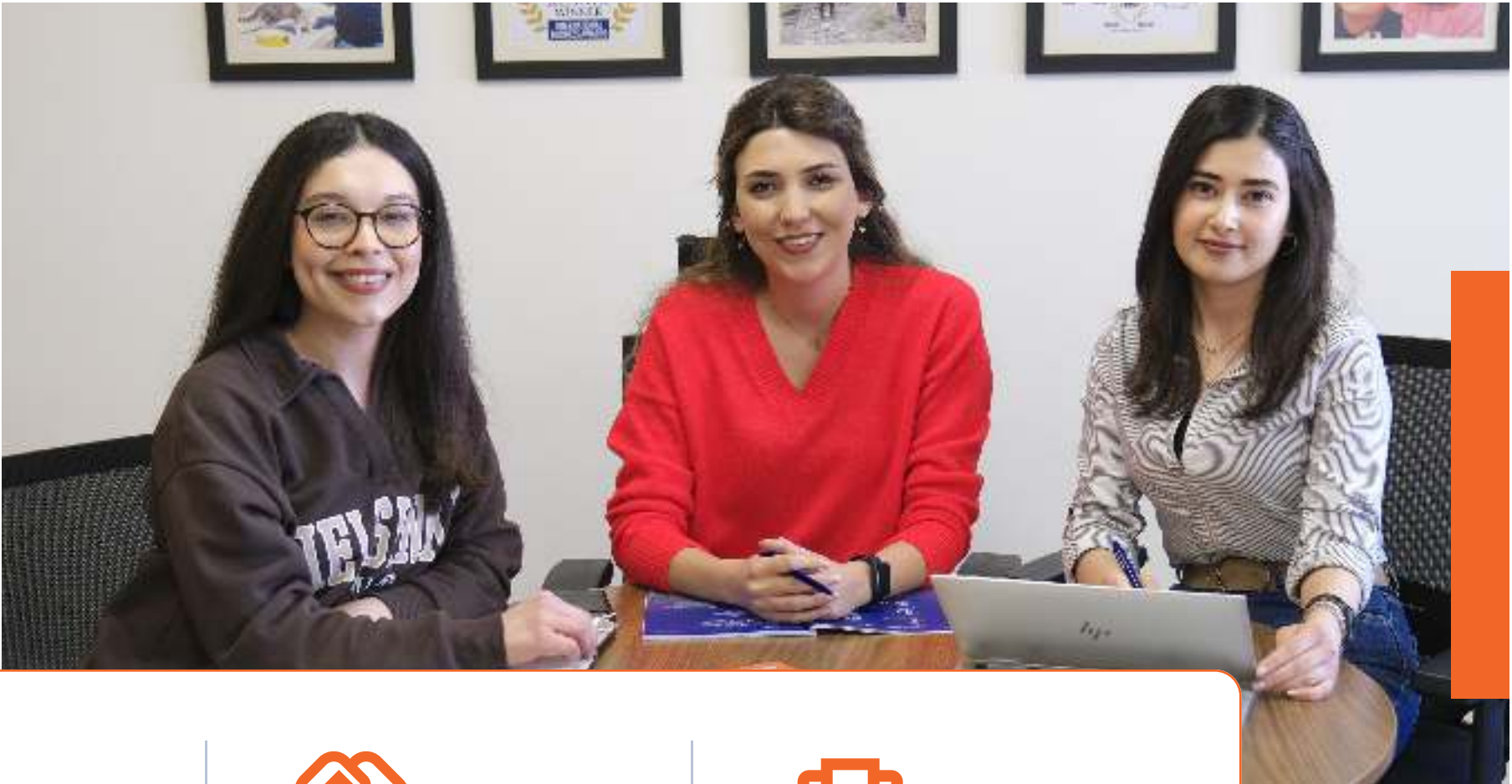


Talent Management

As Adm Electricity Distribution, we continue our work in line with the dynamics of the new energy world with our innovative and sensitive values. Under our "We for Energy" employer brand, we aim to put people at the centre, understand their needs and produce proactive solutions to these needs.

Our Human Resources department has undertaken the mission of building teams that add value to knowledge and work with efficiency. The teams we build are supported by our employee experience projects and strengthened in different areas of life. We encourage our employees' success in their career journeys and intensify our efforts to ensure they are full of energy, confident and act as a single team.

Our goal is to enable our employees work with high self-confidence, knowing that they are the source of "Energy for Life". With this understanding, it is possible to achieve sustainable development in a world with renewable energy sources, energy efficiency, local energy systems and digital solutions. We believe that we will achieve success as long as we develop together on this path.



Supportive and Guiding Leadership

- Circular Mentoring Programme
- Leadership Interaction Transformation (LED) Training Programme
- Coordinating Engineer and Control Engineer Training Programme
- Managers in the Field
- Leader Meetings
- Idea Line



Ownership and Taking Responsibility

- Stories from Us
- Our Impact on Each Other
- Request and Complaint Boxes



Valuing Employees

- Welcome Package
- Together on Important Days
- Flexible Working Model
- Employee Satisfaction Survey
- Health Check-up
- Aydem Academy
- Free Friday



Openness and Trust Based Communication

- Enport Application
- Social Aydem
- Managers' Door is Open
- Stories from Us



Justice and Merit-Centred Work

- Achievement Awards
- Short, Medium and Long Term Targeting
- Performance Management
- Aydem Academy
- Promotion, Transfer and Rotation
- Development through Feedback



Our Strategic Approach for the Development of Our Employees: Development through Feedback

As Adm Electricity Distribution, we see our workforce as our most valuable asset, considering them the cornerstone of our company's long-term success by providing an environment that will maximise the talents of our employees. With this perspective, while aiming to increase employee satisfaction and loyalty, we also strengthen the sustainable success and profitability of the company.

In order to encourage our employees, we follow fair policies within the scope of inclusion and diversity. Fair assessment tools used in our recruitment processes have an important place within the framework of talent management. Thanks to these tools, we objectively evaluate the skills of candidates using methods such as interviews, inventory assessments and assessment centre practices.

Knowing that our employees play a critical role in achieving our company goals and sustainability objectives, we create a corporate culture that supports both parties to achieve their goals. This culture emphasises employee development, invests in talent and provides a motivating work environment for employees. In order to continuously develop our employees, we offer various training and development programmes to adapt to the rapid transformations in the sector.

Our Human Resources policy guarantees that our performance management and reward systems are transparent and fair. These systems evaluate employee performance based on objective criteria and encourage merit-based promotions. This approach offers equal opportunities to all our employees without discrimination and enables them to fully utilise their potential.

We adopt a non-discriminatory and transparent approach in our recruitment processes and apply a fair evaluation process. In our recruitment process, which starts with advertisements published on our company's website, we evaluate candidates according to their skills, experience and potential performance measurement criteria. Career planning, promotion processes and training opportunities of our employees within the company are also managed within this egalitarian structure.





Full Energy Young Talent Programme

As Adm Electricity Distribution, we continue the "Full Energy Young Talent Programme" with great enthusiasm, where we meet young talents who are at the beginning of their career journey, full of energy and eagerly awaiting development. This programme is designed for recent university graduates, graduate students or individuals with a maximum of one year of work experience. Through this programme, we are realising our goal of bringing young talents into our company.

With this programme, which has been running for three terms, we offer young talents the opportunity to build a career in the energy sector and aim to contribute to their professional and personal development. Within the scope of Full Energy Young Talent Programme, young talents have the chance to work on real projects in the dynamic working environment of our company, interact with the leading professionals of the sector and develop their personal skills. This programme enables young talents to enter the energy sector with firm steps and prepares them to become the leaders of the future.

Doors Opened to Young People through University Collaborations and S-Energy Internship Programme

As Adm Electricity Distribution, we see cooperation with universities as a strategic priority. In this context, within the framework of the "Vocational Training Programme Protocol" with Pamukkale University Faculty of Engineering, we offer students real work experiences where they can put their theoretical knowledge into practice. This protocol allows students to reinforce their academic education practically in our company.

In addition, with the "S-Energy Internship Programme", we provide internship opportunities for high school, associate degree and undergraduate students in three different groups. These programmes, classified as Group A, Group B and Group C, provide students with valuable experience in building a career in the energy sector and support their preparation for business life.

In addition, we offer students the opportunity to get to know our company closely and learn about career opportunities in the energy sector through the career events we organise. These events help students get in direct contact with industry professionals and explore potential job and internship opportunities.

EnerjiM Tamam! Geleceğe Hazırım





OCCUPATIONAL HEALTH AND SAFETY

We recognise that our employees undertake critical and vital tasks such as electricity distribution and alternative energy solutions. These important tasks can bring with them various risks to the health and well-being of our employees. Therefore, we prioritise the physical and mental health of our employees and develop strategies to protect their well-being.

Our occupational health and safety management is organised in accordance with national and international legislation and standards such as the Labour Law No. 4857, the Social Security and General Health Insurance Law No. 5510, the Occupational Health and Safety Law No. 6331, the Regulation on Electrical High Current Facilities and the ISO 45001 Occupational Health and Safety Management System. Risk Assessment meetings are held specifically for each of our workplaces, and a comprehensive risk analysis is carried out by employers' representatives, managers with technical knowledge, employee representatives, occupational safety experts and workplace physicians.

In addition, regional OHS Board meetings are held regularly on a monthly basis in Aydın, Muğla, Bodrum-Milas and Denizli Regional Directorates, and these meetings are held quarterly in our General Directorate, which is included in the less hazardous class. Representatives of contractor companies also actively participate in these meetings, thus ensuring effective communication and co-operation between both internal and external stakeholders.

The final version of the Risk Assessments are published on the Document Management System (QDMS) accessible by every employee and all activities are actively monitored through the OHS Software programme. This system allows our employees to report hazardous situations, behaviours and near misses via mobile application or web.

Detailed risk assessments conducted for each location and their results enable continuous improvement of the health and safety standards of employees, and effective measures are taken to prevent occupational accidents and occupational diseases. At the monthly Regional Occupational Health and Safety Committee meetings, employee representatives have the opportunity to share their opinions and suggestions regarding the development, implementation and evaluation of our occupational health and safety management system.

Protecting the health and safety of our employees is also vital to ensure the continuous improvement of our business processes. As a company, we consider these practices not only as a legal obligation, but also as a way to increase the welfare of our employees and all our business partners and to support our sustainable success.





SOCIAL RESPONSIBILITY

New Nest for Storks

“ **Within the scope of the 'New Nest for Storks' project, we contribute to the lives of 86% of storks every year with the facilities established on the migration routes of storks!** ”

Adm Electricity Distribution creates a sustainable environmental impact by harmonising its electricity distribution infrastructure with natural life through the "New Nest for Storks" project, which was initiated to protect the environment and support biodiversity. Implemented since 2009, this project has been presented as an example to other electricity distribution companies by the Ministry of Energy and Natural Resources and has assumed a pioneering role in raising environmental awareness across Turkey.

Today, we have been hosting more than 100 thousand storks with our electricity poles in Aydın, Denizli and Muğla for more than 14 years.

In the project, specially designed living platforms were installed on the tops of the poles in Aydın, Muğla and Denizli regions, which are located on the routes of electricity distribution lines and where storks nest densely. These platforms enable storks to nest safely without damage the power lines, thereby preventing power outages and protecting the storks' habitats.

With the implementation of the project, a series of measures are taken by Adm Electricity Distribution every year before the migration season. These measures include technical maintenance of the platforms, cleaning the nests and applying the necessary insulation processes. In addition, electricity distribution lines in the areas where stork nests are located are specially insulated for the safety of storks and the insulation materials on the lines are regularly checked.

These efforts are planned considering storks' habit of nesting in the same places every year. New poles for nesting are identified along migration routes and in areas with dense stork populations, and living platforms are installed on these poles. Project-specific teams are specially trained in the placement and maintenance of these poles, and support is provided at every stage of the process without interfering with the natural life cycle of storks.

The "New Nest for Storks" project demonstrates Adm Electricity Distribution's sensitivity to the environment and its commitment to sustainable development goals. While fulfilling its environmental responsibilities, the project also strengthens the company's aim to create a positive impact on society and the energy sector, setting an example for other companies in terms of environmental sustainability. Adm Electricity Distribution aims not only to lead in the energy sector but also in environmental protection and biodiversity, continuing to expand its efforts in these areas every year.



Awards Received by Our Project

Adm Electricity Distribution won a total of 5 Stevie® awards (2 Gold, 1 Silver and 2 Bronze) at the Middle East and North Africa Stevie® Awards with its New Nest for Storks corporate social responsibility project.



At the 20th Stevie® International Business Awards, Adm Electricity Distribution won the Bronze Stevie® award in the category of "Communication/Public Relations Campaign of the Year-Corporate Responsibility" with its New Nest for Storks corporate social responsibility project.



At the 21st Golden Compass Turkey Public Relations Awards, Adm Electricity Distribution won the Golden Compass award in the "Corporate Responsibility-Environment" category with its New Nest for Storks corporate social responsibility project.



Click here to see the video of our New Nest for Storks project.





Energy Hunters

With the "Energy Hunters" project launched in 2018, Adm Electricity Distribution aims to raise awareness of energy efficiency and savings from an early age. This project is designed to teach the value of energy to children aged 4-8 in Aydın, Denizli and Muğla regions and to raise their awareness on energy saving.

Within the scope of the "Energy Hunters" project, children are trained on the importance of energy use, ways to save energy and measures that can be taken for a sustainable environment. These trainings are supported by interactive games, drama and various activities so that children reinforce what they have learnt by having fun.

To date, the project has reached more than 14,000 students in kindergartens and primary schools in 49 districts. At the end of the trainings, children are raised as "Energy Hunters" and contribute to the spread of knowledge by sharing what they have learnt with their families and their environment. In addition, "Energy Hunters" themed matching board games are distributed to children, giving them tips on energy saving, so that they continue to learn while playing.

Adm Electricity Distribution continues these trainings with the permission of the Provincial Directorates of National Education and aims to train new "Energy Hunters" in 2024. The aim of the project is to raise new generations who understand the value of energy and adopt saving as a form of behaviour, and to spread a sustainable environmental awareness to all layers of society.

“

We will continue to raise Energy Hunters with our project aiming to raise generations who know the value of energy and make efficiency and saving a philosophy of life as a form of behaviour.

”



Memorial Forests

Adm Electricity Distribution successfully carries out the "Memorial Forests" project in order to reinforce its environmental responsibility and sustainability vision. With the tree planting activities carried out in various cities such as Fethiye, Denizli and Çivril, a total of 10 thousand saplings were planted and an area of 50 thousand square metres was greened. These activities support the goal of leaving a greener and more livable world to future generations and constitute Adm Electricity Distribution Memorial Forests.

In addition to the project, in cooperation with the TEMA Foundation and the Regional Directorate of Forestry, various trainings were organised for students in primary and high schools in Aydın, Denizli and Muğla. In these trainings, students were informed about erosion, global warming and general environmental awareness, aiming to make young generations more sensitive and aware of environmental problems.

“

We carried out afforestation works by planting 10 thousand saplings on a total area of 50 thousand square metres in Denizli, Fethiye and Çivril, which are in our field of activity.

”





Our Activities in 2023

Adm Electricity Distribution, Participation as Sector Representative in Denizli Businessmen Vocational and Technical High School Vocational Career Days Event

In the programme where opinions and suggestions for the development of Electrical-Electronics, Mapping and Cadastre and Geographical Information Systems students were shared, our GIS (Geographical Information Systems) Management and Human Resources team came together with the students and provided information about the introduction of our company, experiences in the electricity distribution sector and internship programmes that vocational high school students can participate in.

Participation in Pamukkale University 5th Sector Days Event

Adm Electricity Distribution took part in the "5th Sector Days" event organised by Denizli Pamukkale University Industrial Engineers Community. The Human Resources team attended the event held at Denizli Pamukkale University Faculty of Industrial Engineering as the sector representative. Company presentation, information about job and internship opportunities were shared with the students who participated in the event.

Denizli Career EXPO 2023 Participation

Adm Electricity Distribution participated in Denizli Career Expo 2023 organised by İŞKUR on 1-2 November 2023 within the scope of the European Union project. Our Human Resources team attended the Career Expo 2023 event held in Honaz district of Denizli as a sector representative.

Participation in Başarsoft Technology Day 2023 Event

Adm Electricity Distribution took part in the "Technology Days 2023" event organised by Başarsoft. In the event held at Ankara Bilkent Hotel and Conference Centre, Adm Elektrik System Operation Manager Meriç Ger took part as a speaker with his presentation on "Image Processing and Data Analytics with the Use of Drone-Based Technologies in the Inspection and Updating of Electricity Distribution Network Assets". As Adm Electricity Distribution, we shared our first applications in the electricity distribution sector, innovative solutions, technology and innovation-oriented value-adding projects with the participants.

Participation in Inavitas User Days Event

Adm Electricity Distribution took part in the "User Days" event organised by Inavitas. At the event held at Grand Mercure Ankara, Ahmet Bayramoğlu, General Manager of Adm Electricity Distribution, took part as a speaker in the session "The Role of Digital Transformation in the Future of the Energy Sector EDIDER" and Meriç Ger, System Operation Manager, took part as a speaker in the session "Power Quality in Transforming Grids: More Traceability and Insight" session. In the sessions, the speakers conveyed the technology and innovation-oriented strategies implemented by Adm Electricity Distribution to achieve an agile business structure in the field of electricity distribution.

Paris Energy Tech 2023 (5th International Conference on Renewable Energy, Resources and Sustainable Technologies) Participation in the Conference

Adm Electricity Distribution R&D Centre participated in Energy Tech 2023 (5th International Conference on Renewable Energy, Resources and Sustainable Technologies), which aims to accelerate developments in renewable energy for sustainable growth. The conference, which took place in Paris, brought together international academics, researchers, managers, industry representatives and business leaders to discuss sustainable energy and advanced technology developments in a forum environment and to promote R&D projects. At the event, Technology Development Manager Andaç Kılıç, Technology Development Manager "Showcasing Battery Energy Storage for Enhanced Grid Stability: A Case Study", Technology Development Engineer Yahya Atılğan "Designing De-Icing Vibration Device for Distribution Lines" and Technology Development Engineer Barış Çetinkaya "Design and Development of an Autonomous Intelligent Robot for Distribution Centre Operations: A Case Study" at the event.

Participation in Roma Energy Trends 2023 Event

Adm Electricity Distribution R&D Centre participated in the Energy Trends 2023 event, which includes current trends in energy, environment and sustainable development and offers international environmentally friendly energy solutions. In addition to exchanging information on renewable energy and sustainable future with scientists from different countries of the world at the event held in Rome, Technology Development Manager Andaç Kılıç from the R&D Centre team presented "Showcasing Battery Energy Storage for Enhanced Grid Stability: A Case Study", Research and Design Engineer Sude Kozalioğlu presented "Artificial Intelligence-Based Attack Detection System for Supervisory Control and Data Acquisition (SCADA) Systems: Studies on Substation Emulator", Research and Design Engineer Necati Keskin "Developing a Virtualised Remote Terminal Unit for Enhanced Electricity Transmission and Reduction of Costs and Error Rates in Outage Management", Technology Development Engineer Yahya Atılğan "Effects Of Boron Electrolyte Materials And Compositions For Electrochemical Supercapacitors" and Technology Development Engineer Barış Çetinkaya "Design and Development of an Autonomous Intelligent Robot for Distribution Centre Operations: A Case Study" and Technology Development Engineer Barış Çetinkaya made their presentations.

Participation in the 2nd R&D Dissemination Workshop

Adm Electricity Distribution participated in the second R&D Dissemination Workshop held by the Energy Market Regulatory Authority (EMRA) and Electricity Distribution Services Association (ELDER) with its R&D Centre team. At the workshop, the presentations of the projects selected for dissemination were shared with the participants in the sector.

APPENDICES





Economic Performance Indicators

Economic Value Created	2021	2022	2023
Economic Value (Revenues) (TL)	7,938,731,643	17,349,099,775	18,217,692,230
Economic Value Distributed	2021	2022	2023
Activity costs (including procurement, excluding fees) (TL)	927,466,322	1,722,648,802	2,165,138,328
Salaries and benefits paid to employees (TL)	365,601,833	498,543,479	599,896,053
Taxes and similar payments to the government (TL)	71,033,707	58,963,055	98,066,086
Donations, sponsorship and corporate responsibility expenditures (TL)	8,184,347	233,386	5,578,643
Financial Indicators	2021	2022	2023
Net income (TL)	6,067,332,825	11,925,809,538	12,905,352,357
Net profit (TL)	(3,794,733,248)	5,879,113,365	5,539,457,883
EBITDA (TL)	6,971,739,267	8,576,840,482	8,349,257,259
Total assets (TL)	15,463,047,752	17,955,380,967	20,154,976,096
Total equity (ROE) (%)	(7,189,465,737)	1,685,182,951	7,349,749,499

Environmental Performance Indicators

Greenhouse Gas Emissions	Unit	2021	2022	2023
Direct CO ₂ Emissions (Scope 1)	tCO ₂ e	19,386	20,358	21,551
Indirect CO ₂ Emissions (Scope 2)	tCO ₂ e	273,514	243,844	237,787
Indirect CO ₂ Emissions (Scope 3)	tCO ₂ e	28,185	69,322	87,011
Water Footprint	Unit	2021	2022	2023
Blue Water Footprint	m ³ /year	11,694	13,136	19,742
Green Water Footprint	m ³ /year	33,306	35,223	44,267
Grey Water Footprint	m ³ /year	4,677	11,769	15,793
Total Waste / By Type	Unit	2021	2022	2023
Hazardous Waste	Tonne	273	729	715
Non-Hazardous Waste	Tonne	18,734	23,242	21,797
Total Waste	Tonne	19,007	23,970	22,511



Social Performance Indicators

LABOUR FORCE				
By Employment Type	Unit	2021	2022	2023
White Collar - Female	Person	124	153	157
White Collar - Male	Person	228	296	333
Blue Collar - Female	Person	3	3	3
Blue Collar - Male	Person	345	321	318
TOTAL		700	773	811
By Contract Type	Unit	2021	2022	2023
Indefinite Term - Female	Person	124	153	160
Indefinite Term - Male	Person	568	612	650
Fixed Term - Female	Person	3	3	0
Fixed Term - Male	Person	5	5	1
TOTAL		700	773	811
By Gender	Unit	2021	2022	2023
Male	Person	573	617	651
	Ratio	82%	80%	80%
Female	Person	127	156	160
	Ratio	18%	20%	20%
TOTAL		700	773	811

By Age	Unit	2021	2022	2023
18 - 30 years old	Female	41	52	56
	Ratio	32%	33%	35%
	Male	125	134	171
	Ratio	122%	22%	26%
31 - 40 years old	Female	62	72	75
	Ratio	49%	46%	47%
	Male	270	277	292
	Ratio	47%	45%	45%
Between 41 - 50 Years	Female	24	32	28
	Ratio	19%	21%	18%
	Male	159	187	170
	Ratio	28%	30%	26%
Between 51 - 60 Years	Female	0	0	1
	Ratio	0%	0%	1%
	Male	17	16	15
	Ratio	3%	3%	2%
Over 60 Age	Female	0	0	0
	Ratio	0%	0%	0%
	Male	2	3	3
	Ratio	0%	0%	0%



Social Performance Indicators

LABOUR FORCE				
Other Groups	Unit	2021	2022	2023
Disabled	Female	9	11	11
	Ratio	7.09%	7.05%	7%
	Male	11	11	14
	Ratio	1.92%	1.78%	2%
By Management Category	Unit	2021	2022	2023
Senior Management	Female	0	0	0
	Ratio	0%	%0	%0
	Male	5	6	4
	Ratio	0.87%	0.97%	0.61%
Medium Level	Female	3	4	4
	Ratio	2.36%	2.56%	2.50%
	Male	13	19	18
	Ratio	2.27%	3.08%	2.76%
Other	Female	124	152	156
	Ratio	97.64%	97.44%	97.50%
	Male	555	592	629
	Ratio	96.86%	95.95%	96.62%

Contract	Unit	2021	2022	2023
Percentage of factory employees included in collective labour agreements	Ratio	49.71%	48.12%	45.87%

Contract	Unit	2021	2022	2023
Percentage of factory employees included in collective labour agreements	Ratio	49.71%	48.12%	45.87%
White Collar	Person	62	99	106
Blue Collar	Person	76	20	36
Resigned - Total	Person	53	59	94
White Collar	Person	38	43	58
Blue Collar	Person	15	16	36
By Gender	Unit	2021	2022	2023
Male - Recruited	Person	117	81	121
	Ratio	84.78%	68.07%	85.21%
Male - Leaving the job	Person	37	45	81
	Ratio	69.81%	76.27%	86.17%
Female - Recruited	Person	21	38	21
	Ratio	15.22%	31.93%	14.79%
Female - Leaving the job	Person	16	14	13
	Ratio	30.19%	23.73%	13.83%
By Age	Unit	2021	2022	2023
18 - 30 Years - Recruited	Person	73	73	95
	Ratio	52.90%	61.34%	66.90%
18 - 30 years - Leaving the job	Person	8	8	17
	Ratio	15.09%	28.81%	42.55%
31 - 40 Years - Recruited	Person	45	38	38
	Ratio	32.61%	31.93%	26.76%
31 - 40 Years - Leaving the job	Person	26	30	16
	Ratio	49.06%	50.85%	17.02%
41 - 50 Years - Recruited	Person	18	8	8
	Ratio	13.04%	6.72%	5.63%
41 - 50 Years - Leaving the job	Person	14	6	32
	Ratio	26.42%	10.17%	34.04%
51 - 60 Years - Recruited	Person	2	0	1
	Ratio	1.45%	0.00%	0.70%
51 - 60 Years - Leaving the job	Person	5	6	6
	Ratio	9.43%	10.17%	6.38%



Social Performance Indicators

All Trainings (By Type)	Unit	2021	2022	2023
Professional Development	Hour	7,265	12,025	7,684
Personal Development	Hour	1,385	1,868	2,923
Other (Leadership)	Hour	1,199	1,235	1,976
Total Training Hours	Hour	9,849	15,127	12,583

Success of Orientation and Retention Program	Unit	2021	2022	2023
Success rate of orientation and retention programme for newly recruited employees (0-2 years)	Ratio	92%	87%	92%

OCCUPATIONAL HEALTH AND SAFETY					
Accidents	Group	Unit	2021	2022	2023
Near miss	Company	Number/Year	5.00	15.00	37.00
	Subcontractor	Number/Year	46.00	428.00	377.00
Accident frequency rate	Company	Ratio	2.25	1.31	0.00
	Subcontractor	Ratio	14.72	15.39	17.11
Death	Company	Number/Year	0	0	0
	Subcontractor	Number/Year	1	0	0
Lost Days	Group	Unit	2021	2022	2023
Rate of lost days due to work accidents	Company	Ratio	20.21	16.35	0.00
	Subcontractor	Ratio	76.34	267.62	211.25
Absenteeism rate (AR)	Company	Ratio	7.61	6.88	6.22
	Subcontractor	Ratio	-	-	-

Occupational Health and Safety Trainings	Unit	2021	2022	2023
Number of Company Employees	Person	700	773	811
Number of Subcontractor Employees	Person	1,863	1,979	1,632
Total Number of Participants	Person	3,923	28,079	27,558
Company Employees	Person*Hour	10,795	12,990	11,981
Subcontractor Employees	Person*Hour	30,392	37,055	32,047
Total OHS Trainings	Person*Hour	41,787	50,045	44,028

Occupational Health and Safety Committees	Unit	2021	2022	2023
Total Number of Members in Board OHS Committees	Person	47	49	77
Number of Employee Representatives in OHS Committees	Person	8	9	11



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 Adm Elektrik Dağıtım A.Ş. 2023 Sustainability Report prepared by Adm Elektrik Dağıtım A.Ş. for the year ended 31 December 2023 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

Water Footprint (m³/year)²

Direct CO₂ Emissions (Scope 1) (tonnes CO₂ e)

Indirect CO₂ Emissions (Scope 2)) (tonnes CO₂ e)

Indirect CO₂ Emissions (Scope 3) (tonnes CO₂ e)

Hazardous Waste (tonnes)

Non-hazardous Waste (tonnes)

Social Indicators

Number of female and male employees by type of employment

Number of female and male employees by type of contract

Number of employees by gender and age

Number of employees by management category

Percentage of employees included in collective labour agreement (%)

Number of employees who quit their jobs by gender and age

Total training hours by training subjects (hours)

Near miss

Kazakh frequency rate

Number of fatal accidents

Rate of lost days due to work accidents

Absenteeism rate

Verification Activities

The accuracy and responsibility for the information contained in the Sustainability Report lies with Adm Elektrik Dağıtım A.Ş. 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

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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.

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 2023 Sustainability Report until 31 December 2023 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 2023 Sustainability Report for the year ending 31 December 2023 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 Adm 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

For the Content Index – Essentials With Reference option Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting with reference to the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders. The service was performed on the English version of the report.

Statement of Use	Adm Electricity Distribution Inc. has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021



CONTENT INDEX ESSENTIALS
SERVICE
WITH REFERENCE OPTION

2024

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GRI 2: General Disclosures 2021	2-1 Organizational details	About Adm Electricity Distribution, p.5
	2-2 Entities included in the organization’s sustainability reporting	About the Report, p.2
	2-3 Reporting period, frequency and contact point	About the Report, p.2
	2-4 Restatements of information	About the Report, p.2
	2-5 External assurance	Limited Asurance Statement, p.66
	2-6 Activities, value chain and other business relationships	About Adm Electricity Distribution , p.5
	2-7 Employees	Human Resources Management, p.49,50
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	2-9 Governance structure and composition	Board of Directors, p.9, Corporate Sustainability Governance Structure, p.23
	2-10 Nomination and selection of the highest governance body	Confidentiality constraints
	2-11 Chair of the highest governance body	Board of Directors, p.9, Corporate Sustainability Governance Structure, p.23
	2-12 Role of the highest governance body in overseeing the management of impacts	Board of Directors, p.9, Corporate Sustainability Governance Structure, p.23
	2-13 Delegation of responsibility for managing impacts	Corporate Sustainability Governance Structure, p.23
	2-14 Role of the highest governance body in sustainability reporting	Board Responsibility and Competence, p.29
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	2-17 Collective knowledge of the highest governance body	Board of Directors, p.9
	2-18 Evaluation of the performance of the highest governance body	Confidentiality constraints
	2-19 Remuneration policies	Our Human Rights Policy, p.50
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	2-22 Statement on sustainable development strategy	Our Contribution to Sustainable Development Goals, p.26
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GRI Content Index

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Occupational Health and Safety		
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GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety, p.57
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety, p.57
	403-3 Occupational health services	Occupational Health and Safety, p.57
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety, p.57
	403-5 Worker training on occupational health and safety	Social Performance, p.65
	403-6 Promotion of worker health	Occupational Health and Safety, p.57
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety, p.57
	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety, p.57
	403-9 Work-related injuries	Social Performance, p.65
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GRI Content Index

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GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Human Resources Management, p.49, Our Human Rights Policy, p.50, Principles of the Global Compact, p.52
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GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social Responsibility Projects, p.58,59, Our Activities in 2023, p.60



GRI Content Index

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GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emission Management, p.41
	305-2 Energy indirect (Scope 2) GHG emissions	Emission Management, p.41
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GRI Content Index

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GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Social Responsibility, p.58,59, Our Activities in 2023, p.60
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Inclusion, Diversity and Talent Management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Materiality Analysis, p.25, Our Contribution to Sustainable Development Goals, p.26
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Social Performance, p.65
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GRI Content Index

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Non-material Disclosures		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management, p.43
	303-2 Management of water discharge-related impacts	Water Management, p.43
	303-3 Water withdrawal	Water Management, p.43, Environmental Performance, p.62
	303-4 Water discharge	Water Management, p.43, Environmental Performance, p.62
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Environmental Management, p.40
	306-3 Waste generated	Environmental Performance, p.62
	306-4 Waste diverted from disposal	Environmental Performance, p.62
	306-5 Waste directed to disposal	Environmental Performance, p.62
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Social Performance, p.64
	401-3 Parental leave	Human Resources Management, p.49,50
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Our Human Rights Policy, p.50



TCFD Index

TCFD Main Headings	Recommended disclosures	Report Page
Governance - Disclose the organization's governance around climate-related risks and opportunities.	A. Describe the board's oversight of climate-related risks and opportunities.	23, 28
	B. Describe management's role in assessing and managing climate-related risks and opportunities.	28, 29
Strategy - Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.	A. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	31, 32
	B. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	31, 32
	C. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	10, 30
Risk Management - Disclose how the organization identifies, assesses, and manages climate-related risks.	A. Describe the organization's processes for identifying and assessing climate-related risks.	31, 34
	B. Describe the organization's processes for managing climate-related risks.	35, 36
	C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	31, 34
Metrics and Targets - Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	A. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	37, 38
	B. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	41, 62
	C. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	37, 38, 41



Distributing Energy for Life

Sustainability Report **2023**



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