



**STATEMENTS
FOR
BORSA ISTANBUL
SUSTAINABILITY INDEX
DATA REQUIREMENTS**

AYDEM YENİLENEBİLİR ENERJİ

STATEMENTS FOR BORSA İSTANBUL SUSTAINABILITY INDEX DATA REQUIREMENTS

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A. SOCIAL SUSTAINABILITY INFORMATION

Diversity and Inclusion

- **Aydem Renewable Energy ensures equal opportunity and inclusivity through various actions and behaviours such as;**
 - › Webinars, focus group studies, online learning tools and different programs in all group companies; raising awareness on equality, diversity and inclusion,
 - › Making needs analysis of the employees regarding the completely changed conditions due to the Work Life Balance Pandemic,
 - › Carrying out communication activities within the scope of the "Equality at Home and Work" program,
 - › In order to prevent gender inequality in the number of employees, equal numbers of male and female candidates are selected for the talent pools, taking into account gender equality,
 - › Increasing the awareness of the evaluators and conducting special studies for the candidates,
 - › Evaluation of work areas with an inclusive perspective, realizing solutions that will meet the special needs of different genders
 - › Ensuring that no personnel classified as child labor is employed at any stage of our activities and child labor is not employed in the contracts made with our suppliers,
 - › Establishing fair training and support processes in order to ensure equality among our employees and encouraging our employees to participate in these trainings,
 - › Trying to close the related position gap in career opportunities created within our organization by firstly sharing it with our employees who create value within our own organization through internal announcement channels,
 - › Conducting the recruitment processes in a transparent manner with a gender-neutral CV approach and an impartial perspective that does not allow discrimination, in the recruitment processes where the first contact is made,
 - › Ensuring that all our employees benefit from remuneration, performance evaluation and career opportunities at an equal level and with equal rights,
 - › Sharing all developments regarding our equal opportunity plans with our stakeholders through internal and external communication channels,
 - › Adaptation of the employees who have just started working at Aydem Renewable Energy Company to the institution and the job is facilitated with the support of our volunteer employees from the 'Buddy Application Procedure'.

For Gender Equality in Aydem Renewable Energy:

- › Recruitment of 20 female trainees given within the scope of ESG,
- › Positive discrimination for women in recruitment,
- › Targets determined to increase the total training hours of women, which are among the targets of the Human Resources Department,
- › Distributing handbags made by working women to female employees on March 8, International Working Women's Day,
- › Webinars and awareness trainings given within the scope of "Equal Life",
- › Supporting women's participation in the workforce and improving the gender balance in the Company's decision-making mechanisms and encouraging women in the Company's Board of Directors and senior management,

- › Evaluating working areas with an inclusive perspective within the scope of Gender Equality in Physical Conditions and Legal Practices, implementing solutions that will meet the special needs of different genders,
 - › Effectively managing the maternity leave and post-maternity leave processes and implementing practices that facilitate the return to work by considering the rights of the employees,
 - › Providing and supporting the right to 6 months of unpaid leave, İŞKUR-supported "part work" and remote working opportunities, firstly after the maternity leave, for the employees who have just given birth,
 - › 25 November Day to Eliminate Violence Against Women As part of the 16-day activism initiated by UN Women, our Company's Headquarters building is illuminated in orange and the #shesaidno awareness hashtag is projected on the wall,
 - › All of the principles of supporting women's participation in the workforce and equal opportunities for men and women are included in our human resources policies and procedures and are guaranteed by our Human Rights Policy.
- **As part of our UN Global Compact commitment, we are implementing new practices to increase the number of our female employees. In this context, we aim to employ at least 20 female interns every year and at least 100 female interns in the next 5 years. In this way, we aim to provide young female professionals with the opportunity to gain field experience and get acquainted with the working environment of our company.**

- **Management Demographics**

	2022	2021	2020
Board of Directors	8	8	8
<i>Female</i>	3 (37.5%)	3 (37.5%)	3 (37.5%)
<i>Male</i>	5 (62.5%)	5 (62.5%)	5 (62.5%)
Senior Management	4	4	4
<i>Female</i>	0 (0%)	0 (0%)	0 (0%)
<i>Male</i>	4 (100%)	4 (100%)	4 (100%)
Middle Management	53	50	51
<i>Female</i>	7 (13.2%)	7 (14%)	8 (15.7%)
<i>Male</i>	46 (86.8%)	43 (86%)	43 (84.3%)
Total Management	65	62	63
<i>Female</i>	10 (15.4%)	10 (16.1%)	11 (17.5%)
<i>Male</i>	55 (84.6%)	52 (83.9%)	52 (82.5%)

- **Employees with Disabilities**

	2022	2021	2020
Female	0	0	0
Male	16	15	15
Total	16	15	15

- **Work-Life Balance in Aydem:**

- › We started to conduct needs analyzes for our employees in order to adapt to the changing conditions as of the pandemic period.
- › Within the scope of the "Equality at Home and Work" program, we organize solutions, programs and awareness activities that support equal life at home, in order to achieve an equal life at work, in order to realize communication activities.
- › In addition to the health insurances necessary to protect the physical health of our employees, we also try to encourage sports and a healthy life for our employees by obtaining special prices with gym agreements.
- › We are in the right place, which we announced on December 6th! With Aydem Renewable Energy, we aimed to catch up with the new world working order, reach optimum efficiency, and thus increase our competitiveness, by taking advantage of the opportunities brought by digitalization with our new working models that we developed together with the pandemic. While transforming into a more dynamic and innovative organization with our employees, we have continued our claim to lead the future of our industry. We have developed an innovative way of doing business in which we maintain team spirit, agility and leadership in hybrid, remote and field work, by saying #EnergyforUs in the new working models we have developed with the motto.
- › By encouraging our employees to be more productive during their working time, we have reduced the standard weekly working time by 5 hours so that they can devote more time to their private lives.

- **Employee Development and Employee Satisfaction**

At Aydem Renewable Energy, we offer our employees a working environment where they can develop their skills and productivity, progress in their careers, and feel happy and healthy. In order to grow together and achieve our goals, we organize appropriate talent management programs, career plans and comprehensive trainings for our employees. Through our Training Policy, we aim to ensure that our employees work more efficiently during their employment in the company and add value to our employees in appropriate areas, in line with the company's goals and objectives. We make all kinds of investments to determine the training needs to be implemented, to plan and implement training activities. We plan trainings in line with the needs of our employees on technical, professional development and personal development in accordance with their fields.

We also benefit from the opportunities brought by digitalization in the preparation of our training programs, in which we follow global and sectoral developments. With our Success Factors Education module, which is one of our digital transformation steps, a cloud-based system has been created where we can manage our education processes through a single platform. In this way, we can implement and follow our training processes more systematically.

Under the umbrella of Aydem Academy, we provide many online and face-to-face trainings for the development of our employees. For our technical employees, we organize the trainings given by the Vocational Qualifications Authority and continue to increase the quality of the workforce by ensuring that they are more technically equipped and receive certificates. We organize orientation trainings for our newly recruited employees.

We organize various training programs to support the talent development of our employees. In this context, we spent a total of 1.1 million TL on education during the year. While our total training hours for talent and professional development were 13,192 personx hours in 2022, our OHS trainings increased to 22,360 personxhours compared to all previous years. In addition to talent and OHS trainings, we also organize disaster and emergency trainings and, since 2020, ethical, risk and anti-corruption trainings.

As Aydem Renewable Energy, we received 80 points in the Trust Index employee satisfaction survey of Great Place to Work®, which is valid in more than 60 countries, and was awarded the Great Place to Work® certificate in 2022, after last year among companies with 500-2000 employees.

Average Training Hours per Employee:

	2022	2021	2020
Female	34.3	24	17
Male	22.5	55	38
Total	23.7	29.1	18.9

• Union Activities:

A total of 29 people working at Adigüzel HEPP and Kemer HEPP, which joined Aydem Renewable Energy within the scope of privatization in 2017, are within the scope of TES-İŞ Union. The Collective Bargaining Agreement we signed with TES-İŞ Union, besides the provisions regulating working life, also includes provisions for general health examinations of employees, the provision and use of Personal Protective Equipment (PPE), employee training, health personnel and health services in the workplace.

• Turnover:

With the inclusive and fair working environment we have created and the supportive opportunities we provide, our employee turnover rate is 5.23% in 2022.

Workforce Health and Safety

All of our Occupational Health and Safety activities are carried out and periodically audited by the Health Safety Environment-OHS Unit and OSGB employees. In addition, all our businesses are regularly audited by the Life Safety and Environment Committee.

Every year, we expand our training scope and increase our training hours per person. During the reporting period, our training hours per person was recorded as 37. In this context, we provided OHS trainings to 556 employees and 124 contractor company employees. In 2022, we provided 22,360 personxhours of OHS training. We have provided 2,042 personxhours of training to contractor company employees in our training personxhour rate, which we increase every year. We started to work on commissioning the distance education module so that Occupational Health and Safety Trainings can be made online.

	2022	2021	2020
Number of Accidents	3	4	7
<i>Employees</i>	2	4	7
<i>Contractors</i>	1	0	0
Number of Fatal Accidents	0	0	0
<i>Employees</i>	0	0	0
<i>Contractors</i>	0	0	0
Total Injury Rate for Total Workforce (Total # of accidents*1,000,000/number of hours worked)	1.6	3.36	5.77
Total Injury Rate for Employees (Total # of accidents*1,000,000/number of hours worked)	1.76	-	-
Number of Occupational Diseases	0	0	0
<i>Employees</i>	0	0	0
<i>Contractors</i>	0	0	0
Occupational Diseases Rate (Number of occupational diseases/Total working hours*1,000,000)	0	0	0
Lost Day Rate (Total # of lost time accidents/total working hours*1,000,000)	0	0.84	0.82

Product Responsibility

Information Privacy and Cyber Security

Developing digital transformation practices require some measures to be taken regarding data security and privacy in line with service responsibility. As Aydem Renewable Energy, we work meticulously for the reliability of our operations against cyber risks. With a focus on information security and cyber security, we support our existing IT system with an uninterrupted infrastructure and ensure business continuity. In this direction, both global technologies are constantly followed; and manage our systems with the most up-to-date security and infrastructure solutions. As in all our business processes, we move forward by including our internal and external stakeholders in all innovations in the direction of Information Technologies.

We follow the processes related to ensuring the security of information systems and keeping personal data and confidential information secure, in accordance with our policies and standards that we have established in accordance with our ISO 27001 Information Security Management System certificate. We have an Information Security Management System (ISMS) and Information Security Policy in accordance with ISO 27001 Standard in order to ensure that all critical company information is protected in a manageable and manageable manner. With the compliance with the Presidency Digital Transformation Office (CB-DDO), EMRA and CMB regulations, KVKK and 27001 ISMS, an IT management is carried out in accordance with the legislation, and we continue to develop all our business strategies in accordance with the rules, in particular the CMB and EMRA to which we are subject. In this context, business continuity and information security issues are examined by both internal and independent external audits.

Our Information Technologies Management, which continues its activities under the Information Technologies organization and located in our head office, continues its efforts to ensure that our operations continue in the most efficient, effective and state-of-the-art technology. With the studies carried out before the KVKK Board, which we have established within our company, we ensure that the current regulations announced by the KVKK are followed, compliance with the administrative and technical regulations, and new decisions and sanctions are shared with the relevant business units to raise awareness. In addition to the control, monitoring, testing and improvement works carried out continuously under Information Technologies, we back up all critical systems at the Disaster Recovery Center. In this way, we can keep the average Up-Time rate of our critical systems above 99% and ensure the continuity of our IT services. In addition, we insure our company against cyber attacks with cyber risks insurance, and implement new projects by following up-to-date technologies.

With the applications we use such as end-to-end threat detection EDR management, network detection NDR management, MDM management for corporate application security of mobile devices for the management of corporate applications from corporate devices, and remote access security applications, we increase our security with necessary system and hardware updates, and increase our security with our DLP system. We continue our efforts to ensure the security of both data and personal data.

We comply with all legal regulations and contracts regarding information security and digitalization processes, and regularly organize trainings for our employees in order to raise awareness of information security.

In order to raise awareness about cyber attacks, we conduct phishing tests for our employees and organize special trainings for those who fail. Thanks to the digital transformation projects and trainings of our business processes that we started in 2020, we were able to continue our business continuity and information security in pandemic or possible disaster processes.

Quality

As Aydem Renewable Energy, in line with our vision and mission; In order to use domestic and renewable resources in the most efficient way, we follow the Total Quality Management approach in all our fields of activity. As a part of our Integrated Quality Management System we have established for this purpose, ISO 9001:2015 Quality Management System, ISO 45001:2018 Occupational Health and Safety Management System, ISO 14001:2015 Environmental Management System, ISO 50001:2018 Energy Management System, ISO 27001 Information Security Management System standards in all of our production facilities. Within the scope of the Integrated Management System, 100% of our production facilities are certified according to the specified system standards. Certification studies are updated as a result of periodic independent audits. All these works are managed by the Integrated Management System Policy, which is also published on the corporate website.

Customer Satisfaction

As an energy company, Aydem Renewables' main clients are the public energy market operations authorities, namely EXIST, Energy Exchange Istanbul or TEİAŞ, Turkish Electricity Transmission Corporation. As a highly regulated industry, service conditions in energy generation sector are defined by Energy Markets Regulatory Authority (EMRA) of Turkey as well as aforementioned companies. These entities strictly monitor quality of service and submit their grievances to EMRA if any dissatisfactory case arises. Thus, grievance mechanism is the only tool for monitoring level of customer satisfaction. In 2022, no grievance has been submitted to EMRA in relation to Aydem Renewables' services.

B. ENVIRONMENTAL SUSTAINABILITY INFORMATION

Water

- **For Water Management at Aydem Renewables To Reduce Water Consumption:**

By starting the "flow limiter" application in order to reduce the amount of domestic water in 2021, we have reduced the total water consumption by 30% compared to 2020.

To Measure Process Water Quality:

We check whether the plants have any effect on the water by analyzing the process water with samples taken from the downstream and upstream once a year in our generating plants.

For Wastewater Management:

Wastewater management in all HEPP, WPP, GPP and biogas facilities in Aydem Renewables is provided through septic tanks, and it is given to the contracted local treatment system by drawing periodically. Registration of all enterprises in the

Integrated Environmental Information System has been completed.

For Reporting Processes of Downstream Water Use Rights:

Within the framework of the Water Usage Rights Agreement with DSI, the revision process of the Çırakdamı HEPP and Dereli HEPP downstream water use rights reports has been initiated.

- **Water Management Targets:**

- › Calculation and verification of water footprints in all our power plants,
- › Reduction of water usage rate per person based on power plant by 10% for 2023.

- **Water Withdrawal (m³):**

	2022	2021	2020
Turbined surface water	10,855,357,553	7,845,652,718	12,418,796,962.81
Underground water	9,759.12	8,090.3	10,782.7
Municipal Water	12,211.85	4,292.54	6,902.83
Total	10,855,379,524.44	7,845,665,100.84	12,418,814,648.34

- **Recycled Water (m³):**

	2022	2021	2020
Recycled water	198.54	189,834	224,959

Energy

- **Annual savings targeted with efficiency projects in 2022:**

Feslek HEPP Grill Cleaning Machine: 140 MWh,

Toros HEPP Loading Pool Grid Cleaning Machine: 1200 MWh

Total Saving: 1,340 MWh

- **Energy Use (KWh):**

	2022	2021	2020
Diesel	2,627,620	2,778,160.24	2,072,864.68
Gasoline	161,880	99,124.81	120,413.35
Natural Gas	40,830	41,956.76	210,278.41
Purchased Electricity	125,577,000	107,781,309.21	143,676,027.80
Total Renewables Used	37,133,839	31,523,172	36,751,538

- **Energy Produced (MWh):**

Aydem Renewables is a 100% renewable energy producer. All sales revenues are generated through renewable energy sold and emissions and iREC certificates sold.

	2022	2021	2020
Wind Power	475,266	483,514.68	438,427.47
LFG	619	1,449.67	2,956.55
Hydro	1,996,632.92	1,310,638.45	2,197,022.63
Total	2,472,517.92	1,795,602.8	2,638,406.65

Emissions

- In line with the European Union's Green Deal 2050 strategic targets, we set our target to be net zero by 2050, while we set our emission intensity reduction target per production as 30% for 2025 and 65% for 2035, based on 2020.
- We do not have any recordable pollutant emission sources such as NOx, SOx, PM or VOC.
- Internal price for carbon is set to 10 EUR per Ton
- In 2022, 537.44 tCO₂ reduction was achieved with the Vehicle Tracking System, Online Meetings and the hybrid working model.
- Emission and Renewable Energy Certificate Trading:

Climate change and environmental problems are at the top of the global risks with increasing importance. We, too, are trying to fulfill our responsibilities in the fight against climate change. In this direction, since 2011, we continue to work with determination to provide electricity to our customers who aim to increase investment in renewable resources, reduce or neutralize their emissions. In addition, we ensure that our customers use clean energy with the 100% renewable energy we produce, and we offer emission reduction certificates and renewable energy certificates to voluntary carbon markets within the scope of carbon trading.

In addition to our existing 440,055 tons of carbon credits, as a company with 450,000 tons of carbon potential, a total of 589,917 MWh IREC certificates were created in 2022, and we have earned 2.2 million TL.

In Aydem Renewable Energy; 2 power plants have Gold Standard, 15 power plants have Renewable energy certified (IREC); 8 power plants have Voluntary Carbon Standard (VCS)

• GHG Emissions (Tons CO₂e)

	2022	2021	2020
Scope 1	1,559.43	1,364.72	775.45
Scope 2	3,120.07	3,534.47	4,729.06
Scope 3	70,475.70	960.94	498.31
Total	75,155.20	5,860.13	6,002.82

Waste

- Zero Waste Certificate received for all facilities. All wastes generated in facilities have been 100% recycled. During the reporting period, we ensured 100% recycling of a total of 27,379 tons of hazardous waste and 70,112 tons of non-hazardous waste generated as a result of our activities, under appropriate conditions.

• Total Wastes (tons)

	2022	2021	2020
Total Wastes	97,490.66	73.98	74.41
Recycled Non-hazardous	70,112.00	6.00	2.00
Recycled Hazardous	27,378.66	50.00	26.00

- In the context of energy efficiency and reducing carbon footprint, all household appliances have been replaced, resulting in an increase in our electronic waste rate in 2023. However, with the selection of durable white goods, our goal is to eliminate electronic waste generated from household appliances within the next five years.

Environmental Products

- In 2022, 2 million TL budget has been allocated for R&D projects to improve impact on biodiversity. Photo Trap Project: Göktaş HEPP- is a project created to monitor wildlife and monitor protected species.

Beekeeping Project: It is a project created to investigate the effect of wind turbines on beekeeping activities in Söke WPP region.

Bat Houses Project: Bat houses have been created in Kemer HEPP, Dalaman HEPP and Adıgüzel HEPP fields to create natural habitats for bats and it is a project created to measure the impact of bats on agricultural pests in the region.

General Environmental Practices

- The business plans created regarding environmental management are implemented by the business units of the company. The management, coordination and performance monitoring of these studies is carried out by managers of the Sustainability, OHS, Environment and IMS Directorate.
- Required financial resource is allocated for the realization of activities and investments necessary to increase efficiency in climate change and environmental management. In this context, a total of 2.94 million TL environmental expenditure was made in 2022, of which 354,000 TL was for investment and 2.6 million TL was for operational expenses.
- During the reporting period, there was no penalty for non-compliance with legal regulations regarding climate and environment.
- No significant toxic chemicals used in the operations.
- Aydem Renewable Energy supports its activities by considering associations and initiatives of which it is a member, as business partners, as well as its activities. In this context, Sustainable Development Association, Sustainable Production and Consumption Association (SÜT-D), United Nations Global Compact (UNGIC), International Science-Based Goals Initiative (SBTI), Green Hydrogen Association, Turkish Wind Energy Association (TÜREB) are the business partner organizations supported.
- The strategic management plans of the company are formed by evaluating the risks and opportunities arising from climate change and environmental issues through the studies carried out at the level of the Board of Directors, especially the Sustainability, Environment, Occupational Health and Safety Committee and the Early Detection of Risk Committee. In these processes, modern risk-opportunity assessment tools such as stress tests and scenario analysis are used. Identified risks and opportunities are evaluated not only in terms of operational but also in terms of financial effects. For example, while drought and hydrological variability are considered as the main climate risk that can affect the company, the return on investment of low-carbon energy generation technologies is considered as the main opportunity. The structural and financial details of the company's climate risk and opportunity portfolio are published openly to all our stakeholders within the scope of the Carbon Disclosure Project.
- Aydem Renewable Energy provides sustainability trainings to its suppliers on various ESG subjects. In 2022, a total of 2,388 person*hours of ESG related trainings provided to 169 suppliers.

Biodiversity

As Aydem Renewable Energy, HEPP and WPP, which are our most important production tools, are established in natural environments where there is biodiversity due to their needs and operation. For this reason, we use the lands we operate with the highest efficiency; We work meticulously to monitor and manage the impacts that may occur on the water resources, air and land habitats in the surrounding area, with the least impact. With the environmental awareness and responsibility we have, we organize our operation areas and operations in a way that does not harm biodiversity. Within the scope of Environmental Policies, we take the necessary measures to protect the existing biodiversity in all our activities and comply with the relevant legal regulations.

We take care not to harm nature and the environment by using only the necessary lands for our HEPP and WPP operations. We aim to use less land by choosing high technologies in projects in order to prevent excessive use of land within the scope of the necessary permits for the forest areas where our projects are located. Likewise, we monitor and analyze our environmental risks, make our plans to minimize our impact and create our strategy accordingly. In addition to making use of technology, we conduct biodiversity, monitoring and conservation programs, mammalogy and ornithology monitoring, afforestation and planting studies, and regularly monitor the results. In 2022, we planted 300 trees within the scope of afforestation and planted a total of 4,550 trees.

In 2022, the preparation of soil conservation projects for agricultural lands has been provided by our company, and sensitivity has been shown to minimize the damage to the lands used, and permit processes have been initiated and are continuing for forest lands.

On the other hand, we are working to produce more energy by making use of the lands we use with the highest efficiency through hybrid project investments.

Environmental Investments Initiatives:

As Turkey's largest renewable energy company in terms of installed power, operating only in the field of renewable energy generation, efficiency is at the center of our investments. At all points of our activities, we make use of high technology, we aim to extend the life, efficiency performance and availability of equipment by performing periodic maintenance of the equipment used in all power plants with our expert maintenance and repair teams.

As a company with clean energy generating assets, our wind and geothermal power plants, most of which are hydroelectric, do not require renewal due to their age and structure. However, there is a need for renewal investments in order to be able to produce all currently used machinery and equipment until the license period. Within our investment plans, we give priority to innovative renewable energy investments that will increase our diversity. With our new generation hybrid projects, we are increasing our installed capacity of 1,019.48 MW, and we are adding the need for new equipment investment in this direction to our plans.

Accordingly, in 2019, 154.7 million TL; 74.6 million TL in 2020; 359 million TL in 2021; In 2022, we continued our growth by investing 1.4 billion TL.

In the investments we made during the reporting period, the construction works required for the field transportation and assembly of the turbines, the road, platform and foundation construction of 11 turbines and the orders for the equipment needed within the scope of the electrical projects are included. Among our investment plans that are expected to be completed and started in 2023 are the Uşak WPP 102 MW capacity increase project, the Söke WPP 12 MW capacity increase project and the Yalova WPP capacity increase project, the contract of which is planned to be signed in 2023.

In addition to the applications, we provide training to our employees about energy efficiency in all our businesses, and we take care to raise awareness on the subject. In addition to the continuity of healthy growth and energy supply, we constantly monitor our energy consumption amounts for effective energy management, which is also at the core of our sustainability focus, we inform our stakeholders in a transparent manner,

and we implement projects and investments that reduce consumption, reduce costs and increase efficiency in order to minimize our environmental impact.

During the reporting period, we developed a "Lighting System Revision Project" in all our businesses and started to use luminaires with higher energy efficiency instead of existing lighting fixtures. Within the scope of the "A++ Energy Conversion Project", we completed the replacement of electrical white goods used in the majority of our businesses in 2022, and thus we achieved a significant energy savings. The works are planned to be completed in 2023 in enterprises that have not yet undergone A++ Energy Conversion. By making a Feslek HEPP Grid Cleaning Machine, tree branches, wastes, etc. coming through the water are removed. The disruption of production due to occlusive factors has been prevented. 140 MWh of energy was saved by means of the grid cleaning machine, and 1,200 MWh of production loss was prevented by preventing downtime due to waste caused by water with the Toros HEPP Loading Pool Grate Cleaning Machine.

Supply Chain

In the Supplier Evaluation System, the environment, sustainability, occupational safety and business ethics criteria are taken into consideration; We do not work with suppliers that have harmful effects on the environment in terms of management systems and quality, activities and practices, product qualities, do not manage their effects, and do not observe social sustainability criteria. We present the Supplier Evaluation Procedure, which we have created by transforming these principles into objective criteria, on our website for the information of our stakeholders.

By classifying suppliers in line with our values and in line with our standards, we evaluate our suppliers regarding our sustainability strategy and expectations; In this way, we create the most accurate supplier pool.

With the Supplier Preliminary Evaluation Form planned on the SAP system for service procurement, we evaluate our suppliers in terms of environment, sustainability, technical and financial aspects. material etc. In purchases, we manage our purchasing process by being selected from the approved supplier list in accordance with the supplier evaluation procedure.

We also attach importance to the energy efficiency of the products purchased within the scope of the ISO 50001 Energy Management System. In all our contracts with our suppliers, we include clauses that require acting in accordance with our OHS policy, ethical values and our principles regarding environmental issues, and we share the information that actions contrary to the specified items will be subject to penalties.

During the process, we contact our suppliers at regular intervals, listen to the opinions of our stakeholders within the scope of our material issues, business conduct, targets and performance, and try to understand their expectations; We try to meet these expectations with the investment, transformation and development decisions we take. In this context, we make all our purchases within the framework of the principle of transparency and trust, and within this scope, we aim to initiate our e-tender studies to make our process even more reliable.

C. GOVERNANCE INFORMATION

CSR Strategy

- In Aydem, different governance bodies have been established in order to carry out sustainability management at strategic and operational levels. In this context, the Sustainability, Environment, Occupational Health and Safety Committee is responsible for the strategic management of environmental, social and corporate governance issues at the level of the Board of Directors. The Sustainability Working Group, formed with the participation of 18 managers from various company units, is responsible for the operational management of sustainability issues.
- Aydem Sustainability Reports are published in compliance with GRI Guidelines reflecting 100% of the company's operations.

Stakeholder Engagement

The expectations of all our stakeholders we work with are among our priorities. In this direction, it attaches great importance to stakeholder participation; We include your opinions and suggestions in our decision-making and activity processes. We use various channels to share opinions and suggestions with our stakeholders in a healthy way.

STAKEHOLDER GROUP/COMMUNICATION METHOD AND FREQUENCY

EMPLOYEES: Idea Line (continuous), Enport Intranet Platform (continuous), Enbulten monthly online communication magazine (monthly), Social events (continuous), Management meetings (continuous), Employee trainings (continuous), Project group meetings (continuous), IKON application (continuous)

SHAREHOLDERS AND INVESTORS: Board of Directors meetings (continuous), Committee meetings (every 3 months), Investor relations website (continuous), General Assembly Meetings (annually), E-mail, telephone and meetings (Continuous),

HOLDING AND GROUP COMPANIES: Board of Directors meetings (continuous), General Assembly Meetings (annual)

PUBLIC ORGANIZATIONS AND LOCAL GOVERNMENTS: Sustainability Report (annual), Annual Report (annual), Online and face-to-face meetings (continuous)

SUPPLIERS AND SUBCONTRACTORS: Sustainability Report (annual), E-mail, phone and interviews (continuous), E-procurement (continuous)

BANK AND FINANCE INSTITUTIONS: Online and face-to-face meetings (continuous), Congresses (continuous), Reporting (instant)

UNIVERSITY AND RESEARCH INSTITUTIONS AND CONSULTANTS: Online and face-to-face meetings (continuous), Congresses (continuous)

INDEPENDENT AUDIT AND RATING ORGANIZATIONS: Online and face-to-face meetings (continuous), Congresses (continuous), Reporting (instant)

UNIONS, NON-GOVERNMENTAL ORGANIZATIONS AND SECTOR ASSOCIATIONS: Sustainability Report (annual), Annual Report (annual), Online and face-to-face meetings (continuous)

COMMUNITY: Meetings and face-to-face meetings (instant), Projects (instant)

MEDIA: Sustainability Report (annual), Annual Report (annual), Press releases (continuous), Press conferences and face-to-face meetings (instant), Sectoral meetings and congresses (continuous)

INTERNATIONAL ORGANIZATIONS: Projects (instant)

CLIENTS: Projects (instant)

Management

- **Remuneration and Fringe Benefits:**

At Aydem Renewable Energy, we carefully adhere to our Human Resources Policy regarding compensation processes and operate with an equal and competitive understanding. In this area, we work with a global and independent compensation consultant, examining the current realities of the labor market, to manage our processes with a fair and completely performance-based compensation system. This ensures that our employees feel secure in a work environment where there is no discrimination based on gender, language, religion, race, sect, belief, nationality, marital status or similar reasons.

The Compensation Policy, along with the CEO and the senior management and executive team, establishes the principles to be followed in the compensation of all other employees. A competitive compensation policy is adopted that will motivate employees, attract new talent, and ensure their retention within the Company, particularly for top-level and key managerial roles. Furthermore, a performance-based compensation method is followed for all executives and employees, including top-level executives. In this regard, blue-collar and white-collar employees are given targets based on their tasks, responsibilities, and competencies, and a performance-based bonus payment is made based on the annual evaluations. While the performance-based bonus payment differs according to employee category, it covers social, environmental, and governance issues, particularly Occupational Health and Safety, in addition to financial performance indicators. During the evaluation process, factors such as fundamental competencies and technical knowledge depth are taken into consideration.