

We Distribute Energy for Life...



Sustainability Report 2022





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About The Report

About the Report
Gdz Electricity Milestones
General Manager Message
Mission, Vision and Values





About the Report

Communication with our stakeholders is an integral part of our operations. We continue our efforts to communicate openly with our stakeholders about our environmental, social and economic performance. In this report, we set out our sustainability efforts, the actions we have taken to realize our goals, and our vision.

Reporting Period and Scope

This report covers sustainability initiatives, programs and projects undertaken between January 1, 2022 and December 31, 2022, unless otherwise noted. Historical data from 2021 and earlier is included where necessary to provide context or comparison. However, it is certain sections also include data outside the 2022 reporting period to provide important, up-to-date information on performance metrics and targets.

Reporting Frameworks

As Gdz Electricity, we utilize widely accepted reporting methodologies to inform our progress in sustainability and our approach to sharing our key performance indicators (KPIs). The standards and frameworks we use provide a scope in line with industry trends and allow us to regularly inform our stakeholders about our sustainability efforts.

In our report, our goals, progress, and performance are detailed aligned with the Global Reporting Initiative (GRI) standards and the United Nations Sustainable Development Goals (UN SDGs).

Publication Date and Frequency

December 2023 - Published annually.

Disclaimer of Liability

The Sustainability Report has been prepared by Gdz Electricity Distribution Inc. with reference to GRI and United Nations Sustainable Development Goals (UN SDGs). Except for the declared data, the information and data in the report have not been verified by an independent organization and are published for informational purposes. Due to a number of variables, the projections and results of our future business activities may differ from the data in the report. In this context, the data, information and projections shared do not constitute the basis for investment decisions.

Gdz Electricity assumes no responsibility and gives no warranty that forward-looking statements, including the estimates, expectations and assumptions underlying such statements, are accurate or complete. Gdz Electricity cannot be held liable in any way for any damages that may arise from the use of the Report.

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2022 INSPIRE AWARDS GLOBAL COMMUNICATIONS COMPETITION

Gdz Electricity Distribution Inc.

is presented with the

Gold Award

for excellence within its Competition Class on the development of
Gdz Sustainability Report 2021

Tyson Heyn
Principal

Christine Kennedy
Competition Director



30086

With our 2021 Sustainability Report, we received 2 Gold Awards from the LACP 2022 Spotlight & Inspire Awards organized by the League of American Communications Professionals in the Global Communications One-Time / Annual: Partners / Affiliates category, Gold Award in the Corporate Publishing Sustainability Report category, Silver Award in the Global Communications One-Time / Annual: Customers category, Silver Award in the Global Communications One-Time / Annual: Silver Award in the Community category, and Silver Award among Online Reports.

In the competition, where we competed fiercely with many of the world's leading companies, our company won six awards in different categories and ranked 64th among the 100 companies worldwide participating in the competition!





Gdz Electricity Milestones

Prior to 2013, electricity distribution activities in our distribution region were carried out by the General Directorate of Eshot until 1982.

It started to operate as a subsidiary of the Turkish Electricity Distribution Company (TEDAŞ).

The privatization process of Gdz Electricity was completed in 2013, and the electricity distribution journey started under Aydem Energy.

Gdz Electricity separated its distribution and retail sales activities in 2013.

Under the umbrella of Aydem Energy, Turkey's first and pioneering integrated company, Gdz Electricity continues its electricity distribution services in its operating region, which is among the top five largest regions in Turkey in terms of subscriber numbers and electricity consumption, with international quality standards, people-oriented and innovative approach.



General Manager Message



Dear Business Partners,

As I reflect on the past year, I am incredibly proud of the achievements of my team. As global economic uncertainties and changes in our world continue, we have successfully responded and adapted to all of these challenges, achieving some of our best ever results in safety, reliability and customer service. These results are the outcome of a planned team effort. While working towards a more sustainable future, how we accomplish this is just as critical as what we are doing. In every decision we make, we consider the potential impacts and opportunities for our employees, customers and business partners, the environment and our operations. We are working to strengthen a grid that we need now and will be needing even more in future.

Our value creation network is very strong and robust

As we move forward on our sustainability path, we are proud to share with you our activities in the three pillars of environment, social and governance in our Sustainability Report, published for the second time this year.

Gdz Electricity's success is based on our sustainability principles and the mutual trust we have established with our employees, customers and partners. By adhering to these principles, we effectively overcome the challenges brought about by the ever-evolving business environment and make the most of the opportunities that arise. This is evident in our performance in 2022.

One of our core principles is to meet the expectations of our stakeholders, create added value for them and society, and fulfill all environmental actions necessary for a sustainable future. We continue to focus on these critical goals as we strive to build a better world through responsible and ethical business practices.

In the wake of the war in Ukraine, the importance of energy security and availability has once again showed its importance in everyone's lives. We recognize the critical role Gdz Electricity is playing supporting our country's strategic goals. Our long-term commitment to a net-zero carbon economy and the trust we have built with our employees and partners have enabled us to quickly recover from the turmoil of the past year. Our commitment to tackling the climate crisis, energy transition and achieving emission reduction targets was further strengthened by our B score in the CDP (Carbon Disclosure Project) initiative in 2022. We are developing innovative and sustainable solutions by accelerating our initiatives and actions towards innovative technologies and digitalization.

Health and safety, which is also among our top priorities, continued to be one of the most important focal points for Gdz Electricity this year. We continue to improve our health and safety practices by implementing new practices and building on our past-experiences.

As Gdz Electricity, we strongly believe that every step we take towards a sustainable future is the product of the devoted and meticulous work of our employees. Our employees are the main pillar of our success and the key to a sustainable future. We strive for a safe and inclusive environment where our employees can develop themselves and realize their full potential, and we continuously invest in upskilling and developing their competencies. At the same time, we develop internal communication channels that support open dialog and communication and promote a corporate culture based on trust and transparency.

Our strategic approach to sustainability guides our actions and plays a key role in our plans for the future. In 2023, we will continue to build on the significant progress we made in 2022. The value we create for all stakeholders is a key element of being a strong, agile and resilient company. I would like to thank all our stakeholders for their trust and support, and express my gratitude for accompanying us on our determined journey towards achieving our sustainability and future goals.

Yours sincerely

Uğur Yüksel
General Manager

MISSION

Our sustainability culture, which we have developed by evaluating the social and economic impact areas, the expectations of all our stakeholders and our corporate strategy, is to provide quality, modern and environmentally friendly electricity distribution services.

VISION

With our vision of being a globally leading distribution company that adds value to life through technology, we work while considering the sustainability of natural resources, the environment, and future generations.

We always aim to move our Company forward with our understanding that focuses on efficient and safe energy delivery to support quality life.

OUR VALUES

Sensitivity

While carrying our organization into the future by performing the best possible way, we fulfill 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 behavior affects others.

Dynamism

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

Touching Life

“Human” is at the core of everything we do, and at 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. Likewise, we work to improve the quality of life of our stakeholders by accurately analyzing their needs and expectations.

Gdz Electricity

Gdz Electricity at a Glance

Board of Directors and Executive Committee

Focus Areas and Business Model

Company Profile

Our Services

Company Operations

Customer Operations

Gdz Electricity at a Glance

Gdz Electricity delivers electricity, which is vital for daily life and the driving force of agriculture, trade and industry, to consumers with a safe, efficient, environment and people-oriented service approach and technological systems in line with the requirements of the age.

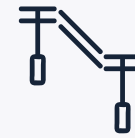
Since 2013, Gdz Electricity has been providing 24-hour uninterrupted electricity distribution services to 3.7 million consumers and 5.9 million inhabitants on a total surface area of 26,000 square kilometers consisting of 47 districts and 2,383 neighborhoods in İzmir and Manisa provinces.

Pioneering the reliable and efficient delivery of energy, Gdz Electricity continues its efforts focused on technology and innovation to provide sustainable and high quality electricity distribution services in its service area with the motto “We distribute energy for life”.

We distribute energy for life

70,025 km

line length



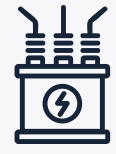
35,709

total transformers



17,131 MVA

transformer capacity



26,000 km²
distribution area



16.5 TWh
distributed energy



BOARD OF DIRECTORS AND EXECUTIVE COMMITTEE



Chairman

Ali Murat Korkmaz

Adm Electricity Distribution
Chairman

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



Vice Chairman

Mehmet Akif Gül

Elsan Electrical Equipment Inc.

Gül, who has more than 40 years of work experience at Elsan Electrical Equipment Inc., which he took part in the establishment of in 1982, serves as the Chief Executive Officer and General Manager. He holds the position of Vice Chairman of the Board of Directors at Adm Electricity Distribution and Gdz Electricity Distribution.



Board Member

Uğur Yüksel

Gdz Electricity Distribution Inc.
General Manager

He has more than 30 years of experience in the energy, IT and defense industries. He served as Project Manager at the Undersecretariat of Defense Industry of the Ministry of National Defense, General Manager at METU Teknokent, Turkey's first technopark, where he took part in its establishment, 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.

Focus Areas and Business Model

Our Focus Areas

As Gdz Electricity, we are committed to creating a transformative impact in the field of energy in a way that supports the lives of the people we serve, our infrastructure and operations, and positively improves the environment.

Customer Service

We focus on providing reliable, safe and quality services to our customers. We are committed to providing innovative solutions that our customers demand and need.

Employee Responsibility

We provide our employees with the resources and support they need, enabling them to succeed in a safe work environment. We encourage teamwork and offer a safe, rewarding, equitable and inclusive working environment. We continue to provide services without compromising on safety or security.

Respect for the Environment

We are committed to using natural resources effectively and protecting our environment for the benefit of future generations. Our Sustainability Policy explains this commitment in detail in terms of responsibility, efficiency, management, performance, evaluation, communication and training.

Compliance with Legislation

We adhere to a policy of full regulatory compliance and communicate frequently and openly with regulators regarding our business performance.

Operational Excellence

Together with our employees, we take great pride in delivering excellence in every aspect of our business. Our high standards for operations and system maintenance ensure that we meet and exceed our customers' expectations, do our job safely and utilize our resources properly.

Financial Robustness

In our investments and improvements, we take steps towards sustainable profitability and focus on long-term opportunities that will contribute to the future strength of our company.

Company Profile

As one of the first private electricity distribution license holders in Turkey, we have been distributing electricity, an indispensable core part of daily life, to our consumers in Izmir and Manisa provinces since 2013 with our people-oriented service approach and modern technology systems. With the authorization we received from EMRA (Energy Market Regulatory Authority) in the region where we operate, we will continue to serve as the only licensed distribution company until 2036.

Founded in 1982, Gdz Electricity was established as a result of the privatization process that started in 2004, based on the distribution network that was transferred to the Turkish Electricity Authority (TEK) in 1982 and later operated under the Turkish Electricity Distribution Company (TEDAŞ) in 1994. It was privatized under the umbrella of Aydem Energy in 2013 and separated its electricity distribution and retail sales activities. In 2015, the company's trade name was changed to Gdz Electricity.

Today, Gdz Electricity serves one of the five largest regions in Turkey in terms of the number of subscribers and electricity consumption, while at the same time providing people-oriented and innovative services to important industrial, commercial and tourism centers in the region in accordance with international quality standards.

With its advanced infrastructure and effective management approach, Gdz Electricity aims to achieve success and sustainable growth while providing uninterrupted energy distribution services in accordance with sustainability principles.

In Izmir, we continue our activities with a safe and quality service approach with our 24/7, maintenance and repair teams, call center unit and meter reading teams coordinated by our General Directorate, 4 Regional Directorates and 29 Operation Managements.

We operate the electricity distribution facilities we took over from TEDAŞ within the scope of electricity market legislation; we make investments in renovation, improvement and capacity increase for the facility; we carry out maintenance, repair, connection, meter reading and fight against illegal consumption; we realize research, development and innovation projects aimed at increasing the efficiency and quality of electricity distribution and electricity distribution services.

By managing this comprehensive service network with advanced technologies and innovation-oriented approaches, we ensure sustainable and high-quality electricity distribution in the region.

We have reached 70,025 km of line length, 35,709 transformers and 17,475 MVA transformer capacity in İzmir and Manisa provinces. With our infrastructure, modern technological systems and human resources, we are proud to have safely distributed approximately 16.5 TWh of electricity to 3.7 million consumers with a population of 5.9 million, which constitutes approximately 7.7% of the number of consumers in Turkey, in our 26,000 km² distribution region consisting of 47 districts and 2,383 neighborhoods in İzmir and Manisa provinces.

Despite the increasing energy demand, especially in our region, we continuously improve our power outage performance, one of the most important indicators of distribution service quality. In this context, we reduced our SAIFI (System Average Interruption Frequency Index) value, which represents the average interruption time per user, by 30% in 2020, demonstrating a very good performance compared to Turkey's average values. According to the results of the customer satisfaction survey conducted annually by the Ministry of Energy and Natural Resources to measure the service quality of electricity distribution companies in our country, we are one of the top ranked among other distribution companies.

Within the scope of sustainability, our company holds ISO 9001, ISO 100002, ISO 14001, ISO 45001 and ISO 27001 certificates in human rights, integrated management systems, environment, quality, information assurance and risk management.

As Gdz Electricity, we are proud and happy to be a participant in UNGC, the world's most comprehensive sustainability in platform. While carrying our Company into the future by performing in the best way possible, we fulfill our responsibilities towards individuals, society, our country and the environment. While carrying out our work within the targeted timeframes and quality standards, we prioritize adherence to our code of ethics. We adopt a transparent and accountable management approach in accordance with procedures and rules. We will always continue to take part in activities that make a difference in our sector with our people-oriented approach and strategic goals that enable us to look to the future with confidence.



2 provinces

İzmir, Manisa



5.9 million

people served



3.7 million

customers

İzmir

Gdz Electricity Metropol Regional Directorate

- Gdz Electricity Konak Operation
- Gdz Electricity Bornova Operation
- Gdz Electricity Karşıyaka Operation
- Gdz Electricity Buca Operation
- Gdz Electricity Narlidere Operation

Gdz Electricity Southern Regional Directorate

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

Gdz Electricity Northern Regional Directorate

- Gdz Electricity Aliaga Operation
- Gdz Electricity Menemen Operation
- Gdz Electricity Kınık Operation
- Gdz Electricity Bergama Operation
- Gdz Electricity Dikili Operation

Manisa

Gdz Electricity Manisa Regional Directorate

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



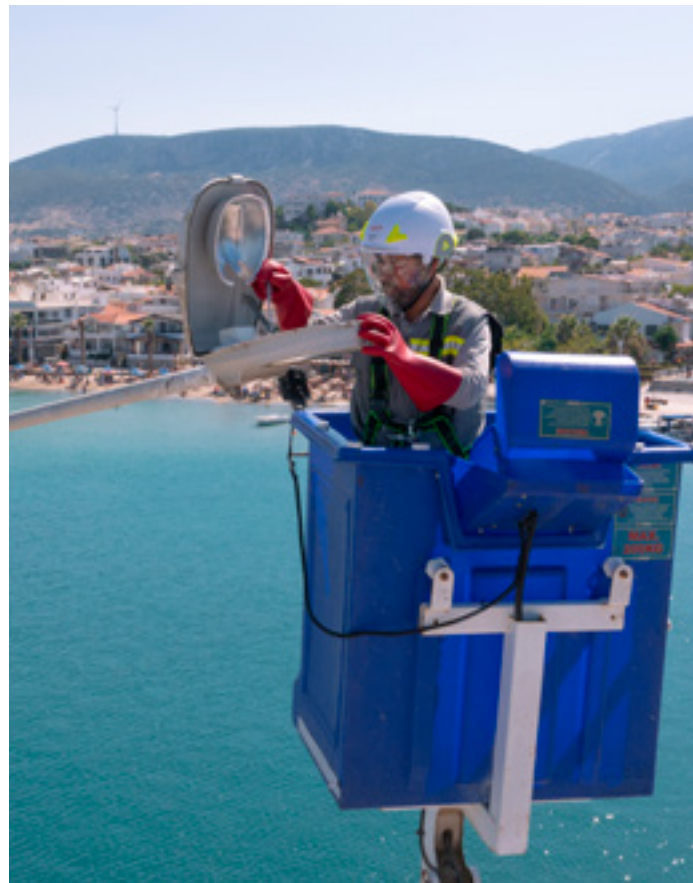
OUR SERVICES

Network Operations

Investment Activities

We formulate investment plans for the development of electricity demand in our region, the needs of our distribution network and the supply-demand changes that the distribution system may face in the future. In line with these plans, we realize capacity increases, renewals, technology and other necessary investments. We monitor our investments in accordance with our investment budget approved by EMRA and regularly report our investment realizations to the Ministry of Energy and Natural Resources, EMRA and TEDAŞ.

In our distribution network and technology investments, we continue to provide quality and sustainable service by focusing on improving service quality and consumer satisfaction. This enables us to rapidly improve the operational and financial efficiency of our distribution activities.



Maintenance and Repair Activities

As Gdz Electricity, we continue our maintenance and repair activities 24/7 with our experienced fault repair and maintenance teams located in different locations in our field of activity. Thanks to the maintenance and repair activities carried out by our teams in line with the system monitoring alarms and notifications received from consumers, the data received from automation systems, and the determinations made during maintenance work, we aim to ensure quality and uninterrupted energy supply by reducing the duration and number of malfunctions in our operating area.

We carry out our maintenance activities in accordance with annual maintenance plans, based on preventive maintenance principles and utilizing technological means to the maximum extent. We use unmanned aerial vehicles to view our energy transmission lines from the air and quickly identify the maintenance work needed.

During our maintenance works, power outages are made compulsorily in terms of health and safety, within the limits permitted by the legislation. Our customers are informed about scheduled outages at least 48 hours in advance through our corporate website, as well as through written and visual media. All users who make an application through our call center are also informed about planned outages via SMS or e-mail.

Lighting Activities

We regularly carry out planned maintenance and improvement activities for urban lighting. We review lighting systems at regular intervals and replace equipment that has reached the end of its economic life and maintain those that have not reached the end of their economic life. In line with the decisions of the Lighting Commission, we install new lighting systems in accordance with our investment budget approved by EMRA. In addition to these activities, we monitor and finalize the lighting malfunctions, notifications and complaints of our consumers via 186 call center, our corporate website, WhatsApp and/or BiP platforms, written and telephone communication channels.

Coordinated by our General Directorate located in Izmir, 4 Regional Directorates and 29 Operation Directorates, along with our 24/7 operational fault, maintenance, and repair teams, call center unit, and meter reading teams, we continue to provide services focused on safety and quality.

Customer Operations

Meter Reading

We read Gdz Electricity consumer meters once in every calendar month with minimum 25 and maximum 35-day periods. This reading is considered as monthly reading. The cases of force majeure stated in Article 35 of the Electricity Market License Regulation and the inability to take readings due to severe seasonal conditions, periodic use and similar reasons are not considered practices contrary to monthly reading. Meters are read at least twice a year in the places of use within this scope.

All meters belonging to consumers in our operational area are read by our meter reading teams according to a specific plan. Meters included in the Automatic Meter Reading (AMR) System are remotely read via our AMR system.

Consumers receive a reading notification from our company, or upon request, by the consumer, the reading notification is sent to the consumer electronically. The information contained in the reading notification can also be included in the invoice/payment notification.

The reading notice is issued in writing. If the consumer prefers, the reading notice may also be sent to the consumer via a permanent data storage device.

Meter Supply, Replacement and Calibration

As Gdz Electricity, we fulfill the supply, installation, maintenance and operation services of the meters in our operation area. In this direction, we supply and install the meters of our consumers who request a new connection, dismantle the malfunctioning meters of our existing consumers and replace them with meters of the same character. Consumers are not charged any fees for these operations. In addition, in accordance with the provisions of the Measurements and Adjustment Law No. 3516, meters whose 10-year stamp period has expired are replaced by our company with the new ones without any backcharge.

Outage and Opening of Electricity

The responsibility for the disconnection and reconnection of electricity at the places of use lies with the electricity distribution companies in accordance with the relevant legislation. Electricity at places of use;

- The consumer evacuates the place of use by terminating the bilateral agreement or retail sales contract,
- Failure of the consumer to fulfill the payment obligation regarding the consumption of electrical energy,
- It is disconnected if the obligations are not fulfilled as a result of illegal electricity detection and illegal electricity and improper use of electrical energy.

Provided that the consumer whose electricity has been cut off fulfills the relevant obligations and is notified by the responsible supply company;

- Within 24 hours in the urban zones,
- Outside the urban zones, electricity is reconnected within 48 hours.

Pursuant to Article 51 of the Electricity Market Consumer Services Regulation, consumers may request a meter check in case of a meter malfunction or if the meter's measurement accuracy is suspected. Our Company meets these requests within the framework of the provisions of the Measurements and Adjustment Law No. 3516 and the meter is removed and replaced within 10 business days of the consumer's meter control request. As a result of the examinations, if it is determined that the meter records the correct consumption, the meter control fee is covered by the requestor.

Since the installation, replacement, maintenance and operation of the meters in our activity area are under the responsibility of our company, it is forbidden to intervene in the electricity meters or measurement system, except for the officials authorized by our company. Otherwise, legal and/or criminal proceedings may be initiated due to the act of "illegal use of electricity" defined in Article 42 of the Electricity Market Consumer Services Regulation.

Fight Against Illegal Electricity Use

In order to ensure safe, efficient and uninterrupted energy supply, we continue our efforts to combat illegal electricity use uninterruptedly. To this end, in addition to continuous field inspections, we carry out technological infrastructure works to monitor current and voltage values and detect illegal electricity use by using remote network monitoring and control systems. We aim to detect illegal electricity use by comparing the consumption information of consumers with transformer consumption information through big data analysis.

New Connection

For consumption facilities, the owner of the place of use requested to be connected to the distribution system, real and legal persons who have savings on the place of use, or real or legal persons authorized by them apply to Gdz Electricity by specifying the date they request connection.

Distributed Energy Sources

In recent years, there has been a rapid increase in distributed energy resources on a global scale. Distributed generation connected to the distribution network, demand-side participation, and distributed energy storage systems, such as behind-the-meter battery systems, offer multifaceted benefits. These benefits play a key role in facilitating the integration of renewable energy sources into the system and increasing the flexibility of the entire electricity system. As a result, distributed energy resources provide numerous benefits that support the healthy operation of the grid, including contributions to decarbonizing the energy system, reducing system losses, improving voltage and energy quality, and decreasing investments in transmission and distribution system infrastructure.

As Gdz Electricity, we manage the system connection processes of licensed and unlicensed generation facilities based on renewable energy resources to be established in our operational area, and we also monitor all distributed energy resources with generation capacities of 50 kW and above online and transfer the incoming generation data to TEİAŞ (Turkish Electricity Transmission Corporation) systems online.



We Keep Consumer Satisfaction at the Highest Level with Our Call Center

As Gdz Electricity Distribution, we broke new ground by establishing the most comprehensive call center in the sector, which was inaugurated by the Republic of Turkey Ministry of Energy and Natural Resources in 2016. In 2016, we invested over TL 3 million and commissioned a new call center, whose technological infrastructure was renewed and call capacity was quadrupled.

With the 186 Communication Center line, we provide 24/7 service to our consumers in Izmir and Manisa. We collect consumer requests in one place by transferring incoming calls to the Outage Management System, allowing us to identify outage causes and locations more accurately and respond to faults more quickly.

**23 sec**Customer
Representative
Access**3 sec**Mukhtar VIP
Access Line**300**

Expert Staff

Sustainability Governance Structure

Our Approach to Sustainability

Sustainability Policy

Corporate Sustainability Governance Structure

Stakeholder Management

Materiality Analysis

Our Contribution to Sustainable Development Goals

Our Approach to Sustainability

At Gdz Electricity, our commitment to sustainability is at the core of our business strategy. In every decision and planning, we take into account our environmental, social and governance (ESG) impacts for today and the future. Our sustainability approach includes our core business practices and values and is relying on industry best practices in corporate sustainability in addition to existing programs, policies, and procedures.

We take a leading role in providing a clean energy perspective for our customers. By investing in reliable, flexible, and innovative energy infrastructure, we are working tirelessly to ensure sustainable energy supply.

While implementing these transformations, we are taking all necessary steps to reduce our impact on natural resources to preserve environmental sustainability for future generations. By investing in reliable, flexible, and innovative energy infrastructure, we are working tirelessly to ensure sustainable energy supply.

We will continue to leverage the strong knowledge and skills of our employees and achieve our goals by considering the views of our customers. We are committed to providing services that our customers, employees, and all stakeholders will be proud to support.

Environmental

We are diligently working to provide long-term sustainable solutions to our customers. We strive to create opportunities to prevent or minimize environmental impacts and demonstrate a responsible approach to resource consumption by seeking opportunities for improvement and development where impacts are inevitable.

Social

Our employees are positioned at the center of Gdz Electricity and are our strongest asset in competition. We maintain our operations without compromising on providing a safe working environment by adopting a holistic approach to the health and happiness of our employees. We realize our responsibility to the regions we serve through our social investment strategy and our consultation efforts.

Governance

We demonstrate a fair and transparent management approach in all our activities. We place great importance on ethical behavior and implement the necessary policies to ensure that we work to the highest standards for our customers.



ESG criteria cover a wide range of areas, from concrete steps taken by companies to reduce their carbon footprint to health and safety policies for employees, management of supply chains, innovation, and fostering a culture of trust that supports social responsibility. ESG performance determines the extent to which companies consider and apply these criteria in their corporate strategies, activities, investments and policies. Financial institutions that provide funding to companies also consider the ESG scores of the relevant company during the investment research process.

Gdz Electricity received the highest rating of “A1 Advanced Level” with 62 points in the Environmental, Social and Governance (ESG) performance ranking by the international rating agency Moody’s. With this score, our Company ranked first in the Turkish electricity sector and third in the electricity sector in the “Emerging Markets” world ranking.

Gdz Electricity, one of the participants of the United Nations Global Compact (UNGC) in Turkey, has earned the highest rating of “A1 Advanced Level” in the ESG (Environmental, Social, and Governance) performance assessment, which evaluates approximately 5,000 companies globally, with a score of 62 points in the evaluation conducted by Moody’s this year.

The recognition and reputation gained through the assessment reflect our efforts in the environmental, social, and governance (ESG) areas, as well as our strong and successful management of ESG risks. Additionally, it is expected that this will significantly contribute to our company’s access to alternative financing sources on more favorable terms in national and international markets.

Sustainability Policy

As Gdz Electricity, Turkey's leading energy company, we believe that creating value for our stakeholders and society is essential for long-term success. We adopt an approach that adheres to global standards and considers the sustainability of natural resources, the environment, and the needs of future generations.

With the awareness that natural resources are limited, we work towards implementing better solutions. Focus on contributing to the future of our country and the planet by ensuring access to reliable and efficient energy, promoting responsible production and consumption, taking action on climate change, fostering sustainable cities and communities, promoting decent work and economic growth, advancing industry, innovation, and infrastructure, reducing inequalities, adapting to climate change, and supporting sustainability with zero waste. We are committed to contributing to sustainability development goals in these areas.

We have created a sustainability strategy by evaluating the environmental, social and economic impact areas of our Gdz Electricity company, the expectations of our stakeholders and our corporate strategy. We continue to contribute to the sustainable growth of our country and to deliver reliable and efficient energy, preparing a better future for the environment, society and the next generations.

Gdz Electricity adopts a management approach that integrates the corporate sustainability approach with the sustainability vision of **"Reliable and efficient energy for a sustainable future"** and accepts the fight against climate change, economic and social development of societies and environmental sustainability as its main responsibility,

- Making the corporate sustainability perspective a corporate culture and raising awareness in this area among our employees and stakeholders,
- Determining our business objectives in all our activities by taking into account the three aspects of sustainability in economic, environmental and social dimensions,
- To provide sustainable and high quality electricity distribution service in our service area, to encourage the transfer of technology/capacity building (training support, introduction of devices, creation of special infrastructure)
- Cooperate and coordinate with national and local governments to support the goal of sustainable cities and communities, and support the planning and management of cities,

- Contribute to reducing inequalities through our activities, including ensuring access to reliable and efficient energy,
- To consider, measure and evaluate the environmental, social, natural and cultural heritage impacts of our activities and investments, while adhering to our code of ethics,
- To develop and implement practices that will ensure improvement in the field of occupational health and safety in line with our priority focus areas, following international performance criteria in this field and publishing them in our sustainability report every year,
- As a company that distributes energy from renewable sources, we are committed to develop and implement practices that will improve the amount of energy we consume to sustain our activities, to use the energy we consume more efficiently by constantly monitoring our energy consumption, and to publish our energy consumption amount in our sustainability report every year,
- Social and economic development of the community and our local stakeholders, local employment, and ensuring that the products and services we purchase are provided by local companies as much as possible,
- To increase the loyalty and welfare of our employees to ensure sustainable efficiency, and to work to make the working environment more efficient,
- As part of our priority focus on combating climate change through initiatives such as loss prevention/reduction, we aim to calculate, verify, and monitor the emissions resulting from our activities. Additionally, we commit to publishing this information annually in our sustainability report.
- Monitoring our water consumption, reporting it in our sustainability report every year, ensuring efficient use of water and raising awareness on this issue among our employees and stakeholders in line with our priority focus areas,
- To inform our suppliers about our sustainability strategy and expectations by attaching importance to sustainability criteria in our supply chain and to contribute to reducing sustainability risks in our sphere of influence by including these criteria in supplier audit processes,
- To use our resources efficiently by implementing systems such as reporting in international standards, budget management, efficiency monitoring together with our effective corporate governance approach,
- To ensure that no allow discrimination among our employees under any circumstances and to provide equal rights to all our employees in matters such as remuneration, performance evaluation, employment, etc,
- Ensure equal opportunities for women in the workplace and increase women's employment,
- To value and accept the religious, structural, or cultural differences of all our stakeholders,
- Complying with anti-bribery and anti-corruption laws and regulations, ethical and professional principles and universal rules, as we emphasize in our Anti-Bribery and Anti-Corruption Policy,
- Implement a responsible tax strategy,
- Raising awareness among our employees and stakeholders about climate change, sustainability and the United Nations Sustainable Development Goals,
- To comply with the 10 Principles of the United Nations Global Compact, of which we participated,
- To announce this committed and implemented policy to all our employees,
- Make these policies accessible to the public and third parties,
- Our policy has committed to ensuring effective communication and monitoring with our stakeholders, which we have embraced as our sustainability policy.

As a participant of the United Nations Global Compact, Gdz Electricity is committed to comply with the 10 Principles of the Global Compact.

Corporate Sustainability Governance Structure

Through various committees that we have integrated into our company's corporate governance model and that operate under the supervision of our Board of Directors, we realize our form of sustainable governance. This is a reflection of our company's integrated governance network. Through the Early Detection of Risk Committee, we manage a wide range of risks such as sustainability, energy supply security, risks arising from climate change and ecological risks by monitoring their financial impact as well as their non-financial impact on our employees, all our partners, society and the environment.

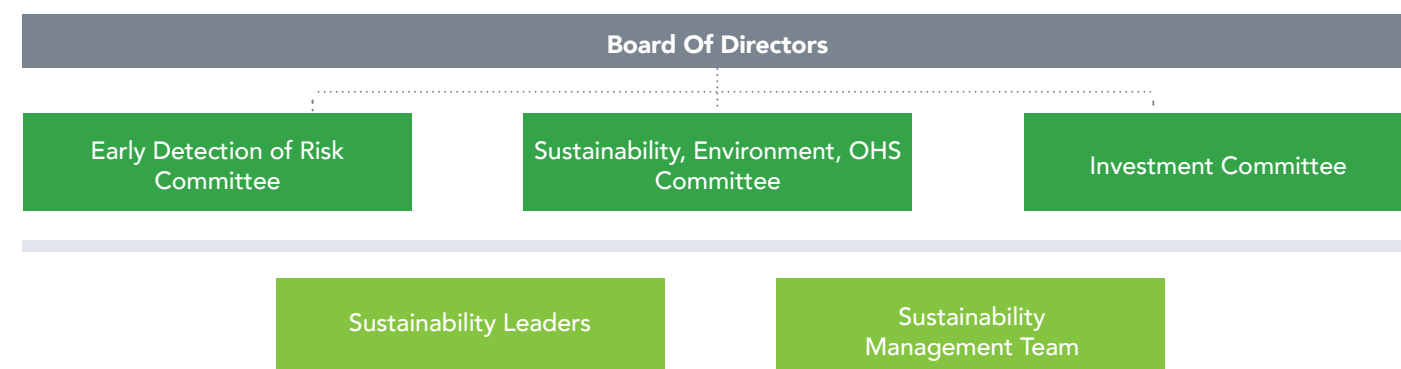
Furthermore, through the Investment Committee, we make the most appropriate and effective decisions for our environmentally friendly investments that will support energy supply security, meet all energy needs in our distribution region and distribute energy efficiently and safely, taking into account environmental, social and governance factors in our investment assessments.

Because of our roles, all of our investments contribute to our sustainability principles and goals of energy supply security, combating climate change, responsible consumption and production, sustainable cities and communities, decent work and economic growth, industry, innovation and infrastructure, and reducing inequalities.

Through the Sustainability, Environment, Occupational Health and Safety Committee, one of the various aspects of our strong corporate governance system, we address and thoroughly examine relevant sustainability-related issues within our own business operations and value chain. With the contributions of this Committee, we develop a culture of sustainability, occupational health and safety that extends broadly to all personnel and activities of our company, including environmental regulations and our operations, by pre-planning a safe behavior approach.

When it comes to addressing both preventive and corrective measures and identifying opportunities to embrace the principles of sustainability, we share the results we achieve with the Investment Committee, the Early Detection of Risks Committee, and our Board of Directors.

In addition to our committees reporting to our Board of Directors, we manage all sustainability issues related to distribution centers and operational processes in co-operation with Sustainability Leaders and members of our Sustainability Management Team working in Regional and District Directorates.



Value Drivers	Value Created for Stakeholders
Sustainability vision	It ranked third in the world in the electricity sector. In Moody's Environmental, Social and Governance (ESG) performance ranking, Moody's ranked Turkey first in the Turkish electricity sector with the highest rating of "A1 Advanced Level" and ranked third in the electricity sector in the "Emerging Markets" world ranking.
Reliable and secure energy supply	70,025 km line length 35,709 transformers 17,131 MVA transformer capacity
Innovative solutions and digitalization	The competencies that need to be acquired in line with the strategic goals of future technologies and network needs are monitored through the Technology Roadmap (TRM).
Talent and culture-based workforce	United Nations Global Compact (UNGC) Signatory, Great Place to Work - Great Workplace Certificate
Integrated Management Systems	Our operations are managed with ISO 9001, ISO 100002, ISO 14001, ISO 45001 and ISO 27001 certifications in environment, quality, information security and risk management.

Sustainable Development Goals



Stakeholder Management

Sustainable Value Chain

With a deep sense of responsibility, we take initiatives and carry out our activities to create value for our country. We do not limit our environmental, social and financial responsibilities to our organization and employees; we share these responsibilities with our suppliers, contractors and consumers.

Our strong corporate governance, innovative approaches, use of new technologies and sensitivity in environmental management processes represent the most important components of our sustainable value chain.

Our value chain is managed with a transparent approach in an end-to-end integrated manner, from safe and efficient energy supply to maintenance and repair activities. All our processes are handled under the headings of public institutions, suppliers, contractors, employees and local communities, and our awareness of our material issues and our value chain is carried out in cooperation with our stakeholders. Our sustainability approach, which is “always forward”, is integrated into every stage of our value chain with environmental protection, social development and economic development criteria.

Within the framework of our corporate values and business ethics, we identify our material stakeholders and define various communication methods and platforms for each stakeholder group. These methods provide us with the opportunity to ensure continuous and effective communication.

We maintain uninterrupted contact with our main stakeholders through various platforms. In the geographical regions where our Headquarters and District Directorates are located, we cooperate with both public and non-governmental organizations and support many projects.



Stakeholder	Stakeholder Communication Platform	Communication Frequency
Analysts	Meetings, conferences	Continuous
Holding and other companies affiliated to the Holding	Board meetings, meetings	Continuous
Press	Press releases, press conferences, interviews, sectoral meetings, congresses	Depending on the company agenda
Employees	Idea Line, EnPort Intranet platform, EnBülten monthly online communication magazine, social events, management meetings, OHI Project, Group meetings, e-mails	Continuous
Audit and Consulting Firms	Meetings, reports, presentation files	Continuous
Rating and Valuation Agencies	Meetings, conferences	Continuous
Financial Institutions	Meetings, congresses, reports	Continuous
International Organizations	Projects	Depending on the project scope
Public Institutions, Local Authorities, Regulatory Authorities and Sectoral Associations	Meetings, congresses, face-to-face interviews	Continuous
Community/Local People	Meetings, conferences	Continuous
Distribution Companies	Sectoral meetings	Continuous
Trade Unions	Meetings, face-to-face interviews	Continuous
Consumers	Meetings, telephone, website, SMS	Continuous
Suppliers/Contractors	Projects	Continuous
Chambers of Commerce/Commercial Chambers, NGOs, Associations	Meetings, congresses, face-to-face interviews	Continuous
Universities/Educational Institutions	Projects	Depending on the project scope



Materiality Analysis

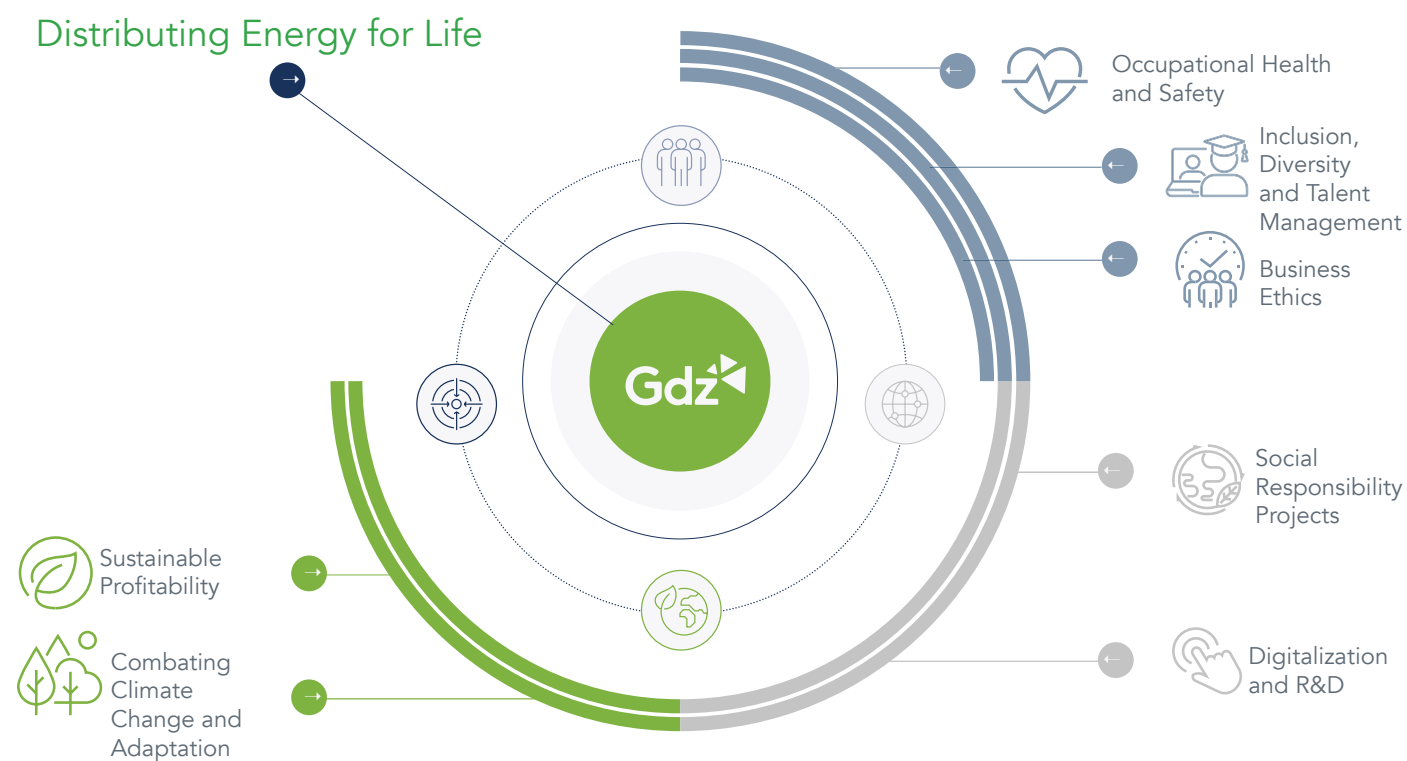
We continue our efforts to create a fully integrated, smart electricity distribution system to support the growth in electricity demand and technological advancements. The infrastructure necessary to provide our customers with the modern and innovative electricity services they expect.

We have adopted an Environmental, Social and Governance (ESG) framework to ensure that our business model is multi-faceted and considers the full impact of our decisions not only on our operations, but also on our stakeholders and the environment. Our responsible business approach includes identifying our key stakeholders and understanding the issues that concern them, prioritizing them and responding to them in a consistent and transparent manner.

Our commitment to environmental, social and governance issues provides the structure needed to support our sustainability strategy.

Our sustainability vision is based on concrete goals, targets, strategies and practices. We comprehensively integrate sustainability issues into strategic planning.

Our Priority Topics



Business Ethics

Our Company's core values and principles guide our code of business ethics and constitute our expectations, standards and ethical practices that form the basis of all our business relationships and transactions.



Sustainable Profitability

We aim to follow and implement the innovative developments brought by our sector by maintaining our financial discipline and keeping our economic performance at the highest level. We aim to distribute energy efficiently and safely by managing our financial and non-financial risks in the most accurate way.



Combating Climate Change and Adaptation

As Gdz Electricity, we play a critical role in the connection processes of electricity generation facilities to the grid and assume an active role in bringing domestic and renewable resources to the national economy. We support the fight against climate change, which has become a global problem, our country's clean energy transformation and ensuring energy supply security; we support the clean energy transformation for our country with our approach that considers the sustainability of natural resources, the environment and the needs of future generations.



Occupational Health and Safety

One of the main topics in our business continuity is to providing an accident-free work environment. Each of our units has a health and safety management system that sets out the necessary health and safety procedures, responsibilities and requirements to reduce operational risks in different areas.



Digitalization and R&D

We aim to add value to the lives of all our stakeholders in our sphere of influence with the investments we make in digitalization and innovation by making pioneering technological breakthroughs in the development and strengthening of the electricity distribution infrastructure.



Social Responsibility Projects

Since the day we started our operations, we have been working with all our strength to ensure reliable and efficient energy distribution as well as uninterrupted access to it. We aim to be a positively transformative force for our entire value chain and society by supporting sustainable development in all our activities.



Inclusion, Diversity and Talent Management

We promote and sustain a culture of workplace inclusion that values our individual differences, perspectives and backgrounds. We continue to accelerate and enhance diversity, equality and inclusion through employee-led initiatives and committees, education and training, recruitment and retention strategies and internal policies.

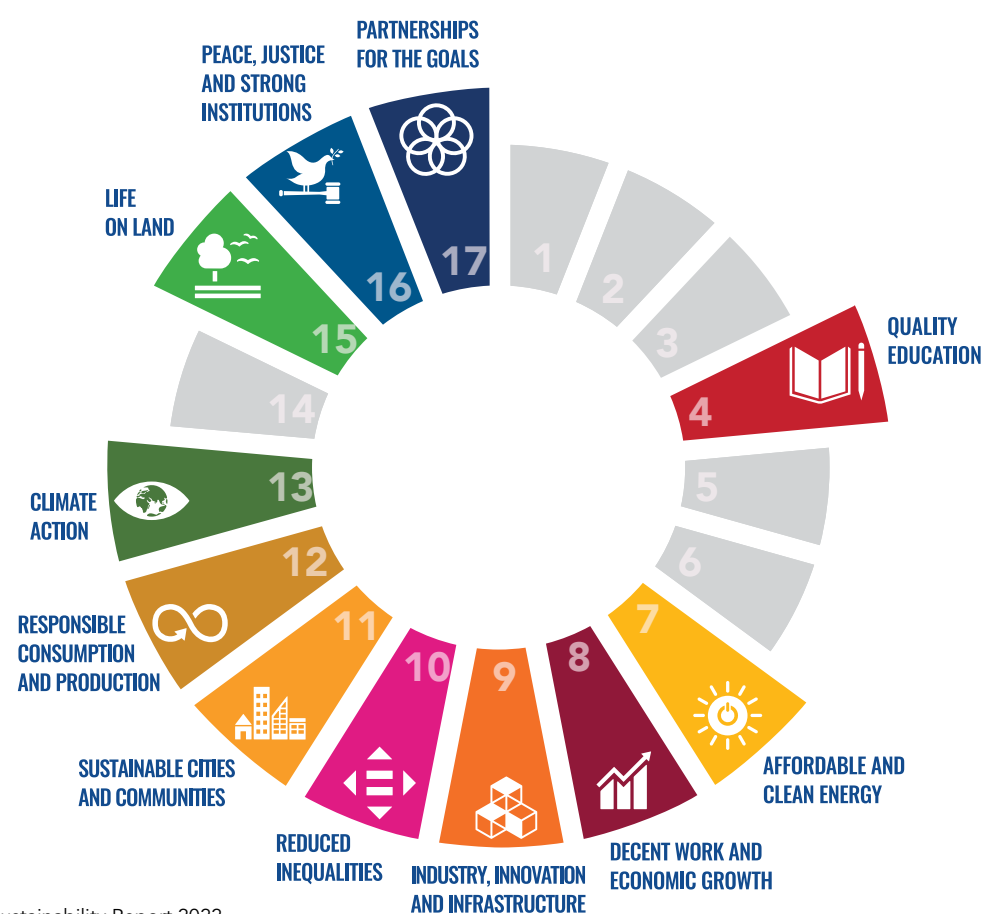
Our Contribution to Sustainable Development Goals

At Gdz Electricity, we consider our sustainability approach integral part of our corporate strategy. This perspective, integrated with our risk management policies, guides us on our journey of always moving forward for the better. With this perspective, we continually strive to effectively implement our direct and indirect contributions to the United Nations Sustainable Development Goals (SDGs).

At the global level, spreading peace and prosperity to all, achieve inclusive economic growth and transitioning to clean energy, eliminating inequalities and poverty, and ensuring the sustainability of our resources and our planet's ecosystem are the main goals of the SDGs, which make sustainability a way of life and hold them together.

As Gdz Electricity, in order to achieve these comprehensive goals, we continue our activities on the axis of transition to a low- carbon economy, combating climate change, practicing, responsible consumption and production principles and establishing sustainable cities and communities.

This perspective is an important element that shapes both our business model and our vision to fully realize our goals. As Gdz Electricity, we are aware of this responsibility and aim to create a sustainable world for future generations. We strive at every level to realize sustainable development by taking the right decisions today.



Combating Climate Change and Adaptation

Corporate Governance Practices for Climate Change

Board Responsibility and Competence on Climate
Related Issues

Climate - Related Company Goals

Climate - Related Risk and Opportunity Management



Combating Climate Change and Adaptation

Climate and energy-related regulations, not only at national but also at international level directly affect our financial performance and strategic decisions. In this context, our operations are directly affected by activities that contribute to continuous improvement in reducing environmental impact, adopting effective waste management, preventing pollution, complying with relevant environmental legislation, complying with existing climate-related laws and regulations and implementing ISO14001 Environmental Management Systems.

As the UN noted in its 2020 climate change report, extreme weather events have increased significantly since 2000. This increase (the number of extreme weather events such as heat waves, droughts, cyclones and floods) will continue even if climate-related regulations are strictly enforced. Turkey is also severely affected by these devastating disasters. Extreme weather events such as forest fires, floods and cyclones have become expected in Turkey. In the Aegean Region, where our facilities are located, forest fires in the summer have damaged our assets and threatened communities, wildlife and businesses in the region.

Any changes in climate-related legislation may directly or indirectly affect our operations due to possible new requirements. This may have a positive or negative impact on our Company's operations, financial position and results of operations. Our Company may face certain risks and opportunities related to the procurement and maintenance of equipment and services needed for its current and future operations.

Through 70,025 km of distribution lines in Izmir and Manisa provinces, we are responsible for the distribution of approximately 16.5 TWh of electricity to a population of 5.9 million and 3.75 million consumers, representing approximately 7.7% of the total number of consumers in Turkey.

Our operations face major risks, such as unexpected operational issues leading to power outages or shut-down costs and additional structural reinforcement investments. Therefore, it is critical for our operations to identify and mitigate against potentially disruptive risks.

In Turkey, where all of our operations are conducted, the majority of electricity generation is fossil fuel-based. Although we operate within the borders of Turkey, the European Union's Green Deal and Border Carbon Regulation Mechanism will have an indirect impact on our operations through its impact on general economic dynamics and trade relations. As Gdz Electricity, we closely examine the potential risks arising from this new regulation and integrate the necessary actions into our risk assessment and risk management processes.

Our board-level committee has an important position in addressing climate-related issues in our industry and is strongly encouraged to actively participate in decision-making, risk management and growth strategy. Our approach to assessing and managing climate and risk-related business strategy is comprehensive and ensures that responsibilities are distributed throughout the company. We value the active engagement of our Board of Directors and senior executives in shaping our climate-related initiatives, decision-making processes and risk management practices.

At Gdz Electricity, the Board of Directors serves as the highest governance body with responsibilities such as defining strategic goals, determining corporate governance, organizing and managing climate-related and sustainability issues, and acting as the approval authority for critical decisions. The Board of Directors plays a decisive and supervisory role in Gdz Electricity's management processes, especially in situations involving high financial impact and risk.

In addition, the Board of Directors decided to publicize our emissions' reduction target and strive for verification of our near-term target through the Science-Based Targets initiative. All of these efforts demonstrate the active role the Board is playing in leading our climate-related efforts and underscore its commitment to address climate change in a meaningful way.



Corporate Governance Practices for Climate Change

As one of the pioneers of our country's clean energy transformation, we contribute to the fight against climate change through our sustainability governance, which is integrated into our corporate governance system and handled by committees under the Board of Directors.

The Early Detection of Risk Committee monitors risks related to climate change and performs financial and operational risk profiling, including non-financial consequences such as impacts on employees, all stakeholders, society and the environment. The relevant action plan is prepared through the Sustainability, Environment, Occupational Health and Safety (OHS) Committee and the related issues and processes are reported to the Board of Directors when necessary.

Continuous improvement and development of the sustainability and OHS culture are ensured; a behavior-based safety approach, including environmental regulations and activities, is proactively developed and adopted. Sustainability and OHS related KPIs are monitored. Through our Board of Directors Investment Committee, the most accurate and effective decisions are taken for our investments by organizing our investment portfolio according to environmental, social and governance criteria.

Board Responsibility and Competence on Climate Change Related Issues

Professional experience and academic qualifications are among the main criteria for the competence of board-level committees. We regularly organize two-week long climate-related training seminars for our board members. Our seminars are organized once every six months and cover climate-related risks, opportunities and impact assessments.

We also receive guidance from our competent engineers and sustainability professionals on this matter. This guidance is conveyed to the Board of Directors through committees.

Non-executive employees with sustainability experience and competence actively serve as committee members under the board-level committee. In assessing the climate-related competence of the board of directors, certain criteria such as long-term experience in sustainability, governance, occupational health and safety are taken into consideration.

After conducting comprehensive stakeholder analyses, we prioritize climate change and carbon management among the key issues for our organization. Therefore, our approach to assessing and managing climate strategy and risks follows a top-down methodology that ensures responsibilities across the entire company, starting from the Board of Directors.

At the highest management level, the General Manager (part of the Board of Directors) has an important role in overseeing climate-related issues. General Manager contributes to defining strategic objectives, setting corporate governance and organizing and managing climate-related and sustainability issues.

The General Manager is responsible for managing annual budgets for climate mitigation investments. Given the General Manager's high position within the company, he is tasked with implementing the climate transition plan, aligning business strategies with climate-related issues and providing incentives to employees. Furthermore, the General Manager is responsible for monitoring progress towards climate-related targets.

Assisting the General Manager and the Board of Directors, the Early Detection of Risk Committee is responsible for managing and monitoring Gdz Electricity's risk profile, including climate-related risks. While the General Manager oversees and defines strategic goals related to climate change and sustainability, the Early Detection of Risk Committee supports the General Manager in assessing and managing climate-related risks.

Climate-Related Company Objectives

The Corporate Governance Committee (at the Board level) oversees the process of setting climate-related Company targets.

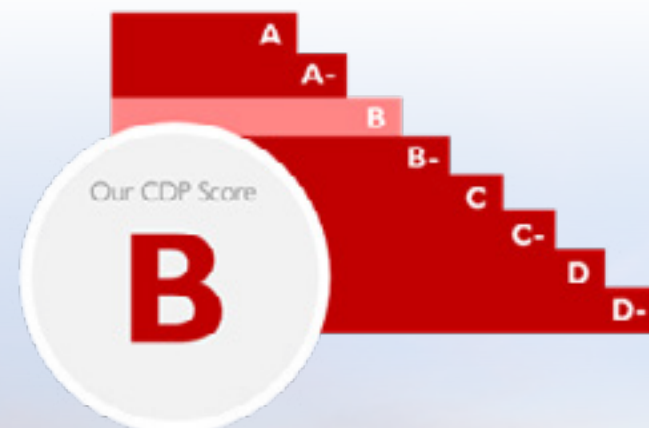
Our performance indicators

- To make assessments within the scope of combating climate change and ensuring safe and efficient energy supply by taking into account environmental, social and governance (ESG) criteria in all our distribution activities and new investments,
- To carry out renovation, improvement and capacity increase, R&D, technology investment and maintenance works in line with 5-year implementation period plans,
- To increase line length, number of transformers and transformer installed capacity with these investments,
- To be net-zero by 2050 in line with these goals,
- Continue the fight against climate change by continuing to distribute clean and renewable energy,
- To realize environmentally friendly investments by considering our environment in all our investments,
- Within the scope of combating climate change, making assessments by taking into account both plant and project-based environmental, social and governance (ESG) criteria, identifying, periodically monitoring and managing ESG risks within the framework of sustainability.

Gdz Electricity at Level B in CDP

We received a **"Level B"** rating in the 2022 Climate Change Program of the International Environmental Reporting Platform Carbon Disclosure Project (CDP), one of the world's largest non-profit environmental reporting initiatives, which aims to encourage companies to manage and lead environmental risk.

In the assessment of 14,964 companies on climate change in 2022, Gdz Electricity achieved a B level, making it one of the leading companies in the Turkish energy sector in terms of climate rating.



Climate-related Risk and Opportunity Management

Due to the nature of the sector in which we operate, we are vulnerable to climate-related risks. The main areas where the climate crisis challenges us are supplier management, socio-economic impact, talent management, operational expenses, reputational risks, financial profit and loss management, and equity and debt financing. Gdz Electricity assesses all risks and opportunities through qualitative and non-qualitative risk monitoring.

The risk and opportunity assessment process is divided into three main stages: assessment, planning of next actions and implementation. In the assessment phase, the Early Detection of Risk Committee reports potential risks and opportunities with potential solutions to our board-level committee. The board-level committee makes a decision to implement the planned actions based on the materiality assessment. In the final stage, the execution process is delegated to the relevant units and the execution process is personally supervised by the committee.

We attach importance to environmental, social and economic impacts and their holistic consideration prior to investment decision-making processes. We conduct environmental risk analysis studies.

The energy distribution sector has a direct impact on the daily lives of our end users. Our Risk Policies incorporate this responsibility into our risk management system. Situations that may jeopardize the existence, development and continuity of our company, prevent the realization of our strategic, operational and financial targets, and negatively change our company image in the eyes of all our stakeholders are considered significant risks and effective measures are taken for each risk. In this context, we monitor our financial and non-financial risk definitions and take action to eliminate these risks. We classify our identified risks under 6 headings and address them within the scope of our integrated risk management.

1) Strategic Risks

2) Credit Risks

3) Operational Risks

4) Financial Risks Market Risks

5) Regulatory Risks

6) Employment, Safety, Business Continuity and Environmental Risks

In our assessment of risks, we take into account causes, events and consequences such as energy supply-demand imbalance, climate change, depletion of natural resources, legal changes that have occurred or will occur in connection with these, natural disasters, changing economic balances, new markets, technological innovations and, digitalization.

Gdz Electricity Continues to Work for Net- Zero Roadmap

Gdz Electricity is preparing its future actions according to the IEA NZE 2050 Scenario. This scenario is a normative IEA scenario and is aligned with the United Nations Sustainable Development Goals (SDGs) in terms of the energy sector achieving net- zero CO₂ emissions by 2050 and developed economies reaching net- zero targets before others. The scenario also addresses the emission reductions set out in the Intergovernmental Panel on Climate Change (IPCC) special report on global warming of 1.5°C. In line with the IEA NZE 2050 Scenario, Gdz Electricity takes various measures in its operations.

In addition, in line with our efforts to prevent/reduce loss and theft, etc., we strive to reduce emissions from our operations and prefer environmentally friendly products and services. We continue our efforts to improve our net-zero target by using materials and technologies that support energy efficiency and striving to achieve maximum efficiency with minimum energy consumption.

In our distribution region, the average technical and non-technical loss ratio was realized as 5.04.

Greenhouse Gas Emissions

Calculating and managing greenhouse gas (GHG) emissions associated with our operations on an annual basis and developing effective strategies to reduce these emissions is one of the key steps we are taking on our journey to becoming a net zero company as part of our comprehensive climate transformation plan. In addition to our Scope 1 and Scope 2 emissions, we have been responsible for calculating our Scope 3 emissions for all our operations since 2017. Indirect emissions from activities outside of our direct control, but which significantly contribute to our overall carbon footprint, known as Scope 3 emissions, have been carefully examined and included in our significant emission inventory.

In the reporting year, our Scope 1 emissions were calculated at 54,103.62 CO₂eq and Scope 2 emissions were calculated at 548,182.04 tons CO₂eq.

In order to ensure the reliability of our emission calculations and their compatibility with the industry, we have developed a calculation methodology in line with the Science Based Targets Initiative (SBTI) as of 2022. Also this year, we set a greenhouse gas emission reduction target for our company using 2022 as the base year.

Scope 3 emissions account for 27.22% of our total emissions. Our near-term reduction target, developed in line with the SBTI methodology, focuses on direct and energy-related greenhouse gas emissions. This approach covers all our operations in Turkey and company-wide emissions without any exceptions.

Energy Efficiency

In line with our commitment to sustainable business practices, we are continuously working to optimize energy efficiency, reduce losses and lower our emissions. By focusing on these areas, we are actively contributing to building a more sustainable and environmentally responsible distribution system.

Energy efficiency plays a critical role in the transition to an environmentally friendly distribution system. It is crucial for us to effectively assess and address energy efficiency in our operations and to achieve this, technical and non-technical loss rates are our key indicators. These indicators provide us with valuable information about our energy efficiency levels and enable us to take appropriate steps to improve them. As part of our commitment to the United Nations' Sustainable Development Goals, we prioritize the management of technical and non-technical losses in our electricity distribution operations, in addition to contributing directly through our investments. We demonstrate our commitment to responsible energy practices by staying below the rates set by the Energy Market Regulatory Authority (EMRA) in loss management.

Our investments in energy efficiency have yielded positive results, as demonstrated by our achievements at the end of 2022. In our distribution region, the average technical and non-technical loss rate was 6.36 in 2021. Thanks to our diligent and determined efforts, we managed to reduce this rate to 5.04% in 2022. Our performance, which is well below the 7.18% target rate set by the Energy Market Regulatory Authority (EMRA) for 2022, is an indication that we were able to meet the expectations of the sector.

Risk Management at Gdz Electricity

Risk Management at Gdz Electricity

Risk Management Strategy

Board Responsibility in Risk Management



Risk Management at Gdz Electricity

At Gdz Electricity, we protect our company's assets and values for the long term. With this protection, we ensure sustainable financial performance, competitive advantage and expansion. We take the management of financial and non-financial risks, including risks related to climate change, environmental factors and sustainability issues, very seriously while looking after the interests of our stakeholders.

Apart from financial results, we take into account the reputational impacts that risks may create, the impacts on audit and regulatory bodies, the impacts on our employees and our value chain. As Gdz Electricity, we determine the framework of our risk management processes with internationally recognized principles.

We integrate risk management as the foundation of our operations and strategic planning; by implementing a reliable risk management mechanism, we review our investment decisions and processes.

As in all units of our company, risk awareness is considered an integral part of our culture. We keep our strategic decisions and operational activities within the limits of our risk tolerance. We manage all risk factors that may adversely affect our financial performance and reputation in the best possible way.

We regularly review our risk management policies and systems to identify and analyze risks, set risk limits and identify key risk indicators. This is part of Gdz Electricity's diligent approach to the effective management of risks.

Effective Risk Management

Our Risk Management Unit organizes Risk/Opportunity Assessment meetings every year with the participation of all process owners in order to identify and evaluate our long-term goals, risks and opportunities. The results of these meetings aim to manage the main risks and pursue opportunities that are part of increasing company value. We ensure that these results are regularly reviewed by the Early Detection of Risk Committee and the Board of Directors.

We consider risks and the measures to be taken together with their environmental, social and economic dimensions. Accordingly, we conduct environmental risk analyses both in our daily operations and prior to investment decisions, and take measures to identify potential risks that meet our environmental obligations and to prevent these risks from materializing. We minimize risks by regularly reviewing these actions.

While conducting our operations, we pay attention to the efficient use of natural resources, reducing greenhouse gas emissions, minimizing waste generation and protecting biodiversity.

Through our Framework Environmental Management System (FEMS), we have established a framework where objectives and targets related to our environmental policy are identified, activities are managed, monitored, and audited in accordance with the policy.

In addition to the EMS, we support our environmental management system by complying with ISO 14001:2015 Environmental Management System, ISO 9001:2015 Quality Management System, ISO/IEC 27001:2013 Information Security Management System, ISO 45001:2018 Occupational Health and Safety Management System and ISO 10002:2018 Customer Satisfaction Management System standards.

At Gdz Electricity, the Board of Directors is responsible for establishing risk management principles and procedures. In addition, the Board of Directors assigns the Early Detection of Risk Committee to manage risks effectively. This committee assists the Board of Directors in risk management by taking an active role in the early detection of risks that may threaten the existence, growth and continuity of the company and in the implementation of appropriate risk management strategies.

Early Detection of Risk Committee

The Early Detection of Risk Committee and the Sustainability, Environment, Occupational Health and Safety Committee (Board Level) and the Investment Committee hold coordination meetings. All Committees report directly to the BoD and ensure that governance mechanisms are in place that integrate issues related to the actions outlined below.

- Monitoring implementation and performance
- Monitoring acquisitions and disposals
- Monitoring large capital expenditures
- Providing employee incentives
- Reviewing and guiding annual budgets
- Reviewing and guiding risk management policies
- Review of innovation/R&D priorities
- Determination of performance targets
- Reviewing and guiding public policy engagement
- Review of value chain engagement
- Monitoring the implementation of a transition plan
- Supervision and guidance of scenario analysis
- Overseeing the setting of institutional objectives
- Monitoring progress towards institutional objectives

Risk Management Strategy

In line with the legal framework, we set international standards as our main reference point in our risk measurement and monitoring process. Our Board of Directors directly leads the process of establishing our risk management policies and assigns the Early Detection of Risk Committee to manage risks efficiently. This committee continues its work under the management of the Board of Directors.

Risk Management at Gdz Electricity;

- To quickly identify, measure, manage, report and monitor the risks that affect the realization of the Company's strategic, operational and financial objectives;
- To adjust the Company's risk profile in line with the Company's risk appetite in order to respond to new threats and opportunities in order to maximize returns;
- To ensure that risk management is effective in the Company's strategy and decision-making processes;
- To protect the Company's capital by ensuring compliance with the Company's risk appetite;
- To achieve an optimal risk-return profile by allocating capital efficiently;
- To provide the Company with sustainable financial performance, income and competitiveness,
- Support decision-making by providing consistent, reliable and timely risk information;
- It is built on protecting the Company's reputation by reinforcing its core values, increasing risk awareness and developing a strong culture of disciplined and informed risk-taking.

Our risk management strategy consists of eight stages in the process of identifying, assessing and monitoring our risks. Through these stages, in line with corporate risk management systems, we identify existing and potential risks that may have an impact on the process of achieving the company's goals.

In this context, we shape the principles and actions we determine to manage our risks in line with our Company's risk-taking profile and aim to take decisions that are in line with these principles. While managing all these processes, we ensure continuous information sharing between the relevant departments and Committees and work in an integrated manner with these units.

When assessing our risk exposure, we take into account the effects of climate change, depletion of natural resources, changes in the frequency and impact of natural disasters, transformation of economic balances, technological advances and digitalization. In light of these factors, we create different scenarios and apply stress tests. In addition, we regularly check the efficiency of business continuity activities.

Risk Management Strategy



We act by fully integrating risk management into Gdz Electricity's daily activities and strategic planning in order to make faster and more accurate decisions in volatile and competitive market conditions.

Board Responsibility in Risk Management

Gdz Electricity's Board of Directors guarantees the supervision of the implementation of the specified risk management principles in order to establish an integrated and effective risk management structure and harmonize it with the company's operations.

We integrate risk management as the foundation of our operations and strategic planning; by implementing a reliable risk management mechanism, we review our investment decisions and processes.

- The Company's risk appetite, acceptable risk tolerance levels and risk policies, which are determined qualitatively and quantitatively throughout the Company and in main operations and processes, are reviewed and approved every year.
- The prominent risks and potential threats facing the Company are periodically assessed for compliance with approved risk policies and limits, and for advantage.
- A commitment is made to provide adequate resources and support to the company's risk management operations. This approach demonstrates effective and proactive management of risk and emphasizes Gdz Electricity's strong commitment to risk management.

R&D and Digitalization

R&D Activities
Digitalization



R&D Activities

Secure and efficient energy supply is the most important link in our energy distribution processes and constitutes the first link in our value chain with our strong corporate governance, innovative approach, use of new technologies, low loss and leakage rate and sensitivity in all environmental management processes.

As we transform our energy distribution system to be future-ready through grid modernization, we are also investing in areas of opportunity to improve how we monitor and respond to system challenges using innovation and technology. With the shared goal of a successful energy transition, we are actively engaging with public institutions and organizations to ensure that their policies and regulations evolve with innovation and business realities.



Harvest-2 Distributed Production Project

Within the scope of Phase 2 of the HASAT Project, it is aimed to conduct field application studies of the methodologies identified in the first phase of the project that can be applied in the Turkish Electricity Distribution Network. In parallel with these applications, it is aimed to carry out consciousness index research studies for the behavioral examination of more efficient energy use by the consumer.

The HASAT Phase-2 Project is being implemented as four separate large projects under the coordination of ELDER and with the stakeholders of 15 electricity distribution companies. The HASAT Phase 2 roof project consists of projects titled energy efficiency in transformers, distributed generation, energy efficiency in general lighting and energy efficiency awareness index.

Within the scope of the Distributed Generation Project, the impact of distributed generation facilities connected to the distribution grid on technical losses and direct energy efficiency is examined under several sub-headings. The first phase of the project aims to develop an algorithm to analyze the impact of existing distributed generation facilities on energy efficiency and the optimum positioning of distributed generation systems to be connected to the distribution grid. The developed algorithm is also used and tested in real pilot field applications. The second phase of the project is the implementation of reactive power compensation applications with distributed generation systems.

In addition, there is also the development of a mobile energy system that will enable the establishment of micro-grids in remote units with high technical and non-technical losses according to the plug-and-play philosophy. This system is aimed at eliminating energy losses in long overhead lines built for the energization of remote remote units such as mountains, forests and highland villages by turning these settlements into micro-grid areas. In addition to energy efficiency, the product developed in the project can also be used for the energization of far-end units that experience interruptions during disasters and for the separation of irrigation activities from the network, and it is aimed to transform it into a sustainable product for use in far-end units by adding features such as rainwater storage systems and satellite internet.

Gdz Electricity is one of the partners of the project. The studies carried out within the scope of the project and the benefits to be obtained will contribute to the operational efficiency of our Company and will make positive contributions to sustainable and efficient energy distribution.



Field Inventory Blockchain Technology with Financial Health Index

In the relevant project, it is aimed to create a digital identity card for an asset by utilizing the advantages of blockchain technology, to track the asset with an unchangeable record from birth to death, and to control these records transparently by regulatory/supervisory bodies in an electronic environment. The current values of the assets can be monitored on the same platform, and it will also be possible to view which asset the maintenance performed will be matched with and how much total cost was spent for that asset. If there is an IoT system on these assets, the asset status can be monitored by instant communication with this platform. In addition, the project, which will be carried out with a local team in Turkey, aims to be among the top 5 companies in the asset management software ecosystem on blockchain in the world.



Big Data Analysis Based Mobile Application Project to Increase Energy Consumption Awareness and Demand Flexibility of Electricity Subscribers

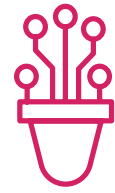
The project aims to develop a mechanism that will enable electricity subscribers to participate in demand side management practices in order to improve demand management in the distribution network, increase the efficiency of the existing capacity and improve infrastructure and operating costs. Through the big data analysis platform and user mobile interface to be developed, it is aimed at raising awareness of electricity subscribers about energy efficiency and demand flexibility, improving their consumption behavior with the mobile notification mechanism, and thus providing economic gains for both electricity subscribers and distribution system operations.



Development of a Domestic Smart Silicon Insulator with Combined Current and Voltage Sensor

Breaker Measurement Cabinets (BMC) are used to monitor and control overhead lines in the distribution system, but these facilities are not widely used due to the high cost of construction and time-consuming expropriation, etc. Detection and elimination of overhead line fault points in mountainous and forested areas in the distribution region takes a long time in some cases.

In this project, it is aimed to create a value-added product, record quality parameters, improve supply continuity and produce this product with domestic facilities by providing insulators, which are used as a mandatory equipment in overhead lines, with network monitoring, fault indication, monitoring environmental parameters such as temperature, humidity, etc. In addition, it is aimed at taking necessary precautions before failures or dangerous situations (forest fires, ice loads, line overturns, etc.) occur by creating the necessary alarms, and to ensure the isolation of the network in emergency situations through integration with SCADA.



Development of Customizable Edge Computing-Based Endpoint Hardware and Its Use in the Electric Distribution System Pilot Project

The main objective of the project is to realize the pilot implementation of the “edge computing” approach in the electricity distribution system with the development of a hardware that can prevent the problem of being idle in the evolving needs of the electricity distribution system, respond to the data collection and transfer requirements of multiple systems in a distribution center, as well as provide the flexibility to respond to future needs (hardware or infrastructure changes), and most importantly, to process the collected data on-site and to transfer information, not data, to central systems.

With a hardware to be developed within the scope of the project and running Linux operating system on it, it is aimed to respond to different data transfer requirements in distribution centers and to read data from different external sensors (partial discharge, temperature, noise, etc.), especially three-phase current-voltage information, to process and interpret these data collected at high frequency using data analytics on the device and to transfer the information obtained to central systems.

Within the scope of the project, several different pilot applications are targeted. The first and most important of these is to process the high frequency current and voltage waveforms to be sampled from the MV feeders or the outputs of LV transformers on the device and to detect any fault in the network fed from these points, to detect it, to calculate the type of fault and the load lost due to the fault.

Another planned pilot application is to process the information to be obtained from the partial discharge measuring devices used in underground cables on the device and to provide input to predictive maintenance studies by detecting the loss of insulation before the underground cables fail. Finally, it is planned to process the data to be read from the sensors to be installed in MV switchgear equipment, switchgear or transformers on the device to predict failures in advance.



Fault LV Feeder Testing and Fuse Replacement Device Design and Manufacturing Project

With the project,

- After the insurance is discarded, it will inform you whether the fault still exists on the existing LV line,
- It will ensure a completely safe insurance exchange, eliminating the risk of personal injury,
- It will reduce the cost of LV insurance, as the trial use and waste of LV insurance (NH Insurance plug) will be avoided,
- By preventing unnecessary shutdowns upon failure, aging or damage to distribution equipment will be prevented.

The main objective of this project is to produce and disseminate the LV feeder fault detection and fuse replacement device, which has no domestic production in Turkey and cannot be used in our country due to its high cost, although it is very important for the network.

Similar devices manufactured for this purpose in the world will be compared in terms of their suitability for the distribution infrastructure of our country, legislative infrastructure, ease of installation, operation and maintenance, and their advantages and disadvantages compared to each other will be investigated.

The project aims to produce a domestic and national device to be used in the LV distribution network of our country that can quickly and safely detect whether LV feeder faults continue / continue without the need to test with fuses or conventional test equipment and to replace the fuse in a safe environment, in accordance with the required standards, with a high price / performance ratio compared to imported products.



Artificial Intelligence Supported Voice Control & Command System Development for Electricity Distribution Buildings

It is aimed to develop and pilot a hardware and software group supported by artificial intelligence algorithms that enables the control and control of network elements in electricity distribution buildings and elements such as locks, alarms, lighting in the building with non-contact and remote voice commands, and to receive information such as previous operations in the building and instant status information with non-contact and remote voice commands.



Integrated System Design and Implementation for Process Optimization in Distributed Power Generation Plants

It is aimed at developing integrated software to optimize the processes to be carried out within the scope of unlicensed generation legislation on both the consumer and distribution company side



Biolight (Bioillumination) Project

The aim of the project is to reinvent light production with the technology already created by nature to make lighting more sustainable, uninterrupted and healthier for both people and the environment. Thanks to Biolight, which uses biological creatures as a source, energy consumption will be reduced and an efficient and sustainable alternative light source will be obtained.



D-Charge - Electric Charging Project from Lighting Poles

Purpose of the Project: The project aims to provide electric vehicle charging service with the poles owned by the distribution company and to create a prototype product accordingly.

In the project, the prototype of the device to be installed on electricity and lighting poles will be created as a completely domestic production in cooperation with the academy.





Dynamic Line Capacity (DLR) Pilot Applications on Overhead Lines

In the project, it is aimed to develop a cost-effective, domestic and national DLR sensor hardware that will provide instant monitoring and transfer of environmental data at the line position, especially DLR calculations.

It is aimed to calculate 'Dynamic Line Capacity / Dynamic Line Rating (DLR)' values within the framework of conductor thermal models by using real-time data collected from the field by collecting environmental conditions (wind speed, ambient temperature, solar radiation), conductor condition and current value on the line with high resolution, which directly affect the current carrying capacity of overhead lines.

In order to make sense of the calculated dynamic line capacity values, a decision support software in accordance with industry standards will be developed and dynamic line capacity values will be continuously transferred to this decision support system.

It is aimed to make sense of the DLR data coming from the determined pilot application regions through decision support software, and to provide guidance and information that enables dynamic load management for network managers.



Coordination of Infrastructure Works of Electricity and Natural Gas Distribution Companies

The R&D project aims to improve the service provided to subscribers by strengthening the coordination of different distribution companies operating in the same region. The ability to view new investments, planned/unplanned maintenance and fault operations carried out by distribution companies on a single platform will reduce the possibility of any accidents or disruptions in the operations to be carried out. In fact, different distribution companies operating in the same region address the same audience and meet basic needs. Therefore, increasing the coordination between these companies and ensuring information transparency will lead to the development of a culture of cooperation. This development will certainly increase the quality of the service provided to the customer.

Another objective of this project is to minimize the disruption of the service to the subscriber with improved coordination and to prevent time losses. At the same time, it is obvious that the joint planning and organization of duplicate field operations will have a cost-reducing effect. Damaged excavations that occur as a result of lack of coordination have an impact on national wealth and it is aimed to reduce the penalties that arise.

R&D Projects Supporting Sustainable Services

2022 Expenditures

Harvesting Energy Efficiency in the Electricity Distribution Sector (HASAT) Phase 2	₺170,058.68
Network Vulnerability Analysis and Decision Support Program Development Project with Digital Twin Model - DigTwin	₺145,500.00
Development of a Microservice and Serverless Architecture Based Occupational Health and Safety Management System for Electricity Distribution Companies	₺156,526.00
Big Data Analysis Based Mobile Application Project to Increase Energy Consumption Awareness and Demand Flexibility of Electricity Subscribers	₺258,039.84
Platform for Coordination of Infrastructure Works of Electricity and Natural Gas Distribution Companies	₺136,177.34
Integrated System Design and Implementation for Process Optimization in Distributed Power Generation Plants	₺183,332.99
D-Charge - Electric Charging Project from Lighting Poles	₺205,735.72
Biolight Bioluminescence Project	₺909,847.88
Total	₺2,165,218.45

Digitalization

With the awareness that our industry and the services we provide are of critical importance, we are working to realize better for today and the future, and we are increasing our investments in innovative technologies. In this direction, in our journey that started in 2013, we continue our activities today with our advanced integrated infrastructure, especially advanced SCADA, GIS and AMRS.

We attach importance to scientific and technological collaborations according to the development model based on research, technology development, education and training activities in line with our mission to lead the development of infrastructures in our country's electricity distribution service line.

Gdz Electricity Technology Roadmap

Gdz Electricity carries out the distribution services of electrical energy, which is indispensable for daily life, in an uninterrupted and safe manner 24/7 with its human-oriented service approach and developing technology systems.

Since 2013, technological investments required for the development and strengthening of the electricity distribution infrastructure have been continuously realized with applications that touch every moment of life and offer solutions in every field.

Smart Grid Applications



Automatic Meter Reading System (OSOS)

- Communication and System Infrastructure have been strengthened to enable remote reading and tripping/cutting for 100,000 measurement points.
- An infrastructure has been established to support bi-directional communication for remote reading and switching of all lighting meters and eligible consumers.
- Considering the failure of the main control center where OSOS will operate, a disaster recovery center was planned to be established in a different location.
- Lighting Systems can be commissioned through the Main Control Center. Thus, losses in lighting installations that are activated early and deactivated late have been prevented.



Our company continues to work with a focus on technology and innovation in order to provide sustainable and high quality electricity distribution services in its service area. Today, technological and technical fields such as data-based decision making, advanced statistics, data analytics, network and data security, object-oriented programming, big data and cloud data management, sensor technologies, crowd analysis, mechatronics, future identification, cyber security, smart grids are gaining importance in infrastructure distribution services. Gdz Electricity monitors the technologies of the future and the competencies that need to be acquired in line with the network needs and strategic goals through the Technology Roadmap (TR).

Geographic Information Systems

The electrical and geographical coordinates of all electrical equipment in our region are transferred to Geographical Information Systems with satellite photo base.

- 35,709 transformers, single line diagrams of building type transformers, street lighting subscribers, all feeder connections, disconnectors, breakers, cells and busbars, technical data of all MV/LV transformers
- Technical specifications and coordinates of 953,801 poles, coordinates and technical specifications of 58,242 LV panel boxes
- 502,540 coordinate information of lighting fixtures
- 27,974 km of MV lines and 50,091 km of LV lines coordinates and technical information were transferred to electronic environment. The entire existing network has been processed into GIS.



SCADA/DMS/OMS

Integration of SCADA/DMS/OMS system with Geographic Information System, Vehicle Tracking, Call Center (Test Software), AMR (Automatic Supplementary Meter Reading) software has been completed.

Achieved benefits

- Thanks to the OMS (Outage Management System), the location of the fault that is received by the call center can be determined through the Geographical Information System and the work order can be automatically prepared and notified to the nearest fault team.
- By ensuring that transformer and distribution line capacities in the network are utilized under optimum conditions, equipment lifetimes are extended.
- In order to detect the faulty area very quickly and to re-supply our consumers from alternative supply points in a short time, the amount of energy that cannot be sold has been reduced by minimizing the interruption periods, and consumer complaints have been minimized with the reduction of interruption periods.

Strengthening Information Infrastructure

Fiber optic or 3G communication infrastructure has been established for the communication of various and numerous points, including Gdz Electricity, SCADA/DMS points and AMR panel, with the main control center. By considering a redundant structure in communication systems, 24/7 operation of all systems within itself has been ensured.

G-LAB R&D and Entrepreneurship Center



In 2020, we launched our G-LAB R&D and Entrepreneurship Center to produce solutions to the needs of today and the future from an innovative perspective.

We are responsible for the uninterrupted and continuous supply of electricity, which is indispensable for daily life, to a population of 5.9 million, in short, for bringing electricity to homes and workplaces.

Providing uninterrupted energy 24 hours a day, 365 days a year is a difficult task anywhere in the world. With our line length exceeding 60 thousand km and nearly 35 thousand transformers in Izmir and Manisa, we continue our people-oriented work day and night, and we do it with love.

What does G LAB provide?

With G Lab, we provide the opportunity to see first-hand the daily needs and problems of the sector, which realizes 10 billion TL network investment and 500 million TL technology investment annually.

- Opportunity to develop products and solutions
- Mentoring support
- Technical training opportunities
- Data and expert user support
- Infrastructure
- Modern space
- National and international R&D Incentives and Funding Access

We aim not only to use technology but also to develop it, and we established G-LAB, a sustainable thematic R&D and Entrepreneurship Center that will produce innovative and technological solutions to our needs.

G LAB is different from hundreds of entrepreneurship support programs because we enable you to work at the same table with your stakeholder at the idea stage.

We support your development by providing data for your work and building our collaborations on long-term foundations. Above all, we protect your intellectual property rights and commit to buy your product. In 2020, we launched our G-LAB R&D and Entrepreneurship Center to produce solutions to the needs of today and the future from an innovative perspective.

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What Have We Done So Far?

We received 25 applications with creative ideas

We held our first Datathon event to work on a forecasting approach for defined cases of future “failure” or “outage” calls in our network centers.

We participated in working group meetings within the scope of the Izmir Entrepreneurship Ecosystem Joint Collaboration Strategy Study, which took place in a total of four sessions throughout May and June. During the working group meetings, key actions to be taken to improve services for entrepreneurs in the ecosystem emerged.

In this process, the infrastructure of the Partnership Structure Strategy Document to be created at the end of the study was created together with the participants, including the Gdz team.

We created a corporate account on behalf of our company on the EuroQuity platform established by the European Commission to provide greater visibility, investor outreach and support services to Europe-based start-up companies. We organized stakeholder meetings on new business partners with Seal of Excellence companies based in Europe and Africa through the Euroquity online platform.



Our Projects

Automation of Document Validation Processes

The Automation of Document Validation Processes Project aims to process documents, categorize, digitize and automate document validation processes.

Benefits of the Project The benefits of the project can be listed as follows;

- Data extraction with fast text recognition
- Extracting, classifying, validating data
- Verifying that all legal requirements are met in the extracted data
- Auditing the compliance of data with the legislation
- Automating data entry tasks and processes
- Simplifying due diligence and inspections
- Increasing operational efficiency
- Automating workflows
- Detection of Fake Documents
- Preventing possible Fraud risks
- Customizable according to needs
- Optimizing workflows
- Improving safety in business operations
- Verification of customers and identities
- Improving customer experience
- Reducing operational costs

Battery Energy Storage Planning and Grid Positioning Software

The aim of the project is to develop energy storage simulation functions in distribution by adding grid analysis functions to RatioSIM - Storage Modeling Software developed by Ratio Technologies.

Innovative Aspect and Benefit Grid modeling, investment feasibility modeling and technical parameter determination of battery storage systems are studies that are normally carried out with independent tools and manual field expertise. In this context, analysis software such as SINCAL/Digsilent etc. is used for grid analysis, consultancy from 3rd party EPCs for technical parameter selection and simple excel spreadsheets for investment feasibility modeling. However, due to the number

Project Output The output of the project is modern, easy-to-manage, categorized, verified, verified, compliance audited archives created with smart document processing in digital environment.

of parameters and decision variables that need to be considered to meet these needs, the storage modeling problem is too complex to be determined manually. On the other hand, it is impossible to optimally evaluate all grid constraints with manual processes. With the solution developed by Ratio Technologies within the scope of TÜBİTAK 1512, all these processes are carried out automatically and optimized (with a software that is one of the few examples in the world). With the privatization of this software for the distribution sector with Gdz Electricity, a multi-purpose modeling software that has very few examples in the world will be brought to the market.

Energy Storage Facilities Based on Salt Water Batteries

The main objective of this project is to realize a completely domestic and national energy storage unit that operates in high voltage range, has high performance and low cost, long life, completely environmentally friendly and safe. In this context, it is aimed at increasing the use of renewable energy sources, reduce foreign dependence on energy and Turkey's current account deficit.

The output of the project is the production of 12, 24, 48V, 60Ah batteries to be used in stationary systems in the first place. As an intermediate output, the produced anode/cathode materials can be sold separately.

Benefit of the Project Turkey's energy needs are increasing day by day and this increases foreign dependency. The use of renewable energy will greatly increase with the development of a battery that is both low cost and environmentally friendly. In addition, there is no 100% domestic battery production in Turkey. Generally, battery parts are purchased from abroad, assembled and sold in Turkey. Increasing the use of renewable energy sources and the production and commercialization of a 100% domestic and national battery will not only support the closing of Turkey's current account deficit, but will also provide commercial and social gains.

Processes Improved by Digitalization

Projects	Benefit Provided
Distribution Network Maintenance Team Mobile Video Communication Project	It is a field application where field employees provide uninterrupted audio and/or video communication among themselves, while at the same time video recordings are taken in critical business processes in accordance with OHS rules, and when necessary, confirmation can be given to the operation to be performed over the image.
Pincident - ISG	It is a field application where field employees provide uninterrupted audio and/or video communication among themselves, while at the same time video recordings are taken in critical business processes in accordance with OHS rules, and when necessary, confirmation can be given to the operation to be performed over the image.
Whatsapp Business	It is a whatsapp application that includes many services such as street lighting, fault notification, planned maintenance monitoring, compensation query and claim creation, index reporting.
Distribution Connection Agreements	Distribution Connection Agreements Project controls for connection agreements, connection opinion applications, facility acceptance applications, connection agreement applications, installation control appointment requests are made online.
Energy Suppliers Portal Project	The project was realized with the vision of ensuring employee and customer/supplier satisfaction by providing transparent, reliable, fast and accurate information to suppliers on a platform without interruption, and with the mission of meeting all the needs of suppliers. Suppliers can access invoices, technical documents, electricity consumption/production details through the portal. They can also submit their requests and complaints through the portal.
Automatic Service Level Monitoring and Subscriber Online Transactions Project	Progress payments in different systems were automated with RPA technology, progress payments were announced to our customers through various digital channels, payment preferences were also received through digital platforms, speeding up business processes, increasing quality and significantly improving the quality of service offered to our customers.
National Smart Meter Systems Project (MASS)	The project aims to define measurement systems for smart grid transformation in an end-to-end, smart structure. With the participation of all 21 Electricity Distribution Companies, this large-scale EMRA-supported R&D project will define all system components, communication structures between components, and software based on localization and nationality criteria. The central mobile application integration within the scope of the project has been completed.
Investment Progress Claims-Field Mobile Tablet Quantity Surveying Project	It is the project of processing the inventory usage, which is the basis for progress payment in the infrastructure works carried out by the contractor companies in the field, on the GIS-based map via tablets and transferring the processed network data to the SAP system and converting it into progress payment.
Omni Channel Communication Center Project	With the project, the Call Center structure, which provides services to 3.2 million customers mainly through voice communication, was transformed into a communication center structure that provides services through many different digital channels that have been developed and enriched. The new Contact Center is an omni channel communication center system that aims to provide a seamless customer experience by gathering communication from many different digital channels on a single platform.

Working Life at Gdz Electricity

HR Practices at Gdz Electricity
Talent Management, Inclusion and Diversity
Occupational Health and Safety



HR Practices at Gdz Electricity

As Gdz Electricity, we believe that we should focus on creating value for society and the environment on behalf of all our stakeholders in our efforts to maintain our pioneering position in the sector and in our journey to become a brand that transforms from local to national and from national to global.

We are aware that the most valuable resource our company has been our colleagues. As we contribute to the development of our colleagues with our innovative and value-adding practices, we are determinedly walking on our future journey. In order to maintain our leading position in the energy sector, we aim to create competence and skill groups that will support the performance that will meet the expectations of our stakeholders; with our human resources management approach, we aim to create innovative employees and teams that are committed to ethical values, sensitive to the environment, create value, aim for the best and efficiency, within the framework of our Company's values and culture, aware of the public service responsibility brought by the electricity distribution sector and ready for the needs it creates.

Our most defining characteristics for our company consist of our fair and egalitarian structure, our management approach that values employees and respects diversity, and our human resources approach that observes equal opportunity, is safe and takes responsibility for its employees. As the Gdz Electricity family, we see it as our basic principle to never allow any discrimination against our employees for language, religion, race, sect, belief, gender, nationality, marital status, age and similar reasons in all our business processes; we show our clear stance against all kinds of discrimination with our policies, practices and the clear attitude of our Board of Directors in this field.

We work with the awareness that our senior management is committed to equality in our company. In our work environment, we try to prevent any incident of discrimination, and in the event that our employees report any incidents, we evaluate and resolve them in the most accurate way.

In order to support the diversity of our colleagues and the inclusiveness of our practices, we act in accordance with our equal opportunity and non-discrimination approach in all our human resources processes such as promotion, performance evaluation, transfer, leave, wages and training rights in our interaction starting with the recruitment process. We create an egalitarian, discreet, reliable and fair work environment without including these differences in our decision-making processes in the decisions we make about our colleagues at every stage.

Our Human Rights Policy, which we share with all our colleagues, is the most important mechanism that promotes equality and inclusion. In this context, our most important principles are to provide equal opportunities to all our colleagues throughout their working lives, to create a safe, healthy and respectful working environment that is egalitarian, diversified and against all discrimination, to defend human rights in all our activities and at every step of our supply chain, to increase the number of women working, to support female employees and all women to have equal opportunities, and to comply with the United Nations Women's Empowerment Principles (WEPs).

We care about providing equal rights to all our colleagues in terms of remuneration, performance evaluation, equal access to career opportunities, employment and similar issues, ensuring fair wages and working hours, and announcing all developments regarding our equal opportunity plans through internal and external communication channels. By supporting women's participation in the workforce, we aim to guarantee the principles of equal opportunities for women and men in all our human resources policies and procedures and this Human Rights Policy and to increase the employment rate and the ratio of female employees in senior management.

We have reorganized our leave processes to cover the sensitivities of all genders and parenthood with a gender equality perspective. We manage recruitment processes for disadvantaged groups with sensitivity and provide benefits to our colleagues without discrimination.



Human Rights Policy

Our company Gdz Electricity, which accepts human rights as an integral part of its code of ethics, adopts the aim of ensuring that our colleagues and business partners in all our subsidiary companies act in accordance with the Gdz Electricity Human Rights Policy and in this direction, we take decisions within the framework of the United Nations Universal Declaration of Human Rights in all our investment activities and operations.



Anti-discrimination and Employee Equality

As a company, we have the principle of valuing the diversity of our employees and not tolerating discrimination among our colleagues based on race, religion, language, color, age, gender, family status, national origin, employment, occupation, social background, health status, physical disability, union activities or other factors determined by law.



Promoting Equal Opportunities and Women's Employment

We are committed to providing equal rights to all our colleagues in terms of remuneration, performance evaluation, equal access to career opportunities, employment and similar issues, supporting women's participation in the workforce, securing the principles of equal opportunities for women and men in all our human resources policies and procedures and increasing the rate of female employment.

Within the scope of our Human Rights Policy, we measure and monitor each title we address in its own special way. We share this pride with all our employees by announcing our achievements to the entire organization through our leaders. We also share our achievements by informing all our stakeholders through external communication channels.



Stand Against Child Labor and Forced Labor

We undertake not to allow the employment of personnel classified as child labor at any stage of our activities, and not to purchase goods or services from companies that use forced labor.



Education, Equality and Freedom of Expression

We are committed to establishing fair training and support processes to ensure equality among our colleagues and to specifically encourage their participation in such training. We also support our colleagues to exercise their right to freedom of expression at work.



Working Conditions and Occupational Safety

We are committed to providing our colleagues with healthy, ergonomic, hygienic, safe and satisfactory working conditions. We undertake not to allow violations of occupational health and safety principles to the extent that they jeopardize the health, safety and/or life of our colleagues and to take the necessary measures.

Equal Life at Gdz Electricity

“Equal Life Project” is our most important title that we have realized as a higher purpose in supporting equality, diversity and inclusion. We position the Equal Life Project as an initiative with an important content that covers not only our colleagues but also the society in general. We build Equal Life Project on eliminating gender-based barriers in the business and social life of women and men, and on gaining permanent and sustainable perspectives, attitudes and behaviors to prevent gender inequality. To achieve this, we carry out activities under 5 main headings: workspaces, work-life balance, career journey, policies, processes, procedures and awareness.

On December 10, International Human Rights Day, we shared with our employees our “Human Rights Policy”, one of the outputs of the project, written with the perspective of “Equal Opportunity”, “Stance Against Violence”, “Inclusion and Diversity”, in order to launch the perspective based on human and equality, which explains the most fundamental value of our project.

International Commitment to Women’s Empowerment: Women’s Empowerment Principles (WEPs)

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. With this signature, we pledge to continue our activities to strengthen the presence of women in all areas and at all levels of life and to comply with the Women’s Empowerment Principles.



Gdz Electricity is a Signatory to the United Nations Global Compact (UNGC)

In 2021, we took a very important step to reinforce our commitment to sustainability-based issues and became a participant of the United Nations Global Compact (UNGC), the world’s most comprehensive sustainability platform that proposes universal principles to guide the future of the business world. As a participating member of the UNGC, we are committed to 10 principles in the areas of human rights, labor standards, environment and anti-corruption. In all our operations involving human rights-related activities, we take our decisions in line with the UN Universal Declaration of Human Rights.

10 Principles of the Global Compact

<p>1. Principle</p> <p>Businesses should support and respect proclaimed human rights</p> <p>Human Rights</p>	<p>2. Principle</p> <p>Businesses should not be complicit in human rights violations</p> <p>Human Rights</p>	<p>3. Principle</p> <p>Businesses should support employees’ freedom of association and collective bargaining</p> <p>Study Standards</p>	<p>4. Principle</p> <p>An end to forced and compulsory labor</p> <p>Study Standards</p>	<p>5. Principle</p> <p>An end to all forms of child labor</p> <p>Study Standards</p>
<p>6. Principle</p> <p>End discrimination in recruitment and placement</p> <p>Study Standards</p>	<p>7. Principle</p> <p>Businesses should support precautionary approaches to environmental challenges</p> <p>Environment</p>	<p>8. Principle</p> <p>Businesses should support all activities and organizations that increase environmental responsibility</p> <p>Environment</p>	<p>9. Principle</p> <p>Businesses should support the development and diffusion of environmentally friendly technologies</p> <p>Environment</p>	<p>10. Principle</p> <p>Businesses must fight corruption in all its forms, including bribery and extortion</p> <p>Corruption Struggle</p>



We recognize violence against women as a human rights violation and a crime;

As Gdz Electricity, we support the **SheSaidNo** campaign of United Nations Women (UN Women). We say **"No"** to violence against women!

Great Place to Work



As an organization that attaches importance to employee satisfaction and happiness with our working policies based on a culture of high trust and our innovative practices that make a difference, we succeeded in becoming a **"Great Place to Work Certified"** company in December 2022 by meeting the criteria for a great workplace. Our biggest goal is to make our working policies based on a culture of high trust sustainable in the coming years.

We create opportunities for our colleagues to express their different ideas, value their social needs and celebrate their successes together. We follow the needs of our colleagues and stakeholders that arise under changing conditions and ensure that necessary improvements are made in the working environment, our business conduct system, products and services. At the same time, we pioneer the electricity sector with the steps we take, shaping development and change in the sector.

We are proud and happy to be certified as a **"Great Place to Work"** in the program conducted by the Great Place to Work® Institute, which provides global services on workplace culture and employee satisfaction, 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.



Talent Management, Inclusion and Diversity

As Gdz Electricity, we care about creating value for all our stakeholders, society and the environment, we believe that we need to embrace diversity and inclusiveness in order to achieve the goals we set in this journey, and we know the importance of investing in talent.

Talent management, diversity and inclusion practices are under the responsibility of the Human Resources Department. In parallel with our human resources management approach and our values of “Responsiveness”, “Dynamism”, “Dynamism” and “Touching Life”, we aim to create colleagues and teams that are committed to ethical values, inclusive, environmentally sensitive, value-creating, aiming for the best and most efficient, dynamic, specialized, agile, open to development and innovation, aware of the public service responsibility imposed by the energy sector and prepared for the needs arising from it, and with high employee satisfaction.

With the value of Responsibility, we fulfill our responsibilities towards individuals, society, our country and the environment while carrying the organization into the future by doing our job in the best way possible. While performing our work in the targeted time and quality, we ensure that it is done within the framework of our business ethics.

With the value of dynamism, we follow the needs of our colleagues and stakeholders that arise under changing conditions, and we make the necessary improvements in our working environment, business conduct system, products and services.

With the value of Touching Life, “human” is at the center of every work we do and every step we take. We work to improve the quality of life of our stakeholders by accurately analyzing their needs and expectations.

We measure and monitor each topic that we address within the scope of talent management, inclusion and diversity. We share the results we achieve in this context with senior management, announce our achievements to the entire organization through our leaders and make all our colleagues share this pride. We also share our achievements by informing all our stakeholders through external communication channels.

Our Colleagues are Our Biggest Capital

With the approach that our colleagues are our greatest capital, we aim to develop them in an environment where they can reach their best potential by discovering their unique talents and valuing them properly. This approach not only increases employee satisfaction and loyalty, but is also the greatest proof of our company's sustainable success and profitability.

Our fair policies on talent management, inclusion and diversity encourage our colleagues. In this context, our in-kind incentive mechanisms are more prominent. We use fair assessment tools (interviews, inventories, assessment center practices, etc.) in our recruitment processes within talent management.

With the awareness that our colleagues are our most important strength in achieving our success and sustainability goals, we attach importance to the development of our colleagues, invest in talents and offer a motivating work environment to our employees by creating a corporate culture that encourages both our Company and our colleagues to achieve their goals.

In order to successfully adapt to the rapid transformation in the sector, we invest a lot in developing our employees.

Within the scope of the Human Resources Policy, we prioritize filling managerial positions through internal promotion/appointment. We announce vacant managerial positions to employees through internal resources, and we carry out knowledge-skills and managerial evaluation in the process designed for our willing colleagues. In this context, we increase awareness of the employee's strengths and development areas by providing rapid feedback to the employee about the fair evaluations made by the committee.

We do not tolerate discrimination among our colleagues based on race, religion, language, color, age, sex, gender, familial status, national origin, employment, occupation, social background, health status, physical disability, sexual orientation, possible or probable pregnancy, union activities or any other factors determined by law, and we value the diversity of our employees.





In order to internalize the “Equal Life” initiative within our company; “Equal Life Ambassadors” will be selected among our colleagues with voluntary participation. After completing the “Equal Life Trainer” trainings, our Equal Life Ambassadors will support the adoption of the “Equal Life” perspective within the company by providing training to all our colleagues through Aydem Academy.

In this context, in order to raise the gender equality awareness of our colleagues, the applications of our volunteer employees who received internal trainer training within Aydem Academy were collected. Gender trainings were provided in order to transform our volunteer colleagues into Equal Life Ambassadors.



Occupational Health and Safety

Within the framework of our understanding of respect for business life, we prioritize the health of all our employees and the creation of a reliable work environment. With this approach, we provide a safe, healthy and motivating work environment for all our employees. We continuously improve ourselves to minimize occupational accidents, related lost day rates, occupational diseases and possible losses.

We strive to ensure an Occupational Health and Safety (OHS) culture and a safe working environment with the support of senior management in all areas of activity. As Gdz Electricity, despite the challenging conditions of the pandemic, our sensitivity especially in occupational health and safety enabled us to spend this period in a healthy and successful manner. Our successful performance in occupational health and safety is an indicator of this situation.

Our employees submit their requests to the Board meetings through our employee representatives and the decisions taken by the Board are shared with our employees. We follow the suggestions of our employees in this area through the "Opinion Suggestion Form". We evaluate employee suggestions as agenda items at OHS Board Meetings and take necessary actions.

Our OHS boards include representatives from all departments, employer and employee representatives, and we convene our boards regularly once a month. In OHS boards, all parties can convey their demands on OHS issues and we take decisions accordingly. We prepare annual plans and monitor our targets at the senior management level.

As Gdz Electricity, we evaluate all accident and near-miss notifications within 24 hours at the latest and ensure coordination to take necessary actions.

In the field of Occupational Health and Safety, we offer our employees working in our area of responsibility and our supplier/contractor employees the opportunity to report hazardous situations and follow the results with the near miss mobile application. Through the near miss application, we evaluate the suggestions and complaints of all our employees regarding occupational health and safety according to risk categories.

In OHS issues, Gdz Electricity implements a Management System certified according to ISO 45001:2018 Standards in all its facilities. The system is implemented at the facility level to effectively monitor, evaluate and minimize factors that may lead to an incident or accident.

Within the scope of digitalization of OHS processes, we carry out field inspections by OHS experts, Life Safety Committee and supplier/contractor officials through the software we have developed in accordance with the needs of our company.

We instantly transfer field audit outputs to those concerned through the program and take faster action to eliminate nonconformities.

Development of a Microservice and Serverless Architecture Based Occupational Health and Safety Management System for Electricity Distribution Companies

The aim of the project is to increase the effectiveness and efficiency of occupational safety management processes in the electricity distribution sector. The software, which will cover all OHS processes, will enable faster and error-free transactions, more accurate identification of operational risks through instant or short/medium-term analysis of the collected data, and more effective measures will be taken.

The system, which is planned to cover all employees and contractors, aims to increase employees' awareness on occupational health and safety.

At the 4th Electricity Distribution Facilities Occupational Health and Safety Congress organized in 2022, Gediz Electricity made a presentation on the use of Occupational Health and Safety Software in Gdz Electricity at the seminar on "The Road to the Cult of Prevention".

At the congress attended by representatives of 21 distribution companies in Turkey, HSE and Sustainability Manager made a presentation on the software and its modules. This application, which is the first among distribution companies, attracted attention and other distribution companies visited our Company to see the application on site.

Community Relations

Community Relations
Our Projects



Community Relations

New Home for Storks

While distributing energy for life, we carry out corporate social responsibility projects that make a difference. Started in 2014, our “New Home for Storks” project continues uninterrupted.

We are aware of our responsibility to improve and sustain the quality of life in the region where we operate. We continue to protect nature and natural life with our sustainable environmental approach. We are happy and proud to have been hosting storks for more than 8 years since 2014 with our “New Home for Storks” corporate social responsibility project, which is an example for the entire sector as the first step of a great awareness.

Every year, we carry out technical maintenance on the special living platforms we place before the migration season, clean and control the storks’ nests, and insulate the electricity distribution lines close to the nests. We shape our investment projects sensitively based on migration routes and in areas where there is a high density of storks. Together with our company employees, we check the nests before the migration season and clean unnatural materials such as bags and ropes that may harm storks and their chicks. After our technical teams check the special living platforms and insulation/isolation works, we offer our guests a safe and healthy living space.

With the awareness that storks nest in the same spot every year, if special living platforms have been installed on the electricity poles that are left empty and will be dismantled after the investment works, we preserve the current situation and keep them only for the function of stork nests.



While distributing energy for life; we realize corporate social responsibility projects that make a difference.

Together with our stakeholders, we also observe changes in the behavior and habits of storks due to global climate changes. Limited water resources on migration routes direct storks to different routes. For this reason, we take action again for storks that prefer new locations in our service area and mount new living platforms on our electricity poles.

We know that the world resources we live in are limited and we continue our work with the excitement and energy to fulfill our duties for a cleaner and livable world.

Our Awards

- Stevie® Gold Award in the “Communication/Public Relations Campaign of the Year - Environment” category at the 19th Stevie® International Business Awards - 2022
- 3 Awards at Communities Awards in the categories of ‘Excellence in Corporate Social Responsibility, Ethical and Environmental Responsibility and Sustainability’ - 2022
- Winner of the ‘National and Regional Campaigns - Turkey’ category at the European Excellence Awards - 2022



Energy Hunters

We have touched the lives of 80 thousand people by providing education to 30 thousand children.

Gdz Electricity continues to raise **“Energy Hunters”** in a sustainable manner with the project, which aims to raise generations who know the value of energy and make efficiency and saving a philosophy of life as a way of behavior.



With the corporate social responsibility project initiated by Gdz Electricity in 2016, children aged 4-15, who are the target audience in the service regions of Izmir and Manisa, are raised awareness about the importance of energy and how to use it efficiently. Children who become aware of the use of energy and other resources become environmentally sensitive individuals by gaining sensitivity about the use of all resources.



Our Energy Hunters project received the **“Climate Action”** award at the Corporate Social Responsibility Marketplace Sustainable Development Academy Awards organized by the Corporate Social Responsibility Association of Turkey in 2017, the Gold Award for Responsible Consumption and Production at the Sustainable Development Awards in 2020, and 3 awards in the categories of Excellence in Corporate Social Responsibility, Corporate Social Responsibility/Other, Energy at the Communitas Awards in 2022.

In 2022, our project started to appeal to the 9-15 age group with portable game consoles. The competitions we organized with game consoles, which enable children to learn by experiencing the phase from production to distribution of energy, added great excitement to our project.

We signed a cooperation protocol with the Izmir Directorate of National Education to take our project, which proceeds in two different ways for 4-8 and 9-15 age groups, to the next level in 2023. Within the scope of the project, we will also carry out activities to raise awareness of savings and efficiency among parents.



We started our Energy Hunters project with visits to kindergartens and primary schools, and this year we added visits to middle and high schools, as well as working in cooperation with many NGOs such as LÖSEV and Down Syndrome Association.

We aim to instill this awareness in more people by developing our project every year, which contributes to raising environmentally conscious generations that use energy and other limited resources efficiently and save money.

Our Awards

- Our “Energy Hunters” project, which we launched to raise awareness of children between the ages of 4-8 on energy efficiency, received 3 awards from the **2022 Communitas Awards**.
- Endless thanks to all our colleagues and little Energy Hunters who contributed to the project!
- At the 20th **Stevie® International Business Awards**, the Energy Hunters project won the Bronze Stevie® Award in the “Communication/Public Relations Campaign of the Year-ESG (Environmental, Social, Governance)” category.

Our Projects

There is Goodness in This Business

“Bu İş’te İyilik Var” is a movement of goodness that brings together many projects. With Bu İş’te İyilik Var, we include many projects that focus on the environment, society and sustainability. We aim to benefit different areas of society with the projects we realize with the support of our colleagues, local people, municipalities and NGOs.

Loyalty to the Values of the Past

We know the value of our elders who enlighten us with their experiences and experiences that instill in us the value of the past. For this reason, we try to spend time with them on special days and before our religious holidays and benefit from their life experiences.

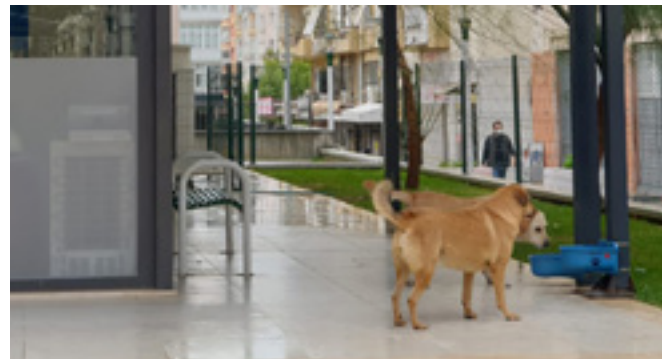
Library and School Support

When we heard that the Public Library in Demirci district of Manisa needed to be renovated, we immediately took action. We had the interior paint of the library painted and installed lighting systems so that children would not be disturbed while reading books. We built shelf systems for nearly 1,000 books that we donated. In order to encourage our children to read books, we gave 1,000 of our Energy Hunters game kits as a gift. We ensured that the kits were given to children who read books. We also had interior design panels made in accordance with the renewed face of the library. We believe that children who read books will be the light of the future, and in line with this belief, we will continue our goodness movement in 2023.

Food Containers on Lighting Poles

We have created feeding points with our food containers mounted on our lighting poles. We placed the food containers in our summer areas such as Çeşme, Karaburun, Seferihisar, Urla, considering our stray animals that go hungry with the decrease in population in winter. Our friends working in the field take care that the food containers do not remain empty.

We identify animal feeding areas in our districts with HAYTAP and organize feedings with the participation of HAYTAP members and our volunteer colleagues. We strive to ensure that our food containers in our campus area are not empty.



Uniform Sponsorship for Girls Sports Teams of Schools

We sponsor the uniforms of girls’ sports teams of particularly disadvantaged schools in our service area. To date, we have met the uniform needs of the volleyball, basketball and soccer teams of 6 schools in Kiraz, Beydağ, Alaşehir, Kula and Çiğli.

My Coast is Clean

Especially in our coastal districts, we carry out cleaning activities on the coastline with the participation of the municipality, local people and company employees. We continue our project, which we carry out on the coastline in summer, in metropolitan districts in winter.



Annexes

Social Performance
Environmental Performance
GRI Index

Social Performance

	2020	2021	2022
Total Labour Force (Number)	806	875	960
Direct Employment			
Female	187	213	237
Male	619	662	723
Total Labour Force by Education Level (Number)	806	875	960
Primary	15	14	12
High School	273	283	284
University and Above	518	578	664
Total Labour Force by Age Groups	806	875	960
18-30	198	200	231
30-45	502	556	603
45+	106	119	126
Employee Trainings - Number of Participants (person)	670	852	872
Blue Collar	217	294	316
White Collar	453	558	556
Female	180	210	199
Male	490	642	673
Employee Trainings - Total Hours (personxhour)	12,067.50	33,492.00	26,142.00
Blue Collar	2,401.00	12,053	11,984
White Collar	9,666.50	21,439	14,158
Female	1,983.50	8,240	3,991
Male	10,084.00	25,252	22,151

Environmental Performance

	2020	2021	2022
Total indirect (purchased) energy consumption KWh	1,053,185,821	1,081,682,932	826.646.357.7
Energy consumption per product	15.53	15.70	19.77

Carbon Footprint CO₂e	2020	2021	2022
Direct CO ₂ Emissions (Scope 1)	54,064.51	53,988.01	74,248.06
Indirect CO ₂ Emissions (Scope 2)	468,954.21	468,906.90	358,020.54
Indirect CO ₂ Emissions (Scope 3)	39,495.33	40,753.68	76,370.30

Water Footprint m³	2020	2021	2022
Blue Water Footprint	82.59	79,477.56	83,094.60
Green Water Footprint	14,632.44	14,637.46	21,663.30
Grey Water Footprint	33,477.54	31,791.02	36,588.93

Total Waste (tonnes)	2020	2021	2022
Recycled (R coded) Non Hazardous Wastes	1,500	2,701	432
Recycled (R coded) Hazardous Wastes	1,291	876	788

GRI STANDARD	DISCLOSURE	REPORT PAGE
GRI 2: General Disclosures	2-1 Organizational details	16,22
	2-2 Entities included in the organization's sustainability reporting	6
	2-3 Reporting period, frequency and contact point	6
	2-6 Activities, value chain and other business relationships	16,22,24-29
	2-7 Employees	76-85
	2-9 Governance structure and composition	36
	2-11 Chair of the highest governance body	18
	2-12 Role of the highest governance body in overseeing the management of impacts	49
	2-13 Delegation of responsibility for managing impacts	49
	2-14 Role of the highest governance body in sustainability reporting	36
	2-16 Communication of critical concerns	40,41
	2-22 Statement on sustainable development strategy	42
	2-23 Policy commitments	34,35
	2-24 Embedding policy commitments	34,35
	2-26 Mechanisms for seeking advice and raising concerns	83
	2-27 Compliance with laws and regulations	19
	2-29 Approach to stakeholder engagement	38,39
GRI 3: Material Topics	3-1 Process to determine material topics	40,41
	3-2 List of material topics	40
	3-3 Management of material topics	40
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	99
GRI 302: Energy	302-1 Energy consumption within the organization	99
	302-2 Energy consumption outside of the organization	52,53
	302-4 Reduction of energy consumption	52
	302-5 Reductions in energy requirements of products and services	99
GRI 303: Water and Effluents	303-5 Water consumption	99
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	99
	305-2 Energy indirect (Scope 2) GHG emissions	99
	305-3 Other indirect (Scope 3) GHG emissions	50-52
	305-5 Reduction of GHG emissions	34

GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria	76
GRI 401: Employment	401-1 New employee hires and employee turnover	86,87
GRI 403: Occupational Health and Safety	403-1 Occupational health and safety management system	86,87
	403-2 Hazard identification, risk assessment, and incident investigation	86,87
	403-5 Worker training on occupational health and safety	86,87
	403-6 Promotion of worker health	86,87
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	82,83
	403-8 Workers covered by an occupational health and safety management system	82,83
	403-9 Work-related injuries	34,77
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	77,79
	404-2 Programs for upgrading employee skills and transition assistance programs	90-95
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	68,69
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	34,76,77,79
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	77,79
GRI 413: Local Communities	413-1 Operations with local community engagement, impact assessments, and development programs	90-95
GRI 417: Marketing and Labeling	417-1 Requirements for product and service information and labeling	68,69

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