

SUSTAINABILITY  
REPORT **2022**



## Contents

<b>About the Report</b>	<b>1</b>	<b>Climate Change and Biodiversity</b>	<b>48</b>
<b>Message from the General Manager</b>	<b>2</b>	Climate Change and Environmental Management	50
<b>Aydem Through the Years</b>	<b>6</b>	Renewable Energy Supply	52
<b>About Aydem Renewables:</b>	<b>8</b>	Energy Management and Efficiency	54
Our Power Plants	12	Greenhouse Gas Management	56
Aydem in Numbers	14	Emissions Trade	58
Partnerships and Investments	16	Water Management	60
Our Plans for the Future	20	Water Utilization Cycle	60
<b>Corporate Governance</b>	<b>22</b>	Circular Economy and Waste Management	62
Board of Directors Committees	24	Biodiversity	63
<b>Risk Management</b>	<b>26</b>	<b>Business Continuity and Reliability</b>	<b>66</b>
Internal Audit	28	Availability and Business Continuity	68
Business Ethics, Transparency, and Anti-Corruption	30	Digital Transformation and Innovation	70
Management Systems Policy	32	Privacy of Information and Cyber Security	71
Received Awards and Accolades	34	<b>Occupational Health and Safety</b>	<b>72</b>
<b>Sustainability Management</b>	<b>36</b>	Occupational Safety	74
Sustainability Priorities	40	Disaster and Emergency Preparedness	78
Supply Chain Management	42	<b>Workplace Practices</b>	<b>80</b>
Stakeholder Participation	44	Human Resources Policies	82
Corporate Memberships and Partnerships	46	Inclusive Workplace, Diversity and Equality	86
		<b>Contribution to the Local Economy and Society</b>	<b>94</b>
		<b>Annexes</b>	<b>101</b>
		Performance Tables	104
		GRI Content Index	110



## About the Report

We are adding our 4th report, the "Aydem Renewables Sustainability Report 2022," to the sustainability reports we started publishing in 2019 to evaluate the social, economic, and environmental aspects of our activities and share the work we have carried out in line with the United Nations (UN) Sustainable Development Goals with all our stakeholders.

This report is issued by Aydem Renewables to cover the period from January 1st, 2022, to December 31st, 2022, in compliance with the GRI Standards. The content of our report, based on the sustainability priorities we have determined with the participation of our internal and external stakeholders, focuses on Aydem Renewables' activities carried out within Türkiye.

You can access the Aydem Renewables Sustainability Report 2022 from the [www.aydemyenilenebilir.com.tr/sustainability](http://www.aydemyenilenebilir.com.tr/sustainability) address. You can forward your opinions and recommendations on our sustainability activities and reporting efforts to us at [surdurulebilirlik@aydemenerji.com.tr](mailto:surdurulebilirlik@aydemenerji.com.tr).

 Please click for the sustainability page. 

 Please click for opinions and suggestions. 

# Message from the General Manager



**Ömer Fatih Keha**  
Aydem Renewables General Manager

“With our clean energy production, we prevented the release of 1,789,183 tCO<sub>2</sub>e emissions in 2022.”

“We plan to meet the net zero target by 2050.”

Dear Stakeholders,

As Türkiye's leading and largest renewable energy company, we are proud to complete another year where we contributed greatly to our country's clean energy transformation and development.

We offer innovative solutions with our power plants located in four different regions of Türkiye, and with our clean energy production using 100 percent renewable resources, we continue our efforts to remain the leader in the energy sector.

We continued our studies to increase our renewable energy production and realize our sustainability vision in 2022 as well. With efficiency-increasing investments in all of our plants, as well as our high quality operation and maintenance-repair capabilities, we have attained the high availability ratio of 99.6%. As a result of all this, and with the help of rainfall in 2022 averaging that of many years, we produced 2,469 GWh electricity and contributed to our country's supply of clean energy.

We accelerated our efforts to increase the capacity of the Wind Power Plants in our portfolio in 2022 to increase our share of green investments in Türkiye's energy production strength. With the projects we developed, we project a capacity increase of 114 MW in our Uşak WPP and Söke WPP facilities by the end of 2023.

We aim to increase our installed power by another 150.9 MW by the end of 2024 with the investments we plan to make. Some 73.46 MW of our aforementioned investments consists of Land Hybrid Solar Power Plant projects, 31.44 MW consists of Floating Hybrid SPP projects, and 46 MW consists of WPP Capacity Increase projects. Furthermore, we plan to commission our 102.3 MW Land Hybrid SPP project in addition to our production plants with storage in 2025. As such, we plan to increase our installed power by 949.35 MW by the end of 2025 with our Hybrid SPP, WPP Capacity Increase, and Production Plants with Storage investments. As a result, in addition to doubling our installed power, we will also have increased resource diversity in our renewable energy production portfolio.

Our priority when carrying out our renewable energy production is always people. We have formulated the necessary strategies to carry out our operations within the health-safety-welfare triangle with the slogan "People first" for a safe and sustainable future.

With strategies that aim to minimize risks to our employees' safety and health, we have provided a healthy, safe, and motivating work environment for our employees and, as a result, our company experienced no accidents with day losses in 2022. In addition to this, we adopted an approach in compliance with the ISO 45001:2018 "Occupational Health and Safety Management System" and targeted high performance and continuous improvement.

We aim to maintain the highest standards for the health and safety of our employees. To this end, we support our employees with training and awareness programs, and strive for continuous improvement. In addition to providing 556 employees with 40 hours of training per person in 2022, we also initiated digitalization work in the areas of occupational health and safety.

## Message from the General Manager

The company is working non-stop to maintain the highest levels of sustainability and respect for the environment. We are implementing projects to preserve biodiversity, and we are continuing to monitor the fauna inventory around our plants without pause. We recorded notable achievements in international independent rating reports in this area and also became signatories to key international initiatives.

By receiving an "A Leadership Level" rating in both Water Security and Climate Change reporting performed under the Carbon Disclosure Project (CDP), we became the first energy company in our country to join the Global A List and the only company to join the A list in both of these categories in 2022.

In order to overcome the problems caused by climate change, in line with the responsible energy production at our focus, we have become one of the first and leading

companies in the energy sector to sign the Science-Based Targets Initiative - SBTi commitment letter, also encompassing net zero targets for science-based objectives, in November 2022.

Aydem Renewables has set a long-term, science-based target to reach net-zero value chain greenhouse gas emissions latest by 2050 in compliance with SBTi's Net-Zero Standard. By committing to publishing our targets within 24 months for SBTi verification, we agreed to join the "Business Ambition" campaign for 1.5°C and decided to take part in the "Race to Zero" campaign in the days ahead.

Aware that combating climate change is one of the biggest responsibilities companies have, we are committed to fulfilling the requirements of our sustainability vision.

Aydem Renewables is carrying out important studies not only in energy production but also in sustainable development and

social responsibility. Aware of our societal responsibility, we intend to cooperate with local communities and contribute to social and economic growth. To this end, we have completed social responsibility projects in many areas from education and health to environmental protection and local development. We signed the Women's Empowerment Principles (WEPs) formed with the cooperation of the United Nations Social Gender Equality and Women's Empowerment Unit (UN Women) and the UN Global Compact. We have also published our "Procedure for Eliminating Domestic Violence" to create awareness of domestic violence issues and create a system where our employees who are victims of domestic violence can receive support in trust and confidentiality.

In line with our objective of being a leading and exemplary company in the area of sustainability, we maintain the highest levels of care for our human resources. We aim

to create a health working environment for our employees by making investments for their satisfaction, happiness, and growth.

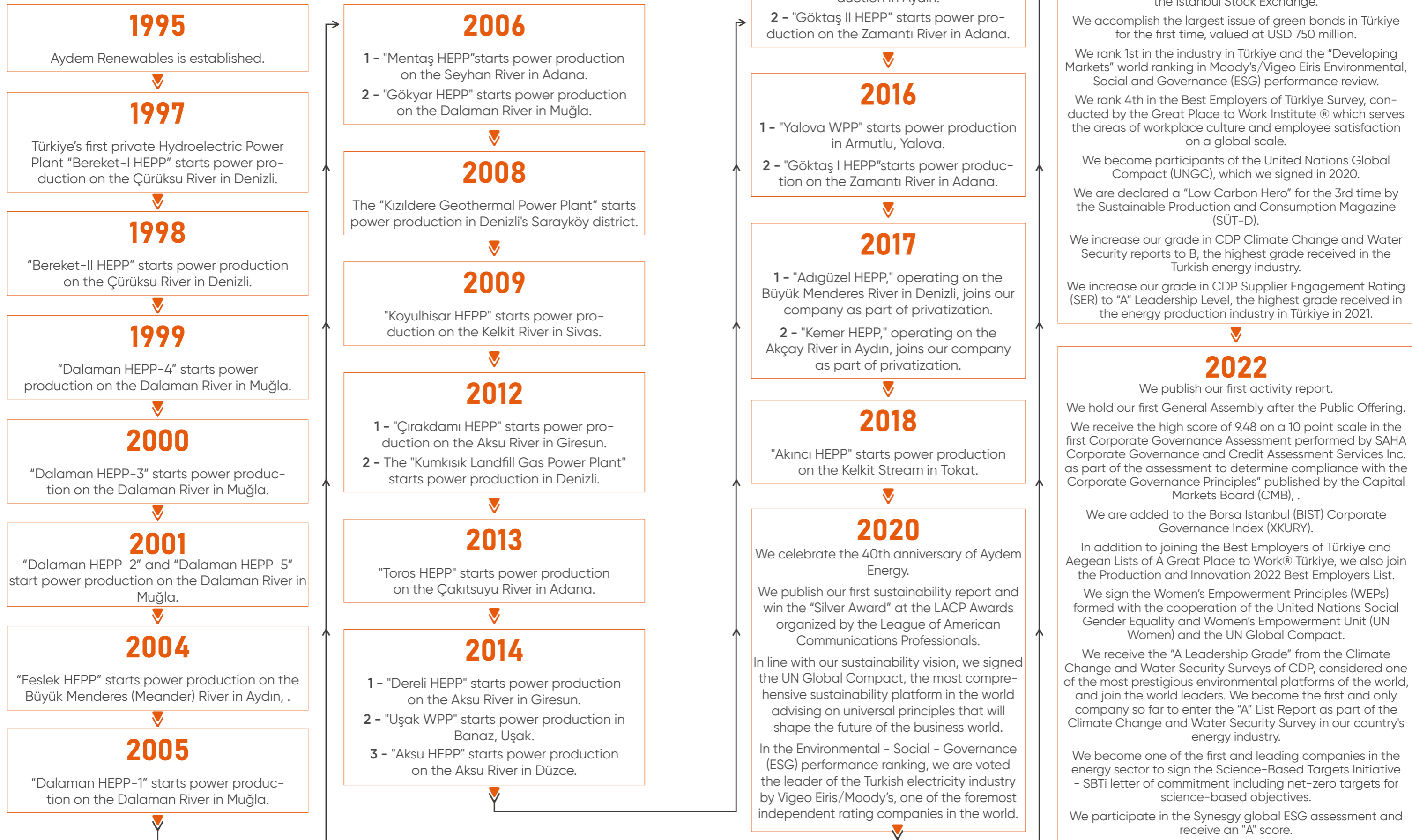
Our efforts contributing to employee experience, growth, engagement, and happiness in 2022 have been awarded by the Great Place to Work Institute. Following the assessment made by our employees we met the criteria for "reliability, respect, fairness, pride, and team spirit" and took our place on the "Best Employers in Türkiye List.. This success indicates our employees' trust in us and our commitment to them.

We are aware that these successes are but one milestone for our company. In line with our sustainability-based vision, we aim to achieve many more successes in the future with the devotion of our employees. We will continue to make the maximum contribution to a sustainable future with new investments that will increase our renewable energy production portfolio and the investments we will make in human resources.

Respectfully,

**Ömer Fatih Keha**  
Aydem Renewables General Manager

# Aydem Through the Years



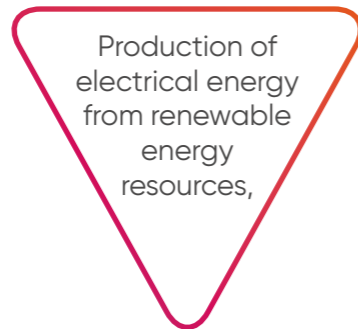
# ABOUT AYDEM RENEWABLES

- Our Power Plants
- Aydem in Numbers
- Corporate Governance
- Risk Management
- Internal Audit
- Business Ethics, Transparency, and Anti-Corruption
- Management Systems Policy
- Received Awards and Accolades



Aydem Renewables is Aydem Energy's company operating in the field of renewable energy generation. Considering the sustainability of future generations and natural resources, Aydem Renewables began construction on Türkiye's first private hydroelectric power plant in 1995 to built and operate 100% renewable Power Plants.

Aydem Renewables main field of activity



Constantly striving for improvement in the area of renewable energy for today and tomorrow, Aydem Renewables intends to create value for its customers, employees, suppliers, and society. Our company carries out all of its activities with the goal of contributing to our company's sustainable growth and preparing a better future for the environment, society, and future generations. It is subject to the Turkish Tax System and complies with all legal regulations.

Aydem Renewables has achieved 1,020 MW of installed power with its 25 plants spread throughout Türkiye. We are proud to say that we carry out all the production

work on the 22 power plants in our portfolio with which we meet Türkiye's energy demands with renewable energy production at our hydroelectric, wind, LFG, and geothermal plants, from designing them to the engineering and operating phases, under our own roof.

We continue our operations using our environmentally friendly production model at our plants operating in 4 regions of Türkiye (Black Sea, Aegean, Mediterranean, and Marmara) and which all hold Zero Waste and Renewable Energy (IREC), and Emissions Reduction Certificates (VCS & GS).

Our Values



Sensitivity

We fulfill our responsibilities toward people, society, our country, and the environment, bringing the institution into the future by doing the best work we can. We adopt a style of work that complies with procedures and rules, and is transparent and accountable. We oppose unethical or unfair practices and take into account how our behaviors will affect others.

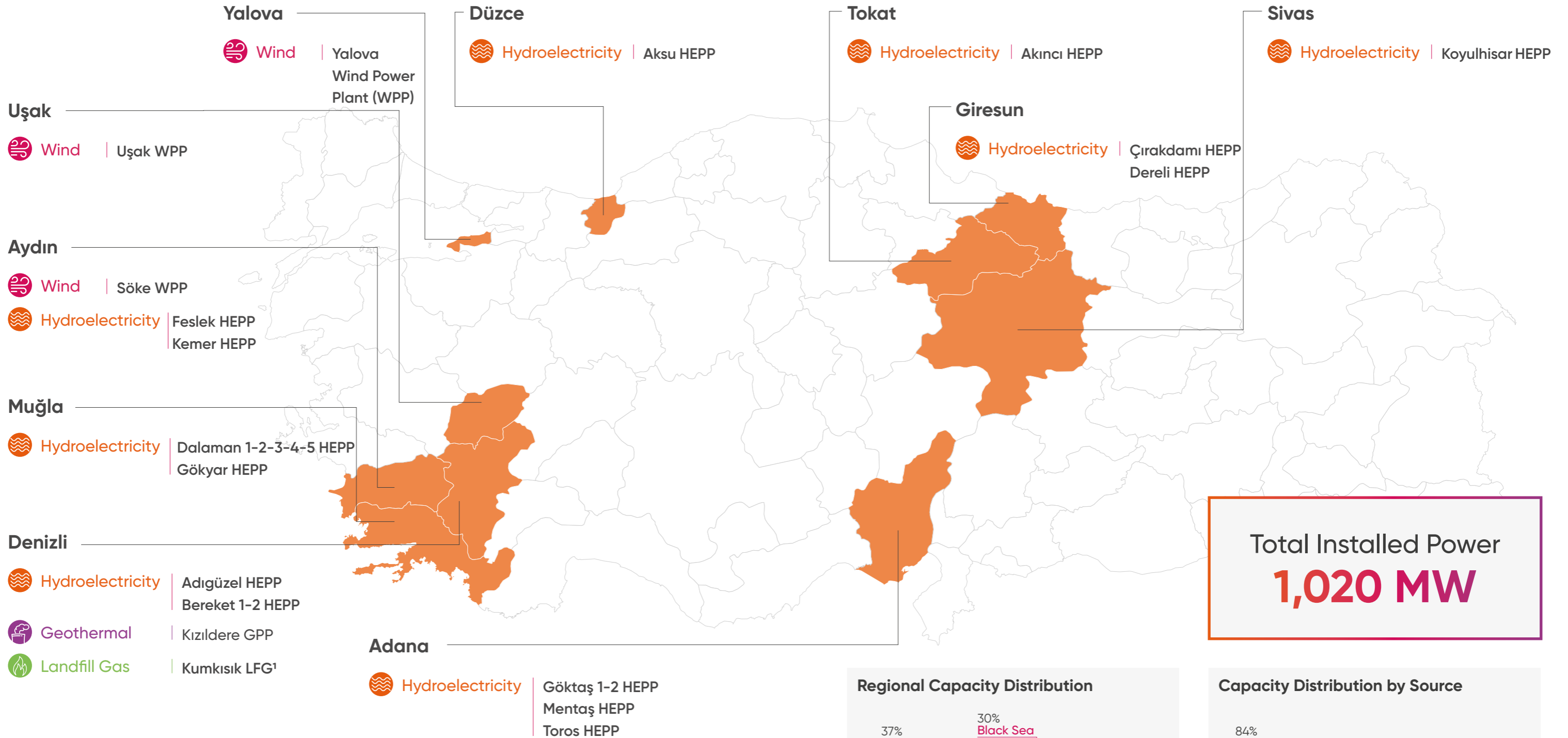
Dynamism

We monitor the needs of our colleagues and stakeholders due to changing conditions and take the necessary steps to improve our work environment, our way of doing business, and our products and services. We lead the energy industry with the steps we take, we direct progress and change in the sector, and always try to find new ways for improvement.

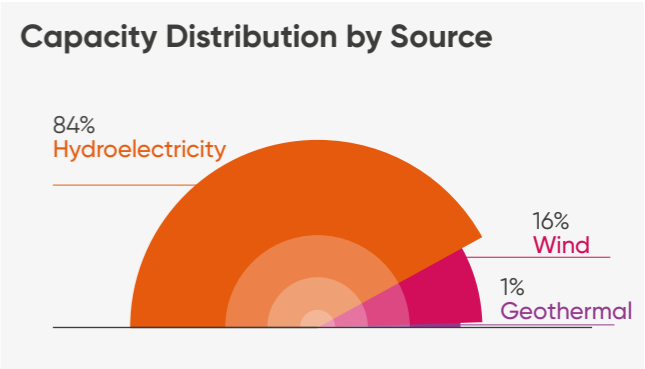
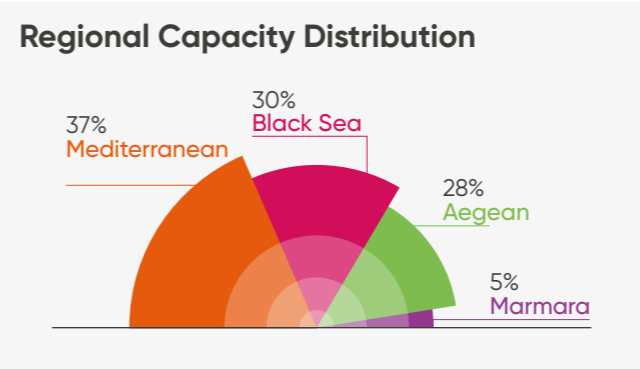
In Touch with Life

"People" are the focal point in every job we perform, every step we take. Our continuous development, curiosity, investigative spirit and the expertise we have gained over the years allow us to develop solutions that add energy and value to every moment of life. We act in accordance with our colleagues' and stakeholders' needs and expectations and strive to improve their quality of life.

# Our Power Plants



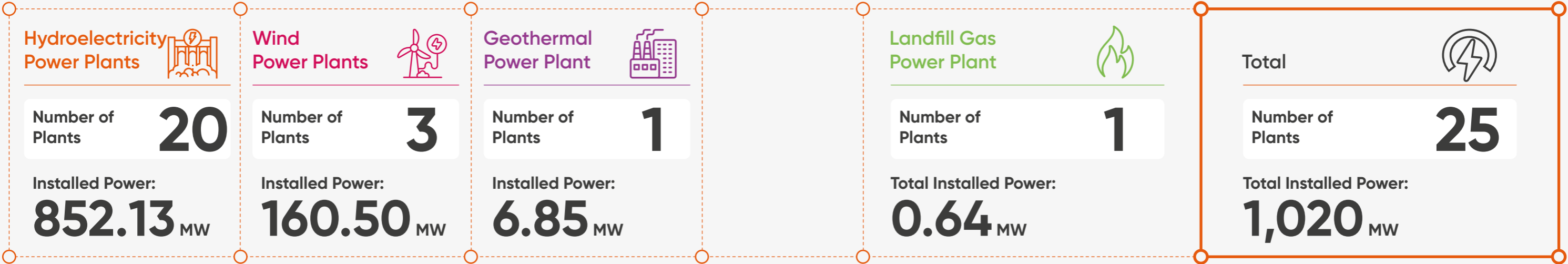
Total Installed Power  
**1,020 MW**



<sup>1</sup> Our LFG Plant was transferred outside the company in June 2022.



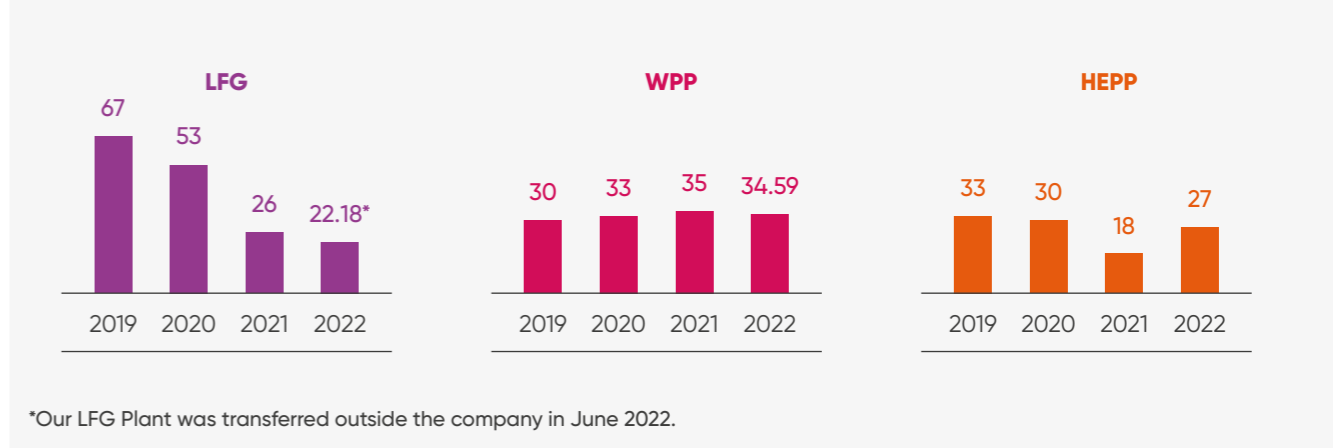
# Aydem in Numbers



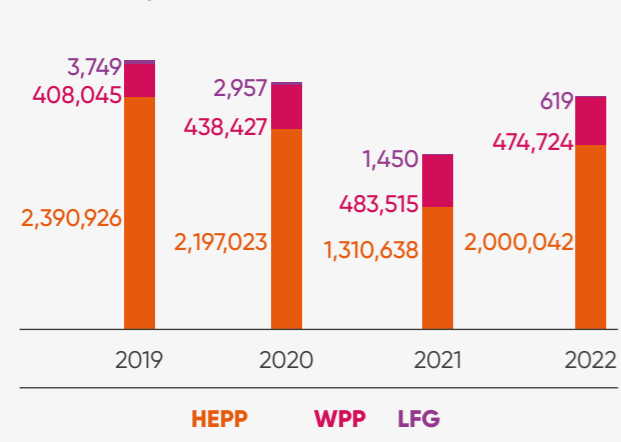
## Financial Indicators

	December 31, 2021	December 31, 2022
Net Sales Revenues	450,168,938	2,700,263,713
EBITDA	904,865,477	3,471,643,925
Net Payable	8,530,802,291	11,538,075,180
Equity Profitability	0%	8%
Total Assets	22,531,356,887	35,389,705,153
Total Investment Amount	358,975,553	1,418,894,051
Net Sales Revenues	1,240,753,398	3,807,844,798
Distributed Direct Economical Value	567,056,866	1,386,068,215
Subsidies and Funding Received	0	1,266,784,981

## Capacity Utilization Rate (%)

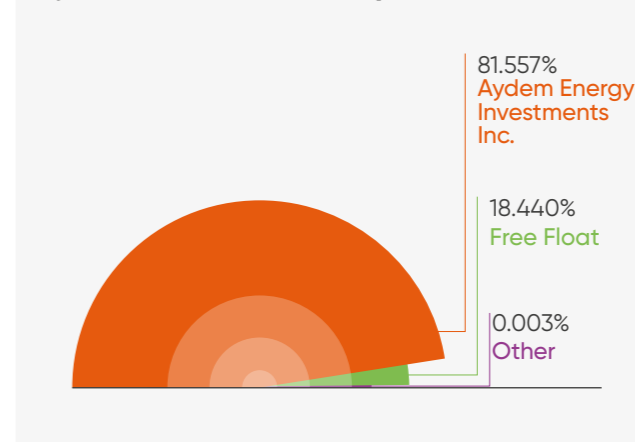


## Electricity Production (MWh)



The capacity utilization rates of the hydroelectricity power plants were adversely affected negatively in 2021, when we experienced the biggest drought in the past 50 years, in parallel with the decrease in the production of hydroelectricity plants nationwide. The amount of water coming into our plants increased by 40 percent in 2022 with a corresponding increase in our HES power production.

## Aydem Renewables Capital Structure



# Aydem in Numbers

## Partnerships and Investments

### Başat Electricity Generation and Trading Inc.

**100%**

Başat Electricity Generation and Trading Inc. was established to produce electricity using a hydraulic energy source and is owned by Aydem Renewables with a 100% share.

### Eytur Energy Electricity Generation and Trading Inc.

**100%**

Eytur Energy Electricity Generation and Trading Inc. was established to generate hydroelectric power and is owned by Aydem Renewables with a 100% share.

### Sarı Retail Energy Sales and Trading Inc.

**100%**

Sarı Retail Energy Sales and Trading Inc. trades in electricity and is owned by Aydem Renewables with a 100% share.

### Akköprü Renewable Energy Production Inc.

**100%**

Akköprü Renewable Energy Production Inc. generates hydroelectric power and is owned by Aydem Renewables with a 100% share.

## Shareholder Structure

Name-Surname of Partner/ Commercial Title	Share in Capital (TRY)	Share in Capital (%)
Aydem Energy Investments Inc.	574,975,680	81.5568
Other*	24,320	0.0034
Free Float**	130,000,000	18.4397
<b>Total</b>	<b>705,000,000</b>	<b>100</b>

\* Kocaer Iron Ind. Trade Co. Ltd. (0.00164%), Mopak Paper Cardboard Ind.. Trade Inc. (0.00164%), Aciselsan Acıpayam Cell. Ind. Trade Inc. (0.00010%) shares.

\*\* Price stability transactions were made on the company shares in the 30 days after the company shares started trading on BIST. As part of this, Aydem Energy Investments Inc. purchased 18,679,595 shares.

## Our Investments

Aydem Renewables ensures the generation of sustainable power for future generations, reducing dependence on foreign fuel and utilizing natural resources, and aims its investments at our developing country's increasing need for renewable energy. With the investments we make, we help keep Türkiye's energy supply safe and we aim to create sustainable value for the needs of today and tomorrow. With the investments made, we are making our operations more efficient and supporting our country's and the world's transition to clean energy. Taking into account the energy sources of our country, where 54.33% of total installed power is provided by renewable energy production plants as of end of 2022, we at Aydem Renewables are aware of our strength and our responsibility.

As Türkiye's largest renewable energy company by installed power, operating only in the area of renewable energy, efficiency is at the heart of our investments. We benefit from high technology in all stages of our operations, and aim to increase the operating life, efficiency performance, and availability rates of the equipment in all our plants through periodic maintenance with specialist maintenance and repair teams. We plan to make a renewable energy investment of approximately 64.8 MW in the year ahead.

The demand for energy is growing in parallel with increasing industrialization and urbanization throughout the world. Limited energy sources have led countries to seek out alternative sources of energy. Negative aspects such as severe environmental pollution caused by fossil fuels, dependence on foreign fuel, increasing import costs only increase the importance of renewable energy. Renewable energy makes a far smaller environmental impact than conventional energy production and is more cost-effective, and makes up the whole of Aydem Renewables' production portfolio.

As a company with assets that produce clean energy, mostly hydroelectricity, our wind and geothermal power plants don't require renewal due to their age and structure. However, renewal investments are necessary to allow the currently used machinery and equipment to continue generating power until end of the license period. When making our investment plans, we prioritize innovative renewable energy investments that will increase our variety. With our next generation hybrid projects, we are increasing our installed power of 1,020 MW and including the necessary new equipment investments in our plans.

# Aydem in Numbers

## Partnerships and Investments

We are continuing our rapid growth in this vein with investments of TRY 154.7 million in 2019, TRY 74.6 million in 2020, TRY 359 million in 2021, and TRY 1.4 billion in 2022.

The investments we made during the reporting period include the necessary construction projects for transporting turbines to sites and installing them as well as the orders needed for roads, platforms, and basic construction and wiring projects for 11 turbines. The investment plans we expect to conclude or start in 2023 include 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 for which is planned to be signed in 2023.

### Our Investments



In 2019  
**TRY 154.7**  
million

In 2020  
**TRY 74.6**  
million

In 2021  
**TRY 359**  
million

In 2022  
**TRY 1.4**  
billion



Aydem's investment expenditures consist of the construction of electricity production plants, their transfer into the company, their renewal, and the purchase and maintenance of turbines and plant equipment. The company builds plants that generate electricity from hydroelectricity, wind, solar, landfill gas resources. The machinery and equipment used in the construction of these plants are made and installed according to the plants' technical plans. Technology and capital investments are mandatory in the construction of electrical energy production plants, advanced engineering calculations are made and generally very expensive machinery is used.

### Our Corporate Vision and Projections for Our Investment Strategy:

- ▶ Doubling our installed renewable energy power with hybrid plant investments and other investments,
- ▶ Continuing to supply reliable and sustainable renewable energy and generate only green and renewable energy,
- ▶ Carrying out environmentally friendly investments in our activities, taking sustainability into account.

### Investments Made in the Reporting Period

- ▶ After the Energy Market Regulatory Authority (EMRA) granted its approval and the Ministry of Environment's Environmental Impact Assessment returned a positive result for the Uşak WPP Hybrid SPP project, an agreement was signed with the contractor on May 6, 2022, for engineering, supply, and installation services and the project, which created employment for approximately 450 people, was completed in December '22. The project has a total installed capacity of 82.15 MW and required an investment of USD 54.4 million with the intention of generating electricity from the sun's energy as efficiently as possible by using bi-facial (power generation using reflection off back panels) solar panels and a sun-tracking system.
- ▷ The project is expected to increase the annual electricity production at our Uşak WPP Facility by 164 GWh. This will meet the annual energy needs of 59,000 homes.

# Aydem in Numbers

## Our Plans for the Future

### ► Hybrid Projects:

► The field installation work for the Uşak WPP Hybrid SPP project with 82.15 MWp of power was completed in 2022 and the plant was commissioned. Plans were also made to get Ministry of Energy and Natural Resources approval at the beginning of 2023. The Hybrid SPP project, completed in as short a time as 5 months, is the company's first hybrid project and one of the biggest Hybrid SPP projects in Türkiye. As part of its growth strategy, the company has investment plans for the coming period for a total of 175 MW Land Hybrid SPPs, comprising the "Yalova WPP Hybrid SPP - 18.88 MWp," the "Söke WPP Hybrid SPP - 16.95 MWp," the "Koyulhisar HEPP Hybrid SPP - 7.69 MWp," the "Akıncı HEPP Hybrid SPP - 12.09 MWp," the "Uşak WPP Hybrid SPP (second phase) - 17.85 MWp," the "Uşak WPP Hybrid SPP (third phase) - 68.30 MWp," and the "Uşak WPP Hybrid SPP (fourth phase) - 34 MWp." In addition to this, the company has plans to build floating SPP of 24.10 MWp capacity at our Adıgüzel dam-type HPP, 5.56 MWp capacity at our Göktaş dam-type HPP, 1.44 MWp capacity at our Dalaman dam-type HPP, and a channel-type SPP of 0.34 MWp capacity at our Feslek HPP, which is our channel-type HPP operation. Therefore, the total power of investments in various types of SPP projects will come to 289 MWp.

### ► Capacity Increase Projects:

► Capacity increase projects for 2022 and beyond have been prepared from among the company's previously planned capacity increase projects. The installed power of our Uşak WPP Facility has been approved as 114.30 MW including the capacity increase license amendment of 52.8 MW. Site installation of an 11 additional turbines for 52.8 MW to meet this capacity began in 2022. The turbines are planned to be put into operation within 2023. Capacity increase applications have also been made for an additional 88 MW for the Uşak WPP, 12 MW for the Söke WPP, and 12 MW for the Yalova WPP. Including the ongoing investments, the planned increase in power following the capacity increases is projected to be to 164 MW.

### ► Storage Facilities:

► Per the "Regulation on Storage Activities in the Electricity Market" published on May 9, 2021, our company has developed various projects to operate in this area and taken steps to build production and storage facilities for a total of 500 MW. The project development and approval processes for the studies that began in 2022 are under way, and work will commence in the coming years.

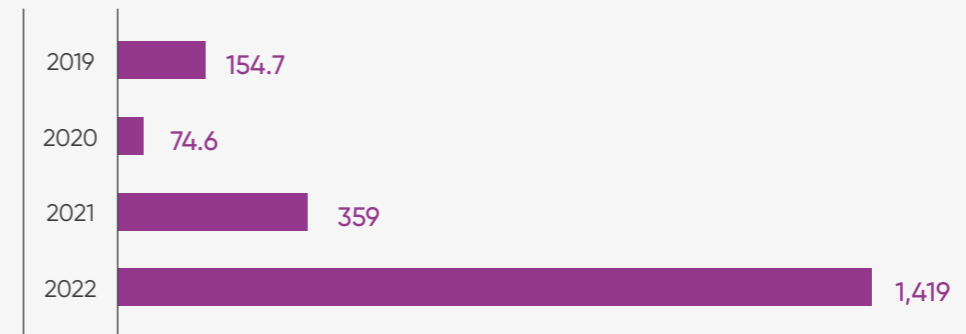
► Considering all projects, investments for a total of 954 MW are planned to be put into operation in the coming years.

► The company's investment plans for later periods comprise a total of 1,449 MW, planning to increase our installed power to 2,468 MW. These investments will include alternative technologies and are planned to make maximum use of the current operational capacity and also generate power from the secondary source. Land SPP, Floating SPP, Channel Type SPP and a new technology, storage systems for storing the energy produced

so it can be used later, are among the forward-looking projects prepared by the company. The investment planned for storage systems is 500 MW, and talks with leading companies in the industry are continuing.

► Together with the pride of being one of Türkiye's largest companies in the area of renewable energy, our efforts to increase our power with investments in this area are proceeding apace.

Investments (TRY Million)



# Corporate Governance

The Aydem Board of Directors is appointed by the General Assembly. The Board of Directors consists of 8 members appointed for 3 years and is the company's highest body responsible for management at the strategic level. The members include four people that meet the Capital Markets Board's criteria for independence in addition to the General Manager, who has an executive duty. Board members are not required to own shares. Legal entities can be elected as board members.

Our company has set a minimum quota of 25% for female members on the board of directors and created a policy to meet this quota and for determining candidates. In accordance with this policy, the structure of the board of directors is reviewed annually. While 37.5% of the members of the board of directors serving in the reporting period were women, the number of physically held board meetings with 100% participation was 17.

While the Board of Directors ensures that the strategy and risks do not threaten the long-term interests of the company and that effective risk management is carried out, Aydem Senior Management is responsible for taking the steps required to meet the strategic targets set by the Board of Directors and their execution, and consists of 4 senior managers. ESG issues, risks, and opportunities that affect the company are identified, corporate policies are created for them, then these policies are submitted to the Board of Directors for approval. The Chair of the Board and the General Manager are two separate people. The Chair of the

Board assesses the performance of the Board of Directors at the end of each year.

The Remuneration Policy for board of directors members and senior managers was amended to be in written form in line with Mandatory Corporate Governance Principle no. 4.6.2 of the Capital Markets Board and was accepted by Board of Directors resolution number 2020/27 dated July 6, 2020 and notified to our partners at the Extraordinary General Assembly Meeting dated August 14, 2020.

Accordingly, all wages conform to ethics values and the company's internal balances and strategic targets. Employees with administrative duties are remunerated fairly taking their responsibilities into account. While the privacy of wages, premiums, and other personal benefits is essential, the total amounts paid to employees with senior administrative responsibilities and board members throughout the year are notified to the shareholders and declared to the public in financial reports in accordance with the legislation at the following general assembly meeting per the relevant legislation. Base wages are reviewed and set every year after suggestions by the Corporate Governance Committee and the resolution of the Board of Directors.

Five separate committees were formed under the Board of Directors with board resolution number 2020/27 dated July 6, 2020, in accordance with the company's internal regulations. The duties and responsibilities of the Nominating Committee and Remuneration Committee are carried out by the Corporate Governance Committee

in accordance with Capital Markets Board (CMB) Corporate Governance Communique number II-17.1.

Board of Directors' approval is required to change the operating principles of all the committees, comprising the Corporate Governance Committee, Audit Committee, Early Risk Detection Committee, Investment Committee, and Sustainability, Environment, Occupational Health and Safety Committee.

Efficiency in Board of Directors activities is ensured by the Early Risk Detection Committee, Audit Committee, and Corporate Governance Committee. The Board of Directors determines the committees' fields of duty, their operating principles, and the members that comprise them, and discloses this information to the public. All members of the Audit Committee and the chairs of the other committees are required to be elected from among the independent Board of Directors members.



## Corporate Governance Practices at Aydem Renewables:

- ▶ Corporate Governance practices are executed in compliance with the legislation through the committees under the Board of Directors, audited by internal audit, and disclosed by the legal and investor relations directorates following the necessary procedures in accordance with CMB legislation.



# Corporate Governance

## Board of Directors Committees

The Corporate Governance Committee, Audit Committee, Early Risk Detection Committee, Investment Committee, and the Sustainability, Environment, and Occupational Health and Safety Committee formed within Aydem serve under the Board of Directors.

All committees and internal audit mechanisms work primarily to independently and objectively evaluate all transactions and processes in company operations and activities and to improve these activities in light of their findings.

**The Corporate Governance Committee** primarily serves to assist the Board of Directors in complying with the Corporate Governance principles, including investigations in cases of nonconformity with the Corporate Governance principles and determining conflicts of interest, as well as overseeing the investor relations unit and fulfilling the duties left for the nominating committee and remuneration committee.

The committee is formed of at least three members who are Board of Directors members or, while not Board of Directors members, are experts in their related fields. The Chair of the Corporate Governance Committee is selected from the independent members of the Board of Directors. The majority of the committee members are elected from non-executive members of the Board of Directors. The manager of the investor relations unit is a natural member of the Corporate Governance Committee. The Corporate Governance Committee fulfills the duties and responsibilities described in its operating principles and carries out the duties assigned to it by

the Articles of Association and Corporate Governance Communique.

**The Audit Committee** mainly oversees the efficiency of the Company's accounting system and practices, the functioning of the internal checks system, public disclosure of Company-related financial information and the Company's internal audit and statutory audit activities, and the Company's compliance with relevant legislation and corporate codes of conduct. The Audit Committee is comprised of at least two members and its members are selected from the independent members of the Board of Directors. At least one of these members needs to have five years of expertise in audit/accounting and finances.

**The Early Risk Detection Committee** primarily acts to assist the Board of Directors in detecting early on risks that might compromise the existence, growth, and continuity of the Company, implementing suitable risk management strategies, and forming a committee of experts for risk management as well as fulfilling other duties assigned by the legislation. The Early Risk Detection Committee consists of at least two members. If the Early Risk Detection Committee consists of two members, both of them, if more than two members are present, the majority are selected from the non-executive members of the Board of Directors. The Early Risk Detection Committee acts within its own authority and responsibility, prepares a report including an evaluation of the current status, its advice, and recommendations six times a year and presents it to the Board of Directors.

**The Investment Committee** serves mainly to evaluate investment and business developments projects worth over USD 1 million that are in line with the Company's purpose and scope in the Articles of Association, presenting them for the approval of the Board of Directors and following them up. The Investment Committee evaluates Investment Projects that will be carried out within the Company, its affiliates, or subsidiaries according to predetermined Investment Criteria and reports its opinions about this investment to the Board of Directors. This reporting is made by taking the project's fundamental and feasibility analyses, project financing analyses, budget approval, and Investment Criteria into consideration. The Board of Directors decides whether or not to invest in investment projects. But the Board cannot decide to invest without the opinion of the Investment Committee about the investment project in question.

**The Sustainability, Environment, and Health and Safety Committee** mainly acts to develop the culture of sustainability, safety of life, and occupational health and safety that encompasses all the Company's employees and operating facilities and to ensure that a proactive safe behavior approach, including environmental planning and activities, is adopted and developed. It also informs the Board of Directors about preventive/improvement measures for applying sustainability principles, possible areas of opportunity, and the outcome of activities. The Sustainability, Environment, and Occupational Health and Safety Committee consists of at least one

member of the Board of Directors or the General Manager, Operations Director, Maintenance and Projects Director, and Sustainability and HSE Manager.

If the agenda for the meeting of the Sustainability, Environment, and Occupational Health and Safety Committee includes items relating to stakeholder engagement and social impact, the Human Resources Director and Corporate Communications Manager will also be present. A member of the Board of Directors chairs the Committee

All committee members are determined by the Board of Directors. The term of office of the committee members cannot exceed three years and the committee members whose term of office have expired can be reassigned.

The Committees immediately notify the Board of Directors in writing of their findings and suggestions regarding their duties and responsibilities, while the Board of Directors provides them with all the necessary resources and support to carry out their duties.

### Committee meetings in the 2022 Reporting period:

- ▷ **Audit Committee:** 5 meetings
- ▷ **Corporate Governance Committee:** 5 meetings
- ▷ **Early Risk Detection Committee:** 7 meetings
- ▷ **Investment Committee:** 2 meetings
- ▷ **Sustainability, Environment, and Occupational Health and Safety Committee:** 3 meetings.

# Risk Management

In order to ensure that the risks that may arise in our fields of activity are managed in the most correct way, we primarily carry out risk awareness activities within the company. Risk management involves calculating the effects of possible risks and we use internationally recognized risk management principles to do this in full compliance with the Capital Markets Board's regulations on Corporate Governance Principles.

We first carry out a comprehensive assessment of all risks and opportunities before we make any strategic planning and investment decisions. Risk awareness is now part and parcel of company cultures and allows to manage all risk elements that might negatively affect both our company and our stakeholders, including financial performance and reputation, most effectively.

We regularly carry out structural, hydraulic, geological, and topographical checks at our plants to manage our operational risks. We continuously monitor and study wind data at our plants with our technical teams and prepare the necessary action plans for all kinds of risks to prevent disruptions to our operations.

To prepare and apply our action plans in the most suitable way, we start by regularly reviewing the risk management policies and systems we have implemented to identify and analyze the risks that may be

encountered. We list the evaluated risks by priority and importance, and prepare our action plans in line with the strategic targets of Aydem Renewables.

In addition to creating the plans and policies for risk management, which are the responsibility of the Board of Directors, the Early Risk Detection Committee is tasked by the Board of Directors to actively manage the risks.



### How risk management works in Aydem Renewables:

- ▶ The risks foreseen by all units are identified,
- ▶ The risks that occur covered by key risk indicators are identified periodically,
- ▶ The necessary actions and deadlines are determined,
- ▶ These are assessed by the Risk Committee,
- ▶ Appropriate action plans are prepared.



# Internal Audit

The Internal Audit Unit audits Aydem Renewables' existing internal control system, starting with increasing effectiveness and efficiency in its operations, ensuring reliability in financial reporting, and compliance with the laws and regulations, as part of the annual internal audit plan.

The main purpose of the Internal Audit function is to provide assurances that risks are appropriately identified and managed in the risk management, control, and governance processes designed and implemented by Aydem Renewables management and appropriately included in business processes, that resources are used

economically and efficiently within our company's sustainability targets, and that all information is accurate, reliable, and readily available. In addition, the Internal Audit function oversees that the objectives related to compliance with the ethical rules and working principles defined within the company are defined appropriately and carried out adequately and effectively.

The Internal Audit function is a statutory assurance function that reports its work to the Aydem Renewables Board of Directors' Audit Committee comprised of independent members, and which takes its authority from the Board of Directors via the Audit Committee. The Audit Plan, which is implemented with the approval of the Audit Committee and the Board of Directors annually, is created by categorizing by risk the processes that include business activities that support the company's strategic goals. The results of the audit study carried out in accordance with the Audit Plan are periodically presented to the Board of Directors, the Audit Committee, and the Relevant Management elements.

The Internal Audit Unit is based on the International Internal Audit Standards and Internal Control Governance Frameworks and uses the risk-based audit methodology. It also ensures coordination with the activities carried out by a statutory audit. The audit process includes the reporting of planning and preparation, field work and audit results, as well as formal audit action follow-up procedures recommended by Internal Audit and accepted by the Management to verify that risk mitigation actions have been implemented.

Within the framework of the annual audit plan of the Internal Audit and Control Group Directorate, units are subject to audit studies, taking into account legal regulations and company procedures. "Purchasing," "Corporate Governance and Investor Relations," "Sustainability and the Environment," and "Investment and Project" audits were conducted throughout the company in the reporting period. 16% of business units were audited. Five meetings were held to convey the internal audit studies to the Audit Committee.







# Business Ethics, Transparency, and Anti-Corruption

Aydem Renewables' core values and principles form our standards and ethical practices regarding all our activities and business relationships. The Code of Ethics and Operating Principles define the rules that must be obeyed by the Company and all third parties and employees acting in the name of the Company, employee rights, and also the company's ethical values and basic principles. The values and principles guiding our code of business ethics were announced in 2020 under the title Code of Ethics and Operating Principles as the procedure that defines employee rights as well as the basic principles of the company ethical values.

While the "Code of Ethics and Operating Principles Procedure," "Ethical Investigation and Investigation Practices Procedure," "Ethics Committee and Disciplinary Committee Structure and Working Order Procedure" have been published and are implemented at Aydem for business ethics and to combat misconduct, the "Anti-Bribery and Anti-Corruption Policy" has also been published and implemented in the fight against corruption. All of our employees and business partners are also expected to comply with these principles.

Please click for the Ethical Codes and Operating Principles page.  



The sanctions and disciplinary actions against possible violations of human rights are set forth in the Code of Ethics and Operating Principles and Disciplinary Practices Procedure. The Internal Audit function carries out the necessary checks and investigations to detect and examine irregularities in this area. If non-compliant and irregular practices are detected, they are referred to the Disciplinary Committees.

The policies and procedures are announced to all employees through the Integrated Management System according to business ethics and Corporate Governance and mandatory training is provided on Code of Ethics and Operating Principles. The business ethics and anti-corruption training we provide to new colleagues and managers every year was attended by 27 new employees and 3 new managers in 2022.

We have an Ethics Line available for all of our employees that would like to report or request advice on any suspicions regarding ethics and corruption and/or any actions or irregular practices they may have witnessed. The Ethics Line is monitored by the Internal Audit and Control Group Directorate and the Holding Human Resources Group Directorate within the holding company. Both employees and third parties may forward any wrongdoing, violations of law, or possible ethics violations in company activities to the ethics hotline. The Ethics Line can be reached via e-mail, voice message, physical mail, or a telephone line dedicated for this purpose every hour of the day. The Internal Audit

and Control Group Directorate evaluates the forwarded complaints and takes the appropriate action if deemed necessary.

Cases involving employee responsibilities, privacy, protection of customers' personal data, information regarding company property, data storage, access to personal information, protecting information in computer hardware, the company's internal and external relations, media relations, conflicts of interest, corporate opportunities, indebtedness, bribery, political activities, gifts, donations, acts made in the name of the company, company resources, bullying, occupational health and safety, and all other principles, questions, and notifications received through our communication channels are carefully examined and resolved. 1 complaint received during the reporting period was examined and rapidly resolved.

Notifications made to the ethics reporting line are forwarded only to the Human Resources Senior Manager and Internal Audit Senior Manager. After the relevant managers have made their preliminary assessment, cases that are determined to be ethics reporting are then processed by the internal audit function following privacy principles, keeping the notifier's identity confidential. The notifiers' identities are not shared in any of the steps, and during the reporting phase, the ethics inspection report is sent only to Senior Management. Once the ethics inspection is over, the processes and business flows are closely monitored to prevent retaliations.

# Management Systems Policy

As Aydem Renewable Energy, we follow the Total Quality Management approach in all our fields of activity in order to use domestic and renewable resources in the most efficient way in line with our vision and mission. As a part of the Integrated Quality Management System we implemented for this purpose, we are applying the 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 in all of our production facilities. Under the Integrated Management System, 100% of our production facilities are certified according to these standards. Certifications are kept up to date with independent periodical inspections. All of these efforts are managed by the Integrated Management System Policy, which is also published on the corporate website.

**In line with our Integrated Management System Policy, our company undertakes:**

- ▷ To maintain Integrated Management Systems as effectively as it can,

- ▷ To manage processes with risk-based thinking,
- ▷ To work to meet the expectations of the relevant parties,
- ▷ To be an organization that respects the environment and is sensitive to the protection of the environment,
- ▷ To ensure the effective use of its resources,
- ▷ To reduce or reclaim waste and prevent pollution,
- ▷ To act with the principle of zero work accidents and zero occupational diseases, to take measures to minimize the possible harmful consequences of accidents or emergencies that may occur during its activities,
- ▷ To give the utmost importance to the health, safety and security of contractors, suppliers and employees within the working areas,
- ▷ To encourage multi-directional communication, to get the ideas of the employees, and engage them,

- ▷ To work to achieve continuous improvement in quality, environment, occupational health and safety, and energy efficiency performance,
- ▷ To prefer environmentally-friendly and energy efficient products and services,
- ▷ To provide the information, human resources, technology, and financial resources that will ensure the continuity of the Integrated Management System,
- ▷ To be an organization that learns, grows, and shares through continuous educational activities,
- ▷ To provide the resources needed to protect biodiversity and the natural ecosystem environments in our fields of activity, as part of combating climate change,
- ▷ To implement, develop, and continuously improve the effectiveness of Integrated Management Systems,
- ▷ To comply with the legal regulations, standards, directives, and rules of the institutions to which it is affiliated within the scope of its fields of activity,
- ▷ To ensure that all critical company information is protected in accordance with needs and in a manageable manner.



# Received Awards and Accolades

We are proud to have won many awards in 2022 as well.



**CDP Climate Change A Leadership Level**

The first and only energy company from Türkiye to join the A List Report with 295 companies across the world



**CDP Water Security A Leadership Level**

The first and only energy company from Türkiye to join the A List Report with 106 companies across the world



**Signing the Science-Based Targets Initiative (SBTi) Net-Zero Commitment**



**Great Place to Work Institute® Best Employers of Türkiye Survey**

Apart from entering the Best Employers of Türkiye and Aegean Lists, the company joined the Best Employers List of Production and Innovation 2022,



**CMB Compliance with Corporate Governance Principles Grade - 9.48**

the highest grade received by companies in the energy industry receiving Corporate Governance grading for the first time



**Inclusion in the Borsa Istanbul Corporate Governance Index (XKURY)**

In support of



**Signed the Women's Empowerment Principles (WEPs)**



**Aydem Renewables Activity Report 2021 receives 5 awards at the LACP Vision Awards**

"Gold Award" in Energy-Equipment Services category, "Silver Award" in Regional Exceptional Success Award category, LACP Technical Accomplishment Award, "Türkiye Top 20" list, "EMEA Region Top 80" list



**Bonds, Loans & Sukuk Türkiye Awards**

First place in "Public Offering Transactions of the Year" category  
Second place in "Corporate Bond Issuance of the Year" category



**ICCI 2022 Energy Awards**

The Uşak Hybrid SPP wins 2 awards in the "Hybrid Plants" and "Main Equipment" (panel manufacturer Parla Solar) categories



**LACP 2021/22 Vision Awards**

The Sustainability Report wins 2 awards at the LACP 2021/22 Vision Awards and ranks 55th in the Top 100 Reports across the world

The only energy company from Türkiye that is leading its own sector in the overall world ranking

# SUSTAINABILITY MANAGEMENT

- Sustainability Priorities
- Supply Chain Management
- Stakeholder Participation



At Aydem Renewables, we believe we need to maintain our pioneering position in the sector and create value for all of our stakeholders, society, and environment on our journey to become a company that evolves from local to national and from national to global. We are aware of the importance of fulfilling the requirements of global standards for sustainability, and taking the needs of future generations into account, and adopting an approach that cares about the sustainability of natural resources and the environment to provide them with healthy resources.



As Türkiye's largest company that produces 100% of its energy from renewable resources, we work with our vision of "Clean energy for a sustainable future" and our mission of "Becoming the leading renewable energy producer in Türkiye" and always consider the expectations of all of our stakeholders when determining our corporate strategy.

Staying true to the Sustainability, Innovation, and Human Orientation values in our corporate focus, we are contributing to our country's sustainable development and continuing our efforts to add value to the future. While producing the "clean energy" of today and tomorrow, we are working undauntedly to create long-term value with the respect we have for the environment and people; to strengthen our team and company, and carry them to the future.

In line with our sustainability vision, we signed the United Nations Global Compact (UNGC) in 2020 and in 2021 we updated our sustainability agenda in parallel with the United Nations Sustainable Development Goals and participated in the biggest corporate initiative in this area in the world. In 2022, we continued our progress by expanding our targets with being a signatory of the Women's Empowerment Principles (WEPs).

We share how we are fulfilling our commitment to the 10 principles of the United Nations Global Compact, which we are part of, at the global level every year with the Communication on Progress (CoP) and make new commitments in the many steps of our business model from investment decisions and operations to our governance model and our decision-making mechanism.

In line with our target of becoming net-zero by 2050, we have set our emissions density reduction target, taking 2020 as a base, at 30% for 2025 and 65% for 2035. We are advancing by supporting our "sustainability" point of view integrated with our corporate strategy, with our sustainable governance model, our environmental and social performance and targets, and our approach that cares about the sustainability of the needs of future generations.

To this end, we have tasked the Sustainability, Environment, and Occupational Health and Safety Committee and a Sustainability Study Group consisting of 18 people with managing Environmental, Social, and Corporate Governance issues. The same team is in charge of the Company's sustainability reporting and publishes its reports with the approval of the General Manager.



We organized a total of 672 hours of employee training in the reporting period focused on sustainability.

**80 hours**  
Sustainability Training

**34 hours**  
Sustainability Management and Reporting Training

**360 hours**  
Corporate Sustainability

**198 hours**  
Sustainability Expertise Training

# Sustainability Priorities

Various governance bodies have been formed at Aydem to manage sustainability at the strategic and operational levels. The Sustainability, Environment, and Occupational Health and Safety Committee is responsible for the strategic management of Environmental, Social, and Corporate Governance issues at the Board of Directors level. And the Sustainability

Study Group, formed of 18 employees from various company units, is responsible for the operational management of sustainability issues.

We carry out our prioritization efforts in accordance with the criteria recommended by the Global Reporting Initiative (GRI) Standards, published by GRI. To deter-

mine our priorities, we assessed the global megatrends in the energy industry for Aydem Renewables and the social, environmental, and economic impact of the United Nations Sustainable Development Goals on the industry. We finalized our priorities in this workshop and shared them with senior management. We reviewed the

priorities determined in the previous term in 2022 and continued to apply them when setting goals in line with our strategy.

## Our Sustainability Priorities

### Business Ethics and Corporate Governance

Business Ethics | Transparency  
 Corporate Governance | Anti-Corruption  
 Risk Management



### Contribution to the Local Economy and Society

Infrastructure Investments  
 Contribution to the Local Economy and Employment  
 Relations with Indigenous Peoples



### Occupational Health and Safety

Disaster and Emergency Preparedness  
 Occupational Health and Safety  
 Security



### Business Continuity and Reliability

Sustainable Supply Chain | Innovation  
 Availability and Business Continuity | Digital Transformation and Information Security  
 Efficient Renewable Energy Supply  
 Economic Performance



### Workplace Practices

Inclusive Workplace, Diversity, and Equality  
 Skill Management  
 Employee Satisfaction and Loyalty



### Climate Change and Biodiversity

Climate Change | Circular Economy  
 Greenhouse Emissions | Biodiversity  
 Emissions Trade | Land Pollution  
 Renewable Energy | Material Consumption  
 Energy Efficiency | Water Efficiency  
 Waste Management | Protection of Water Sources



# Supply Chain Management

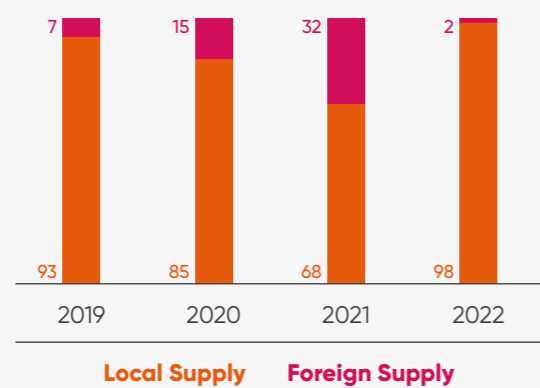
We mostly collaborate with local suppliers to contribute to the local economy, to provide supply continuity and minimize security risks to supply. Under supply chain management, we expect our suppliers to comply with our business ethics values, perform the appropriate inspections, and/or check that their self inspections have been completed. Sixty of our suppliers successfully passed environmental inspections in the reporting period and 6 suppliers were inspected for the first time.

We carried out 98% of our purchasing operations in 2022, amounting to TL 1,509,488,924, through local suppliers. Only 2% of our supplier portfolio is made up of foreign suppliers. Our main supply items principally consist of goods purchases such as automation systems, machinery, electrical equipment, hardware and OHS equipment; and service purchases such as security, consultancy, maintenance-repair, engineering, and construction.

al health and safety criteria, and do not collaborate with suppliers whose management systems and quality, operations and practices, and product quality harm the environment, that do not manage their impacts, and that do not uphold social sustainability criteria. Our stakeholders can access our Supplier Evaluation Procedure, formed by transforming these principles into objective criteria, from the company website.

In the process, we get in touch with our suppliers regularly, listen to our stakeholders' opinions on our way of doing business, our targets, and performance, and try to understand their expectations. We then try to meet these expectation with the investment, transformation, and development decisions we make. We therefore make all our purchases in the spirit of transparency and trust and conduct our e-procurement processes to make the process even more reliable.

Ratio of Local Supply Based on Purchase Value (%)



## Sustainable Supply Chain

At Aydem Renewables, we choose our stakeholders according to how much they will benefit from our activities and relations and their capability to adapt to our business targets. We care about open communication, and for this reason, we try to stay in touch as much as possible with our internal and external stakeholders and to create new communication channels.

We incorporate our principles on financial requirements, OHS policy, ethical values, and environmental issues in all our supplier contracts and note our sensitivities about compliance with these issues.

In our Supplier Evaluation System, we take into account environmental, human rights, sustainability, business ethics, occupation-

We classify suppliers in accordance with our values and our standards, and use suppliers that care about our sustainability strategy and expectations, thereby creating the best pool of suppliers.

With the "Supplier Pre-Evaluation Form" planned for service purchases on the SAP system, we evaluate our suppliers from an environment, human rights, occupational health and safety, sustainability, technical, and financial standpoint. When purchasing materials etc, we manage our procurement processes by choosing from a list of approved suppliers created based on our supplier evaluation criteria.

We especially care about the energy efficiency of purchased within the scope of sustainability and the ISO 50001: Energy Management System. We include terms in all our supplier contracts that require them to comply with our OHS policy, our ethical values and principles on human rights and environmental issues, and we inform them that non-compliance will be subject to penalties.

All those who took part in the "Supplier Satisfaction Survey" carried out in 2022 said they are generally happy to be working with Aydem Renewables, and 59% said they were very satisfied.



# Stakeholder Engagement

The expectations of all stakeholders with whom we collaborate are among our priorities. We care greatly about stakeholder engagement and include their opinions and suggestions in

our decision-making and activity processes. We utilize various channels so that our stakeholders can share their opinions and suggestions soundly.

## Employees

- Idea Line (continuous)
- Enport Intranet Platform (continuous)
- Enbülten monthly online communication magazine (monthly)
- Social events (continuous)
- Management meetings (continuous)
- Employee training (continuous)
- Project group meetings (continuous)
- IKON app (continuous)

## Shareholders and investors

- Board of Directors meetings (continuous)
- Committee meetings (once per 3 months)
- Investor relations web site (continuous)
- General Assembly meetings (annual)
- E-mail, phone, and discussions (continuous)

## Holding and Group Companies

- Board of Directors meetings (continuous)
- General Assembly meetings (annual)

## Public Institutions and Local Administrations

- Sustainability Report (annual)
- Activity Report (annual)
- Online and face-to-face meetings (continuous)

## Suppliers and Subcontractors

- Sustainability Report (annual)
- E-mail, phone, and discussions (continuous)
- E-procurement (continuous)

## Banks and Finance Institutions

- Online and face-to-face meetings (continuous)
- Congresses (continuous)
- Reporting (instant)

## Universities and Research Institutions and Consultants

- Online and face-to-face meetings (continuous)
- Congresses (continuous)

## Independent Audit and Rating Agencies

- Online and face-to-face meetings (continuous)
- Congresses (continuous)
- Reporting (instant)

## Unions, Non-Government Organizations, and Industry Associations

- Sustainability Report (annual)
- Activity Report (annual)
- Online and face-to-face meetings (continuous)

## Society

- Meetings and face-to-face discussions (continuous)
- Projects (instant)

## Media

- Sustainability Report (annual)
- Activity Report (annual)
- Press bulletins (continuous)
- Press meetings and face-to-face discussions (instant)
- Industry meetings and congresses (continuous)

## International Organizations

- Projects (instant)

















## Customers

- Projects (instant)



## Stakeholder Engagement

### Corporate Memberships and Partnerships

<p>Business Council for Sustainable Development Türkiye (SKD - BCSD Türkiye)</p>  <p>Sürdürülebilir Kalkınma Derneği</p>	<p>Search and Rescue Association (AKUT)</p>  <p>ARAMA KURTARMA DERNEĞİ</p>	<p>Denizli Industrialists and Businessmen Association (DESiAD)</p>  <p>Denizli Sanayiciler ve İş İnsanları Derneği</p>	<p>United Nations Global Compact (UNGC)</p>  <p>United Nations Global Compact</p>
<p>Disaster and Emergency Management Presidency (AFAD)</p> 	<p>Geothermal Energy Association (JED)</p>  <p>JEOTERMAL ENERJİ DERNEĞİ</p>	<p>Türkiye Investor Relations Society (TÜYİD)</p>  <p>yatırımcı ilişkileri derneği</p>	<p>Türkiye Corporate Governance Association (TKYD)</p>  <p>Türkiye Kurumsal Yönetim Derneği</p>
<p>Sustainable Production and Consumption Association (SÜT-D)</p>  <p>Sürdürülebilir Üretim ve Tüketim Derneği</p>	<p>Turkish Industry and Business Association (TÜSİAD)</p> 	<p>Women's Empowerment Principles (WEP)</p> <p>In support of</p>  <p>Established by UN Women and the UN Global Compact Office</p>	<p>International Science-Based Targets Initiative (SBTI)</p>  <p>DRIVING AMBITIOUS CORPORATE CLIMATE ACTION</p>
<p>Turkish Electricity Industry Union (TESAB)</p> 	<p>Electricity Producers Association (EÜD)</p>  <p>Elektrik Üreticileri Derneği</p>	<p>Green Hydrogen Association</p>  <p>Yeşil Hidrojen Üreticileri Derneği</p>	<p>Turkish Wind Energy Union (TÜREB)</p>  <p>TÜRKİYE RÜZGAR ENERJİSİ BİRLİĞİ TURKISH WIND ENERGY ASSOCIATION</p>

# CLIMATE CHANGE AND BIODIVERSITY

- Climate Change Management
- Renewable Energy Supply
- Energy Management and Efficiency
- Greenhouse Gas Management
- Emissions and Renewable Energy Certificate Trade
- Water Management
- Circular Economy and Waste Management
- Biodiversity



# Climate Change and Environmental Management

As a company that produces electricity with 100% renewable resources, our main priority to support meeting society's energy demands through climate-friendly resources by utilizing environmentally-friendly methods as efficiently and reliably as possible. Accordingly, we place climate change and environmental management at the focus of our work culture.

Climate change and environmental management is carried out through sharing responsibilities starting with the Board of Directors and senior management down to field management levels. The company creates its strategic management plans by assessing the risk and opportunities associated with climate change and environmental matters with studies conducted at the Board of Directors level starting with the Sustainability, Environment,

and Occupational Health and Safety Committee and the Early Risk Detection Committee. Risk-opportunity assessment tools such as stress tests and scenario analyses are utilized at this time. The risks and opportunities found are evaluated not only from an operational aspect, but also in terms of their financial impact. For example, while drought and hydrological changes are considered the most fundamental climate risk that may affect the company, rapid return on investment for low carbon energy production technology investments is regarded as the most basic opportunity. The structural and financial details of the Company's climate risk and opportunity portfolio have been published and can be accessed by all our stakeholders as part of the Carbon Disclosure Project. The business plans created in this regard take the 1.5°C Global Warming Response Scenarios

as a basis and the company's business units implement the resulting plans. The Sustainability and HSE Department managers manage and coordinate these efforts and monitor their performance.

The company practices its Climate and Environment Management using internationally accepted systems and applications starting with ISO 14001 Environment Management System and ISO 50001 Energy Management System and as part of the Integrated Quality Management Model. System standards are certified with periodic external audits.

As climate and environmental performance is also assessed in the corporate performance evaluation and employee suggestion systems, it is one of the annual personal targets for employees at management levels and is tracked with indicators. These indicators towards reaching targets also affect remuneration to encourage directors. Similarly, the company evaluates all climate and performance improvement suggestions made by directors and staff. The suggestion makers are awarded according to the performance size of the project.

Climate and environmental impacts are monitored in detail across operations in a scope that exceeds legal requirements and the results are reported to the relevant authorities and all of our stakeholders through sustainability reports. Water and carbon

footprint inventories have been calculated and verified according to the ISO 14064 Corporate Carbon Footprint Standard and ISO 14046 Water Footprint Standard since 1918, and these are monitored. We make use of the newest and most effective technologies to minimize our waste production and our carbon-water footprint and to ensure high efficiency.

The necessary funding is provided to carry out the activities and investments needed to increase efficiency in climate change and environmental management. A total of TRY 4.9 million in environmental spending was made in 2022 comprising TRY 1.2 million TRY in investments and TRY 3.7 million in operations.

No penalties were imposed for inconformity with legal regulations in the area of climate and the environment in the reporting period.

Apart from its activities, Aydem Renewables also regards the associations and initiatives it is a member of as business partners and supports their efforts. As such, the SustainableDevelopmentAssociation(SKD), Sustainable Production and Consumption Association (SÜT-D), United Nations Global Compact (UNGC), International Science-Based Targets Initiative (SBTI), Green Hydrogen Association (YHD), and Turkish Wind Energy Union (TÜREB) are among our supported business partners.



# Renewable Energy Supply

The entire world is transitioning to renewable energy to meet the increase in consumption and population in accordance with Sustainable Development Goals and to reduce carbon emissions. At Aydem Renewables, we are aware of our responsibilities under the Sustainable Development Goals and are committed to working without pause to improve all our business processes and put forward low carbon solutions in addition to producing renewable energy. We support a correct energy economy plan and infrastructure, an efficient and reliable production organization, and securing our country's energy continuity with renewable energy sources. As such, we aim to increase our renewable energy production variety with new hybrid investments. We cooperate with various institutions and stakeholders to carry out our strategic purchasing, combination, and hybrid investment projects for our renewable energy production, which we aim to increase every day, and work to provide more people with renewable energy.

Our hybrid plant projects allow us to produce energy with auxiliary energy sources in support of the main supply. We are investing in hybrid solar energy for our wind power plants and hybrid solar or hybrid wind power for our hydroelectricity power plants. By diversifying our energy resources with this system, we aim to minimize the effect of seasons, climate, and extreme weather conditions, and increase both our capacity utilization rates and our efficiency.

When we look at the targeted distribution for our planned projects, we can see that work has begun on our auxiliary SPP plant investment plans

totaling 289.35 MW installed power at some of the plants in our portfolio and located in many of Türkiye's regions, including a total of 257.91 MW installed power from Land Hybrid SPP installations at our Uşak WPP in Banaz/Uşak, our Söke SPP in Söke/Aydın, our Akıncı HPP in Reşadiye/Tokat, and our Koyulhisar HPP in Koyulhisar/Sivas plus a Channel-Type Hybrid SPP of 0.34 MW installed power at the Feslek HPP in Nazilli/Aydın, and Floating Hybrid SPPs totaling 31.44 MW installed power at the Göktaş HPP in Aladağ/Adana, the Dalaman HPP in Dalaman/Muğla, and the Adıgüzel HPP in Güney/Denizli. As the first phase of our Uşak WPP Hybrid SPP project, excavation at our 82.15 MW investment began in May 2022 and a solar field of 155,000 panels was set up. Bifacial solar panels were selected for this project with the goal of generating electricity as efficiently as possible from the solar energy over the unit's land with a construction system that tracks the sun and using panels that can produce electricity using reflections from the rear surfaces too.

Not limiting ourselves to our portfolio, we continuously monitor current developments and legislation to take our place in new areas in the energy industry, and we take advantage of all opportunities for the future in the area of renewable energy together with the energy of our employees. We closely monitor technological developments and turn practicable ideas for our company into projects and investment ideas. One such project is the "Electricity Production Facility with Storage". The Energy Market Regulatory Authority (EMRA) issued the "Regulation on Amending the License Regulation in the Electricity Market"

on November 19, 2022, based on which the company made a preliminary license application with the EMRA to build an "Electricity Production Facility with Storage". SPP makes up 400 MW of the application we made and WPP makes up 100 MW and work has begun for an investment plan of 500 MW.

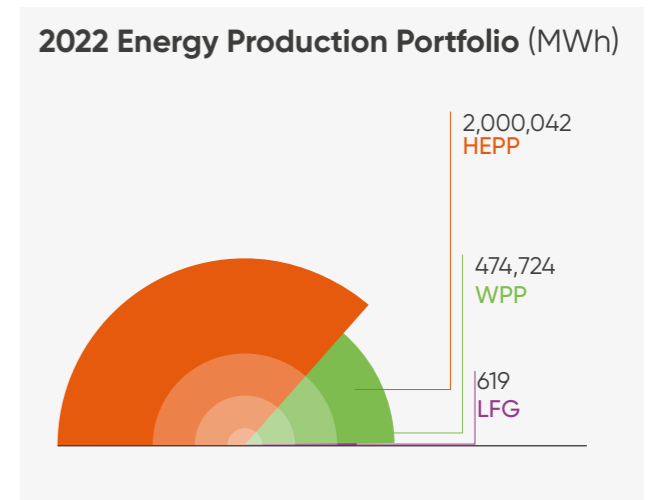
Additional capacity allocations to increase the capacities of our wind plants were made possible through regulations issued by the EMRA. We are using these allocations to increase capacity at our Uşak WPP, Yalova WPP, and Söke WPP plants. We are continuing to work on projects totaling 160 MW, EMRA approvals for which have either been received or are still in progress. We take both efficiency and capacity improvements in wind turbine technology into account when carrying out our capacity increase projects. So, we are going to use efficient technological turbines that meet today's requirements in the related projects. They have no gearboxes so they are quiet, they do not use chemical lubricants so they are environmentally friendly, and they produce maximum energy for minimum space.

The total power of the aforementioned investments will be 949.35 MW. Through Hybrid investments, which account for 289.3 MW of these investments, our current plants will have an increased variety of sources and continuity of production will be ensured. The 660 MW portion is new investments, and we aim to increase our installed power of 1,020 MW to 1,968.75 MW with an increase of 93.12% in 2025, the 30th anniversary of our establishment, with these projects, which we plan to complete over the next 3 years.

Our growth targets are not limited to new investments. In accordance with the growth targets in the industry, we are closely monitoring merger and purchase opportunities as well. While new investments are continuing in line with the Company's growth targets, we are devoting maximum care to the operation of our existing plants. We constantly maintain and repair our plants and reinforce them to keep the energy supply flowing.

As of 2022, the weighted median age of our hydroelectric plants is 15 years from time of commissioning and therefore the remaining license period is 27 years; whereas the median age of our wind plants is 8 years and the remaining license period is 36 years.

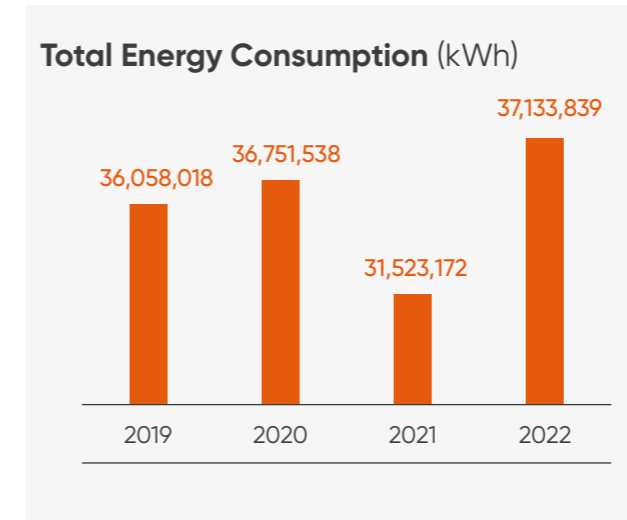
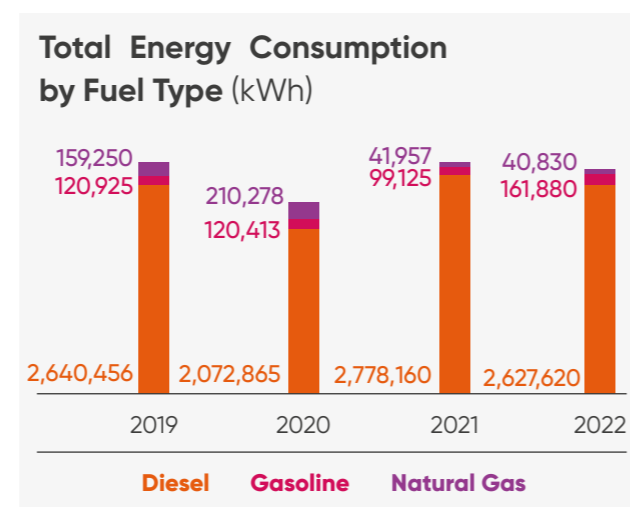
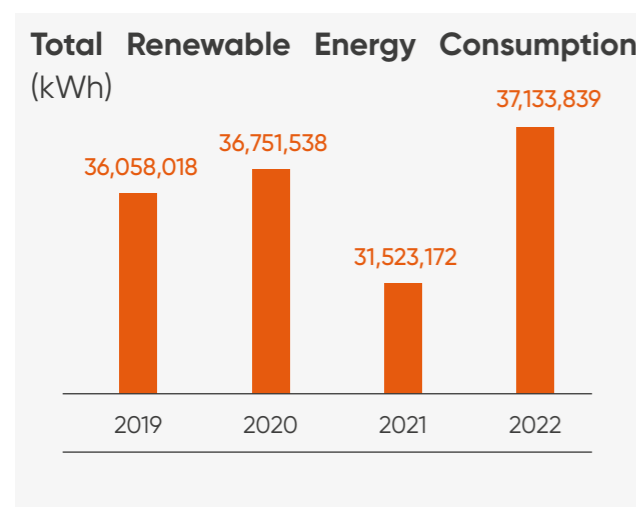
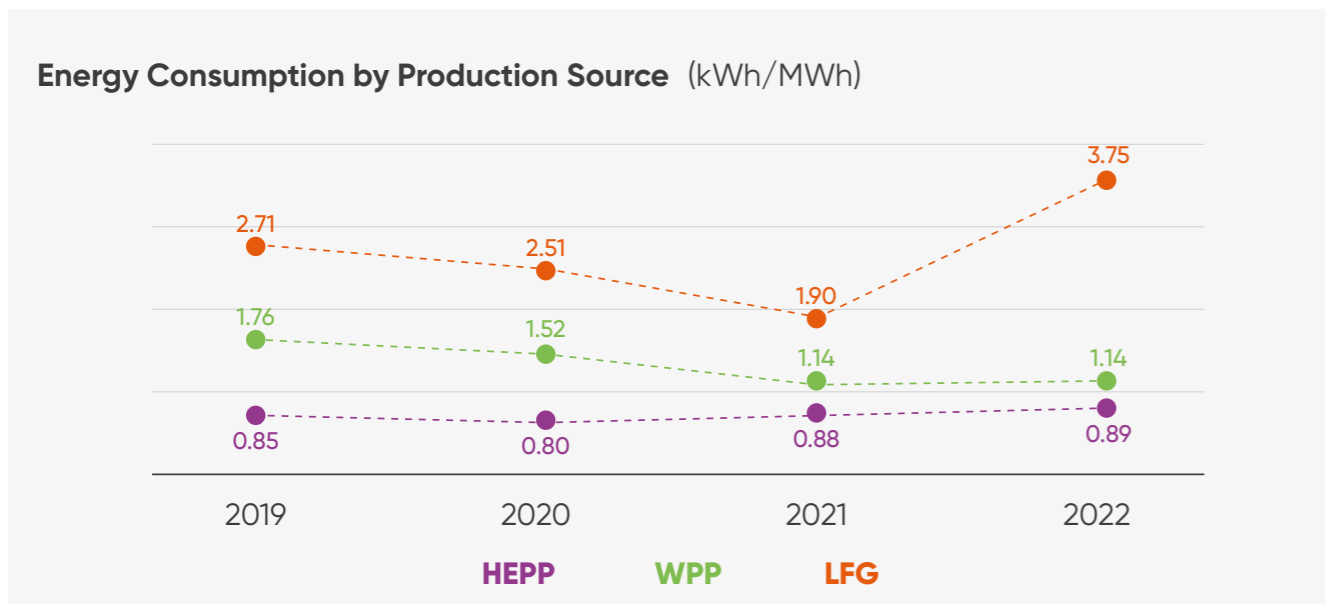
We are also presenting the "Allocation and Impact Report" for 2022 prepared by our company under the "Sustainable Green Funding Framework" to the public on the Investor Relations page of our corporate website.



# Energy Management and Efficiency

As an energy producing company, energy management and efficiency are among our essential priorities. As such, we follow the ISO 50001 Energy Management Standard to accomplish all phases of our production activities as efficiently and safely as possi-

ble. We diligently check that all materials used outside the turbines comply with international and national technical specifications and possess type test certificates.



In addition to our practices, we train our employees on energy efficiency at all of our plants, and pay importance to raising awareness. Effective energy management lies at the heart of our sustainability focus, so in addition to healthy growth and continuous energy supply, we constantly monitor our energy consumption amounts, informing our stakeholders transparently and implementing projects that reduce consumption, lower costs, and increase efficiency to minimize our impact on the environment.

We developed the "Illumination Systems Revision Project" for all of our plants during the reporting period and placed orders with the aim of replacing the illumination in all of our plants with "led" lights in the first quarter of 2023. We finished replacing all the home appliances used at the majority of our plants with Class A Energy Efficiency appliances in 2022 as part of the "Class A Energy Transformation Project" saving 114 MWh by the end of the year as a result. We plan to save 683.84 MWh every year with our plants where the replacements were made. At the plants that have not undergone the "A" Energy Transformation yet, we plan to complete our efforts in 2023.

A Grate Cleaning Machine was installed at the Felsek HPP, preventing disruptions in production caused by floating tree branches, garbage, and other clogging materials. The grate cleaning machine helped us achieve 140 MWh in energy savings. A Grate Cleaning Machine was likewise installed in the Toros HEPP Loading Pool, preventing stops caused by floating garbage and avoiding a production loss of 1,200 MWh.

We achieved 1,454 MWh in energy savings in 2022 as a result of our energy efficiency products.

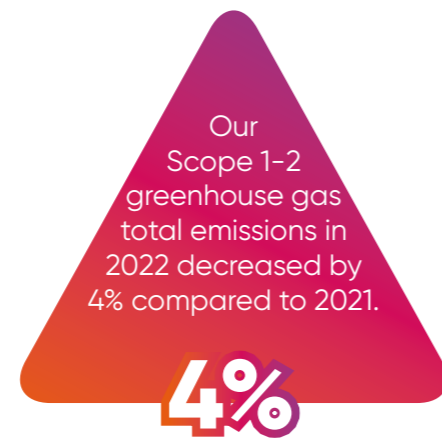
# Greenhouse Gas Management

The most basic source of impact stemming from our activities comes from direct and indirect energy consumption. Energy consumption makes up a considerable part of our greenhouse gas emissions inventory. This is why we assess points that cause energy consumption and calculate the amount of consumption and the greenhouse gases produced as a result. We act in compliance with the requirement of the ISO 14064 Corporate Carbon Footprint Standard, ISO 14046 Water Footprint Standard, and ISO 50001 Energy Management System to reduce the carbon footprint caused by our activities and to increase our energy efficiency. We use our findings to implement practices aimed at reducing our energy and emission density.

We determine the methodology used to calculate greenhouse gas emissions in accordance with the existing activity data and adopt the Tier 1 approach specified in IPCC (2006), DEFRA and ECOINVENT. If data is acquired from natural gas flow, we adopt the Tier 3 approach for carbon dioxide. With this approach, the activity data for the related greenhouse gas emission source are multiplied by the emission fac-

tor corresponding to this activity (related fuel/material). For greenhouse gases other than CO<sub>2</sub>, the emissions equivalent is specified in CO<sub>2</sub> equivalent units. The Global Heating Potentials and Calculation/Conversion factors used in the calculations are shown in the Greenhouse Gas Report.

Our greenhouse gas emission per production value for 2022 has increased because of the Uşak WPP Capacity increase and Uşak WPP Hybrid SPP project constructions in the reporting term, coming to 0.0304 Tonnes CO<sub>2</sub>e/MWh. This is why our total greenhouse gas emissions, which had been falling since 2019, came to 75,190.52 Tonnes CO<sub>2</sub>e.<sup>2</sup> Apart from this, we have no sources of recordable polluting emissions such as NO<sub>x</sub>, SO<sub>x</sub>, PM, or VOC.

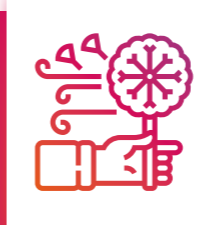


Greenhouse Emissions (Tonnes CO <sub>2</sub> )	Scope 1	Scope 2	Scope 3
2019	925	4,458	632
2020	776	4,729	362
2021	1,365	3,535	961
2022	1,588	3,120	70,483*

\* The noticeable increase in the period is caused by the construction works performed in the investment period. The emission level is expected to return to normal after the physical investment.

<sup>2</sup> Scope 1, Scope 2 and Scope 3 were included when calculating total greenhouse gas emissions.

We aim to reduce our emission density per production (Scope 1-2 GHG emissions) by 4.5% annually on our way to reaching our net-zero target for 2050 in line with the European Union Green Deal 2050 strategic targets.



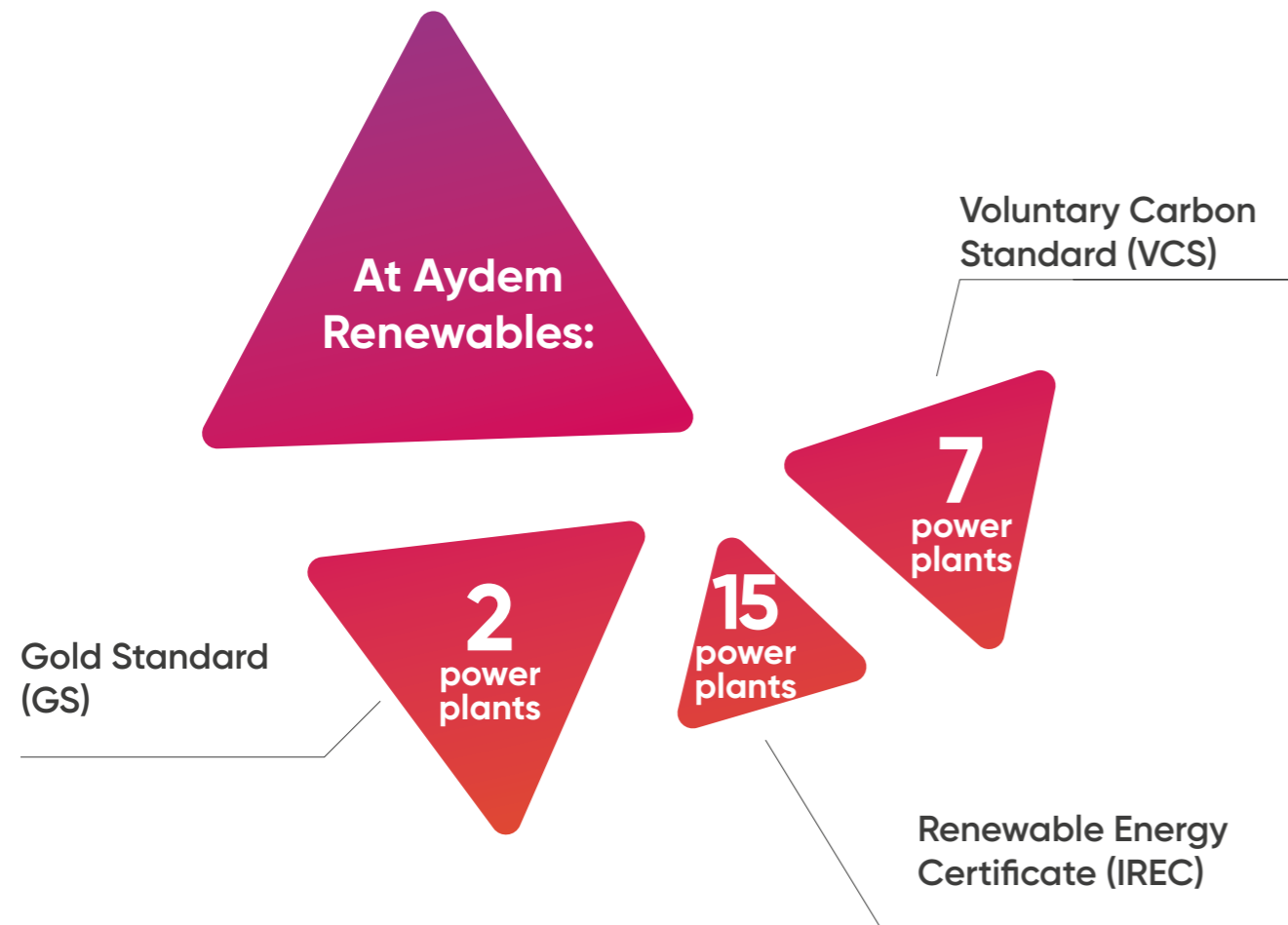
## Our Achievements for Climate and the Environment

- ▶ We raised the "B Management Level" grade we had earned in 2021 in the Carbon Disclosure Project (CDP) Climate Change and Water Security Survey to the highest grade "A Leadership Level" in 2022. With this new grade, Aydem Renewables succeeded in entering the CDP Water Security A List 2022 Report where only 106 companies across the world are present and the CDP Climate A List 2022 Report where only 295 companies across the world are present; and in Türkiye, we succeeded in becoming the first and only energy company to enter the A List Report where only global leaders were present up to now.
- ▶ We signed the Science-Based Targets Initiative (SBTi) Net-Zero Commitment in November 2022. We become one of the first and leading companies in the energy sector to sign the Science-Based Targets Initiative - SBTi letter of commitment including net-zero targets for science-based objectives. The company committed to setting a science-based long term target to reach net zero value chain greenhouse gas emissions by 2050 in accordance with the Net-Zero Standard of SBTi, presenting this for SBTi validation and publishing it within 24 months at the latest. By committing to setting a net zero target, we have taken the necessary steps to be a part of the Business Ambition campaign for 1.5°C and to participate in the Race to Zero campaign, and are waiting for the results to be evaluated.
- ▶ We won the "Low Carbon Hero Award" for the fourth time at the "Low Carbon Hero 2022 Awards" with the Uşak WPP Auxiliary Source SPP project, planned to achieve emission reductions of 300 thousand tCO<sub>2</sub> annually.
- ▶ We achieved a reduction of 537.44 tCO<sub>2</sub> in 2022 with the Vehicle Tracking System, online meetings, and the hybrid working model.

## Emissions Trade

Climate change and environmental problems rank first among increasingly important global risks. We, too, are trying to fulfill our responsibilities in the fight against climate change. To this end, we have been working resolutely since 2011 to increase investments in renewable resources and provide electricity to our customers who want to reduce or neutralize their emissions. And with the 100% renewable energy we produce, we enable our customers to use clean energy, and offer emissions reduction certificates and renewable energy certificates to voluntary carbon markets.

In addition to the current 473,388 tonnes VCS and 520,682 tonnes GS carbon credits, as a company with 855,000 IREC certificates potential, issued certificates equivalent to more than 628,823 MWh in 2022. Six percent of the certificates were prepared under VCS and 94% under IREC. We made TRY 4.04 Million in additional revenue in 2022 with carbon sales.



## Water Management



At Aydem Renewables, we care about the responsible and efficient use of water in all of our production areas of activity and our processing. Water is the main component of hydroelectricity production, and undoubtedly the main component of life. Water is a strategic and vitally important resource and we must invest in R&D and innovative technologies to protect it, especially at its source. To this end, we are continually assessing and updating our water policies for reliable and effective management.

We receive the necessary permits from the regulatory authorities for using and processing water in all our activities. In addition to protecting water at its source, we carry out periodic checks based on the standards that must be applied for its efficient use and for managing waste water, and we continually oversee this with internal and external inspections. We calculate our water footprint according to the ISO 14046 Water Footprint Standard and have it validated annually by independent organizations.

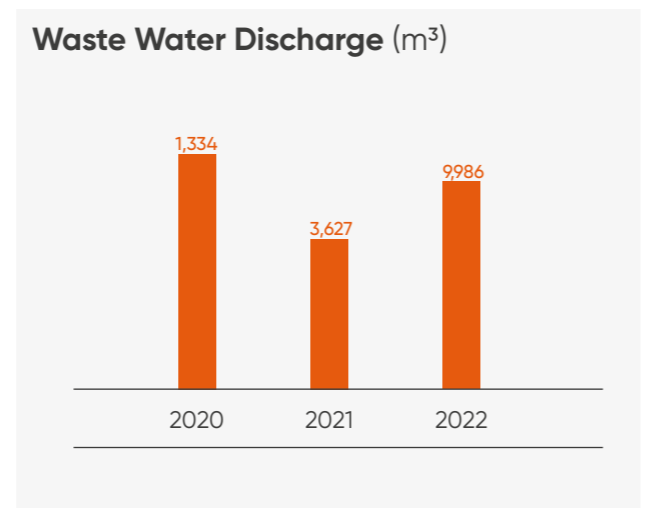
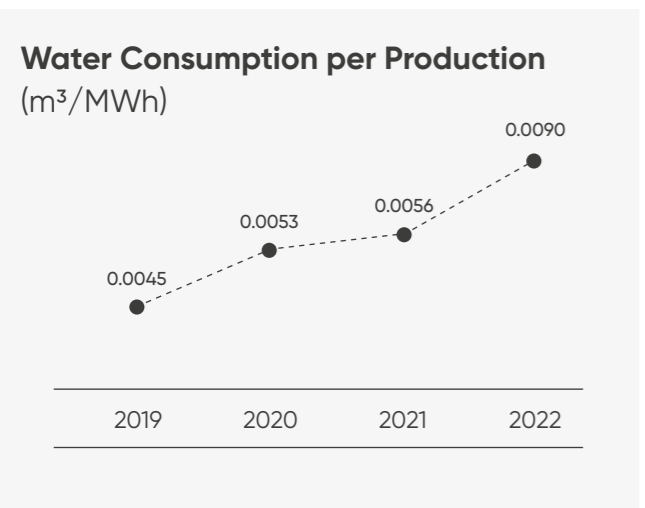
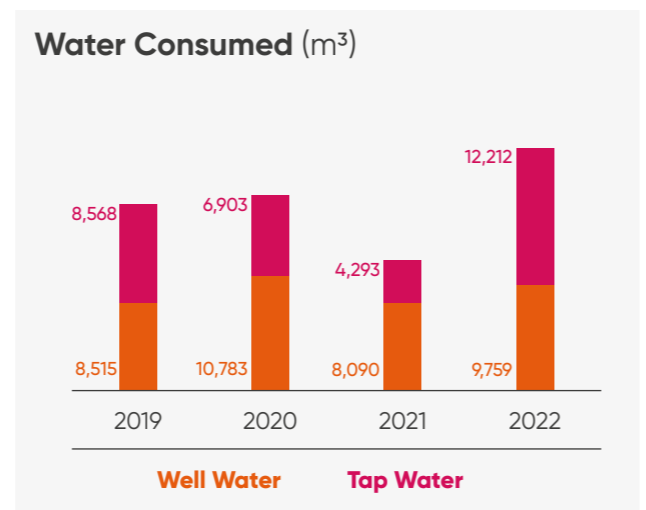
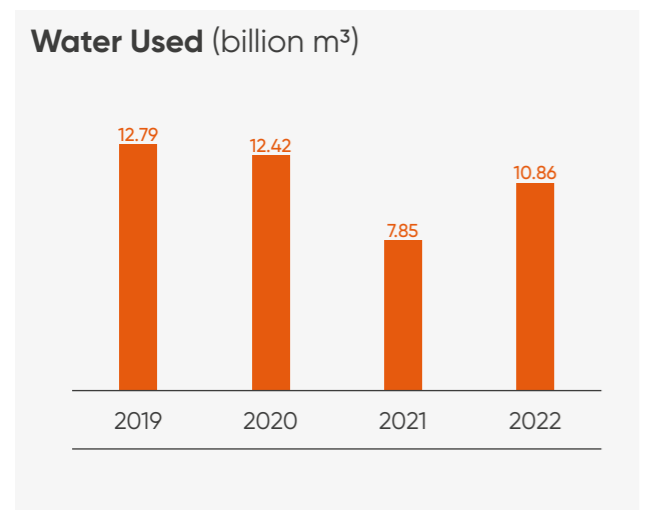
# Water Management

## Water Utilization Cycle

At Aydem Renewables, after water is taken from natural sources to produce electricity, its potential energy is converted to kinetic energy and used to produce electricity, then the water is released back to nature without any loss. In completing their roles in open loop production, the cooling water and turbine water are released back without being polluted and cleanliness is continually monitored in all these steps as required by environmental legislation. The

amount of process water we use is monitored with plant-based readings. Some 10.86 billion m<sup>3</sup> water passed through the electricity generation turbines in 2022 and the same amount of water was released back to nature without being polluted. Use of water declined in 2021 due to the drought but increased in this reporting period to 10.86 billion m<sup>3</sup> as the drought declined and the water passing through the turbines increased.

Our other activities also consume water albeit in lower quantities than that used to generate electricity. These activities consumed 21,971 m<sup>3</sup> water in 2022. The amount of water consumption per production has been calculated as 0.0090 m<sup>3</sup>/MWh. This water consumption resulted in 9,986 m<sup>3</sup> waste water being discharged.



### At Aydem Renewables, for Water..

For Water Efficiency:

- ▷ We analyze the process water at our active plants once a year using samples taken downstream and from the source and check whether the plants have any effect on the water.

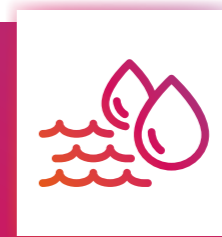
- ▷ We clean the grates to ensure efficient power production.

For Waste Water:

- ▷ We manage waste water in all HEPP, WPP, GPP and landfill gas plants in Aydem Renewables using cesspools, have them drained regularly, and transfer them to the contracted local treatment system. We register all facilities with the Waste Water Information System (EÇBS).

For Downstream Water Usage Rights Reports:

- ▷ Per the Water Usage Right Agreement made with the DSI, we renew the Downstream Water Usage Rights reports once every 10 years.



### Our Achievements and Projects Regarding Water Sources:

- ▶ Calculations for the water footprint of our head office and all facilities in 2022 have been verified by an accredited certification institution per the ISO 14046 Water Footprint Standard.
- ▶ As a result of the answers to the Water Security surveys conducted as part of the Carbon Disclosure Project (CDP) in 2022, we increased our grade of B Management Level last year to A Leadership Level and became the first and only energy company from Türkiye to enter the "A List Report" along with 106 companies across the world.
- ▶ We completed and commissioned our rainwater collection project at 2 facilities chosen as trial sites..



# Circular Economy and Waste Management

Waste in renewable energy production is generated more during maintenance and in investment periods than during operations. As in all resource processes, in waste management we target preventing pollution at its source, and aim to sort and reclaim the generated wastes.

To minimize the damage to the environment, we collect all our hazardous and non-hazardous wastes separately at their source as specified in the regulations, store them regularly at temporary waste storage sites and dispatch the wastes that cannot be reclaimed to contracted licensed recycling/reclamation or disposal facilities at least twice a year.

We manage this waste in accordance with international standards, Environmental Policies, and the Zero Waste principle, and continuously update our Waste Management Policy according to ISO 14001 Environmental Management System and the applicable national regulations.

We have received zero waste certificates for all our active plants and continue to manage waste along these lines.

Not only do we adapt to environmental, climate change and waste management issues, we also organize training for all of our employees and suppliers to increase awareness and responsibility in this area.

We gave our suppliers 346 man-hours of training in 2022 and our employees 1,422 man-hours of training.

We appropriately recycled 100% of the 27,379 tonnes of hazardous waste and 70,112 tonnes of non-hazardous waste generated through our activities.



With the wastes we recycled and reclaimed:

- ▶ We achieved energy savings of 102,713 kWh and prevented the emissions of 4,292 Kg greenhouse gases with the contribution we made to recycling.
- ▶ We saved 403 trees by recycling 24 tonnes of paper and cardboard..

# Biodiversity

HEPPs and WPP, our most important sources of energy production at Aydem Renewables, are built on locations that have biodiversity due to their needs and manner of operation. This is why we use the land for our activities as efficiently as possible and monitor any impact to the surrounding water sources and airborne/land living spaces, and conduct our work with care. With our environmental awareness and responsibility, we plan our areas of operation and our operations so as not to harm biodiversity. In line with our Environmental Policies, we take the necessary precautions to preserve the current biodiversity in all our activities and comply with relevant regulations.

For our HEPP and WPP facilities, we only utilize the land that is necessary and take care not to harm nature and the environment. We prefer to use cutting edge technologies in our projects, and take care to use as little space as possible, especially in forested areas. Our activities include mon-

itoring and analyzing our environmental risks and planning to minimize our impact. To this end, we conduct biodiversity monitoring and preservation programs, mammalogical and ornithological observations, forestry and planting activities, and keep track of their results.

In 2022, the preparation of soil conservation projects for agricultural lands was ensured by our company and the necessary sensitivity was shown to minimize the damage to the lands used. In this framework, permit processes have been initiated for forest-qualified lands.

On the other hand, we are striving to produce even more energy by utilizing the land we use as efficiently as possible with our hybrid investments.

Due to our sensitivity for the environment, no environmental incidents occurred in 2022.

# Biodiversity

## At Aydem Renewables for Biodiversity and the Environment in 2022...

- ▶ We carried out an "Environmental Aspect Impact Analysis" for every power plant in the context of "Suitable Green Projects."
- ▶ We have commissioned environmental impact assessment (EIA) reports for our Uşak WPP, Söke WPP, and Yalova WPP plants for capacity increase and the installation of auxiliary SPPs.
- ▶ We have "EIA Affirmative" and "EIA Not Required" certificates for all our plants. We present a "Project Progress Report" for projects that received EIA approval to the ministry at the times specified by the ministry.
- ▶ We prepared and submitted "Biological Diversity Assessment Reports" for all our plants for Ecosystem Assessment.
- ▶ We carried out and reported "Biological Diversity Monitoring Studies" at Aydem Renewables WPP plants that fulfill the requirements of Sustainability Management of Living Natural Resources.
- ▶ All plant employees were trained by academics or consultants in:
  - ▷ "Türkiye's Biodiversity and Bio-trafficking",
  - ▷ "General Information on Birds from the Eyes of a Bird Detective."
- ▶ The installation of 50 bat shelters at the Kemer HEPP and the Project to Combat Agricultural Pests Through Increasing the Bat Population:
  - ▷ We installed sound monitoring devices around the Kemer HEPP region to monitor bats and installed bat shelters based on the results of the sound analyses.
- ▶ We installed 5 photo-traps around the Gökteaş HEPP as part of the "Wildlife Monitoring with Photo-traps" project.
- ▷ We are going to prepare a fauna inventory in light of the images captured by the photo-traps. We are going to prepare "Turkish Preservation Action Plans" suitable for the animals in the fauna inventory in consultation with the Nature Preservation and National Parks General Directorate.
- ▶ As part of the "Project to Monitor Beekeeping Activities around the Söke WPP region, Determine the WPP's impact on Bees, and Support Local Beekeeping Activities":
  - ▷ We trained the indigenous population living around the Söke WPP and who practice beekeeping with the help of the Düzce University Apiculture (Beekeeping) Research, Development, and Application Center. The training given by Faculty Member Dr. Münir Uçak and Faculty Member Tuğçe Çaprazlı covered bees' roles in biodiversity and sustainable food production, bee biology, production techniques for bee products, bee diseases, and pests. Bee hives are planned to be set up in spring 2023 after another training.



## Environmental Activities for Awareness...

- ▶ Aydem Renewables declared June 5th World Environment Day to be Environment Week and organized various activities in this vein.
- ▷ Ecoteam:
  - Ecoteam, comprised of Aydem Renewables head office employees, carried out an environmental clean-up in the Denizli Servergazi woodlands. Ecoteam will continue activities such as tree planting and animal protection to be an example for future generations and create a culture of sustainable environment.
- ▷ Ecological Festival:
  - An Ecological Festival was organized at the Adigüzel HEPP plant with Aydem Renewables employees and activities such as tree planting, a kite festival, and games with prizes took place. Children were especially included in the tree planting activity in an effort to increase awareness of environmental sustainability.



# BUSINESS CONTINUITY and RELIABILITY

- Availability and Business Continuity
- Digital Transformation and Innovation
- Privacy of Information and Cyber Security



## Availability and Business Continuity

We conduct routine maintenance with our team of experts utilizing cutting-edge technology to achieve our targets without any problems and to continuously increase our efficiency. This is how we achieve high availability ratios.

Keeping our availability ratio high is one of our top priorities for business continuity and dependability. To this end, we put emphasis on creating projects that will increase energy variety and efficiency and on developing new strategies. We subject the studies we do for energy efficiency to regular internal and external audit and we conduct our operations within the framework of ISO 50001. We periodically monitor all risks and opportunities regarding energy efficiency and make regular reports to senior management.

We perform maintenance at our plants and on our equipment with our qualified and fully competent workforce. We increase the operating life and efficiency performance of our plants and the equipment used through regular maintenance and making the necessary repairs, and keep our availability ratio high. We keep hot spares for our critical equipment (blades, gearboxes, generators, cutters) at our Uşak and Yalova WPP plants.

We are adding next generation wind turbines that create more power with a single turbine to the old turbines we used in the past that have lower production capacity and are relatively less efficient than new technologies to increase site efficiency and use the land more productively. Positive changes to the blade designs have enlarged the sweep areas of these next generation turbines and increased efficiency.

Helped by our strong IT and infrastructure systems, which we are constantly improving with a focus on digitalization, and our regular, efficient maintenance and repair efforts, we achieved an availability ratio of 99.6% in 2022. This ratio was 99.9% in our HEPPs and 99.48% in our WPPs. Planned downtimes (trips) in the reporting period came to a total of 46,679.75 hours across all our plants with 14,908 hours in unplanned trips.



### Our Path to Availability and Business

#### Continuity:

- ▶ We train our personnel for operational reliability,
- ▶ We identify electrical and mechanical equipment that may take a long time to deliver in case of an unexpected breakdown in advance and keep spares in stock,
- ▶ We perform preventive maintenance and create a test and maintenance calendar every new year to avoid unanticipated breakdowns,
- ▶ We perform tests and maintenance following a predetermined schedule, replace equipment where faults are detected, and prevent possible production loss,
- ▶ We also include availability warranties in our turbine maintenance and repair agreements, and if a lower availability occurs, we apply penalties to turbine companies according to our agreement,
- ▶ And we aim to ensure continuity of production next year with the grate cleaning machinery were developing.



## Digital Transformation and Innovation

At Aydem Renewables, we always work with a focus on innovation and the future. We closely monitor technological innovation in our work focused on "Sustainable IT for Sustainable Production," we improve our existing structure aware that innovation and digitalization are the most important elements that will carry us into the future, and we plan our technology investments accordingly.

We maintain a high level of information and cyber security, particularly with digital transformation, and continue to improve our existing security infrastructure. This is why we are making plans to correctly manage our risks and supply renewable energy in line with demand, and integrating innovation and technology into our business to take our performance to the highest level.

We invested TRY 8,805,000 in digitalization and innovation in the reporting period.

We are rapidly integrating innovation, the most critical tool for sustainable growth, efficiency in business processes, and excellence in all stakeholder relations, into our cutting-edge technology and digitalization efforts.

We assess the topics of cyber security and information security, business continuity, and sustainability, which are at the heart of the sustainable and secure way we do business, using the "Information Technologies Key Risk Indicators" reported regularly in-house by the Risk Group Directorate.

We continue to work in all areas at Aydem Renewables with the Information Technologies Directorate and the Holding Information Technologies Directorate, which report directly to senior management, mindful of business continuity and sustainable growth.

We use SAP as the ERP system in our human resources, finance, information technologies, administration, and purchasing units at Aydem Renewables to carry out maintenance, perform corporate resource planning correctly, effectively, and rapidly and to use resources such as labor, machinery, and materials efficiently.

Our efforts to improve the current business flow and ERP systems continued in 2022, taking into account the demands and needs of our business units as well as the practices developed for renewable energy production platforms meeting global standards.



## Privacy of Information and Cyber Security

Developing digital transformation practices require certain measures to be taken regarding data security and privacy in line with service responsibility. At Aydem Renewables, we are also working diligently to secure our operations against cyber risks. Focusing on information technology and cyber security, we provide business continuity by supporting our present IT system with a seamless infrastructure. As part of this, we continually monitor global technologies and manage our system using the latest security and infrastructure solutions. As in all our business processes, we proceed by including all our internal and external stakeholders in all new developments in the area of Information Technologies.

We monitor the processes for securing information systems and safely storing personal data and confidential information with the policies and standards we created 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 to ensure that all critical company information is protected in a manageable way appropriate to our needs.

We manage information technologies in accordance with legislation and in compliance with the Presidential Digital Transformation Office (CB-DDO), EMRA and CMB regulations, and the PDPL and 27001 ISMS, and we continue to develop all our business strategies adhering to the rules that govern us, particularly the CMB and EMRA. As such, matter of business continuity and information security are monitored by both internal audit and statutory external audits.

Our Information Technologies Directorate, located in our head office and operating under the Information Technologies organization, is continuing its efforts to keep our operations as efficient and effective as possible and compatible with the latest technologies. The Personal Data Protection board we formed within our company works to follow up the current regulations announced by the Personal Data Protection Authority, ensuring compliance with administrative and technical regulations and increasing awareness through sharing new decisions with the related business units.

In addition to all our control, monitoring, testing and improvement work carried out continuously under Information Technologies, we back up all our critical systems at the Disaster Recovery Center. This way, we can keep the average Up-Time rate of our critical systems at 99% and ensure the continuity of our IT services. We also protect our company with a cyber risks insurance policy and carry out new projects by monitoring current technologies.

We comply with all legislation and agreements on information security and digitalization and continuously train our employees to increase awareness about information security.

We carry out phishing attack tests on our employees to increase awareness about cyber attacks and we train specific employees after the tests.

At Aydem Renewables Information Technologies Directorate, we assess all our investment, maintenance, and awareness processes planned and implemented for sustainable production with a focus on information security and cyber security, improve them and continue to integrate them into our business processes.

# OCCUPATIONAL HEALTH and SAFETY

- Occupational Safety
- Disaster and Emergency Preparedness



# Occupational Safety

At Aydem Renewables, preparedness for occupational health and safety and unexpected situations is the basis for the continuity of our operations and security. We will not compromise on providing a safe and healthy working environment for our employees, who are our highest priority, while at the same time taking measures at the highest level for disasters and emergencies.

We first determine all our OHS practices in accordance with legislation, and we monitor the practices of international institutions and incorporate them to improve our own. At Aydem Renewables, all our facilities operate in compliance with the ISO 45001 Occupational Health and Safety Standard.

We thus ensure that dangers in the working environment are detected and risks caused by the dangers are mitigated, and more healthy working conditions are provided, making sure our practices are adopted through training provided to all our employees.

We utilize technology to ensure optimum health and safety conditions and constantly monitor industrial and technological developments. We aim to minimize occupational accidents and the associated lost-day ratios, occupational diseases and their associated losses through the practices we adopt, the measures we take, and our awareness-raising efforts. The compa-

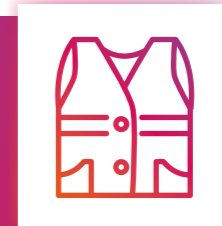
ny experienced no lost days, occupational diseases, or fatal work accidents during the reporting period; 2 accidents took place within our operations and 1 accident among contractor company employees.

Ambient and personal noise exposure measurements were carried out at Aydem Renewables head office and all our facilities in the context of occupational hygiene and safety. We are taking action and providing employees with awareness training in light of the results.

All our Occupational Health and Safety activities are carried out by our HSE-OHS Unit and JHS Unit employees and periodically inspected. All our facilities are regularly checked as determined in advance by our Life Safety and Environment Committee. Internal and external checks are continuously performed in accordance with the ISO 45001 Occupational Health and Safety standard.

In accordance with legislation, all our facilities are kept ready for inspections and checks in line with operating principles and at the initiative of authorized inspectors.

Work accident statistics and the activities performed are periodically reported to senior management and the HSE and Sustainability Group Directorate and monitored by the Risk Management Group Directorate.



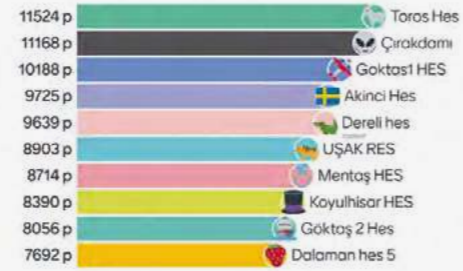
## Our OHS System at Aydem Renewables:

- ▶ 1 Sustainability and HSE (Health, Safety and Environment) Manager, 1 HSE OHS (Occupational Health and Safety) Manager, 1 HSE OHS Senior Expert and 1 HSE OHS Documentation Specialist conduct systematic and scientific studies on our activities within our company..
- ▶ Six different Joint Health Safety and Security Units offer time-based services within our workplaces and facilities.
- ▶ At least 1 employee is chosen as a representative in all facilities and the Head Office, and a Sustainability Leader is designated in all plants.
- ▶ We currently have 10 employees in the Life Safety and Environment Committee.
- ▶ Contractors are assessed for OHSE performance during investment and rehabilitation project studies.

# Occupational Safety

- We incorporated OHS software into our processes in 2022 as part of the digitalization of Occupational Health and Safety processes. The Risk Assessment and PPE tracking module was commissioned in 2022.
- With the Label-Lock-Secure-Try Investment Project, we continued LLST practices at all our power plants to neutralize the dangerous energy present in machinery and equipment during periodic maintenance, incidental maintenance, and checks to protect our employees from possible occupational accidents.
- We started efforts to commission the remote training module so that Occupational Health and Safety Training can be performed online.
- We launched the Competing Plants quiz in 2022 to increase our employees' awareness of and motivation for Occupational Health and Safety matters.
- We intend to integrate the contractor tracking module and visitor module into our processes in the online system in 2023.

## Championship Ranking



Through our efforts and practices to popularize OHS culture, the Total Recordable Accident Rate has dropped from 3.36 to 1.6.

Our company experienced no occupational diseases, major (with limb loss or death) work accidents, or accidents with day losses in 2022.

**Total Recordable Accident Rate:**

# 1.6

**Accidents with Day Losses Rate**

# 0

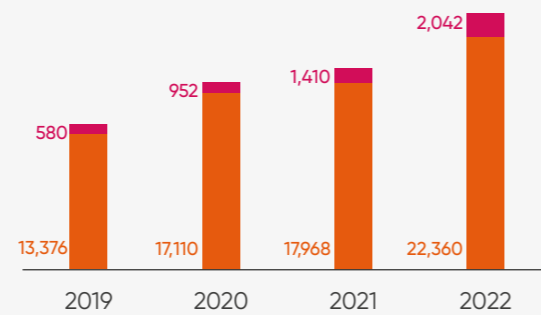
### Union Activities:

A total of 29 people working in Adıgüzel HEPP and Kemer HEPP, which joined Aydem Renewables during privatization in 2017, are members of the TES-İŞ Union. The Collective Bargaining Agreement we made with the TES-İŞ Union includes provisions for general health checks for employees, supplying and using Personal Protective Equipment (PPE), employee training, providing medical personnel and health services at the workplace in addition to provisions that regulate work life.



We increase the scope of our training and the number of training hours per person each year. As such, our employees were given 22,360 man-hours of training in 2022 and contractor company employees were given 2,042 man-hours, making an average of 40 hours per person in OHS training.

## OHS Training (man-hours)





## Disaster and Emergency Preparedness

At Aydem Renewables, we take measures against situations that will disrupt the continuity of our operations and threaten the security of our business. An understanding of a safe and reliable operation underpins our business ethics. As such, preparedness for disasters and emergencies and ensuring continuity of supply are of paramount importance for us.

Staying prepared for natural disasters and emergencies is an important element of business continuity, which is why contingency plans and procedures are always ready in all our power plants. We regularly train our employees at all our plants and Head Office for emergencies and fire safety to ensure compliance with these plans and procedures and to increase awareness in this area. Emergency drills are periodically performed at our head office and facilities as well. We have insurance policies to indemnify all material losses, including loss of profit, that may occur as a result of disasters, emergencies, and occupational accidents at all our power plants.



As part of the project we prepared in collaboration with AKUT, we are training the indigenous peoples who live around the plants in how to fight fires and forest fires and we conduct drills afterward to raise their awareness.

### Preparedness for Pandemics and Natural Disasters

We are continuing to implement our decisions and actions taken during the COVID-19 pandemic, which affected the entire world, and the natural disasters with uninterrupted and healthy production to support the security of energy supply and the country's economy. We can activate the Business Continuity Plan (COVID-19 Scenario Study) and the Emergency Action and Business Recovery Plans prepared as part of Risk Management activities partially or totally as required.

At Aydem Renewables, we have updated the risk assessments, Emergency Plans and Environmental Impact Size Analyses in all places of work within the framework of the Emergency Procedure, Risk Assessment Procedure, and Environmental Impact Size Analysis Procedure with respect to the COVID-19 pandemic and natural disasters. We have determined action plans for the new risks identified after the updates.

We have started planning and working to assemble the Aydem Renewables Search and Rescue Team in the period ahead to serve within the company and across the country during possible emergencies and natural disasters.



# WORKPLACE PRACTICES

- Human Resources Policies
- Inclusive Workplace, Diversity, and Equality
- Employee Development and Employee Satisfaction



# Human Resources Policies

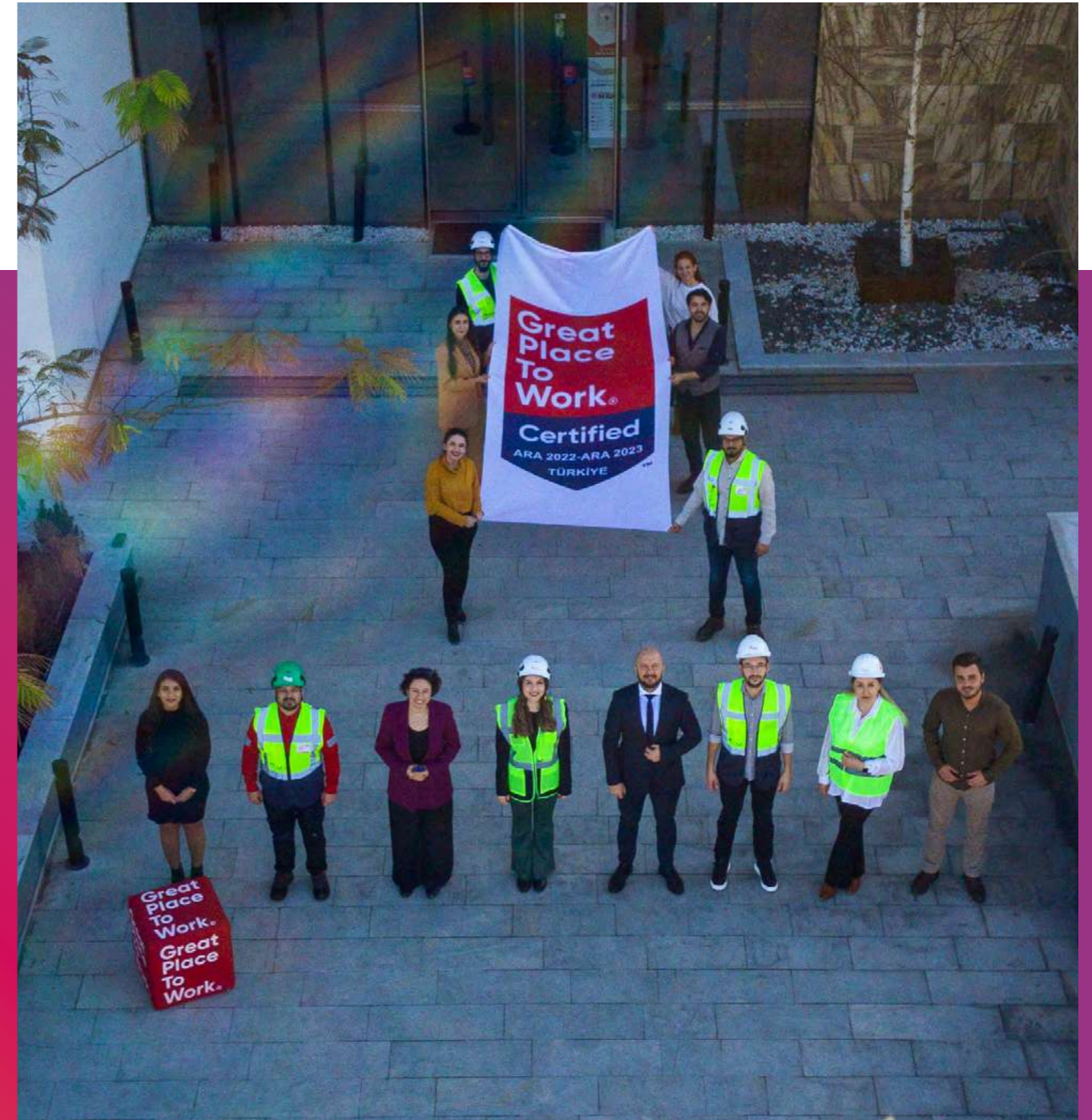
As Türkiye's largest renewable energy producer, we are working together with 556 colleagues to carry Aydem Renewables and our country into the future with the value we create. Our main objective for creating value together is to create an atmosphere where our employees are satisfied, where they take to their company, and where anyone would like to be a part.

At Aydem Renewables we treat everyone equally and fairly regardless of their gender, sexual orientation, identity, physical and mental ability, age, ethnicity or religion; and strive to offer all our employees a working environment where their ideas matter and they are recognized for adding value.

Our inclusive working environment supports continuous development, and we take special care to preserve the work-private life balance, and believe that success can only be achieved under these conditions. We have defined our Human Resources Policies accordingly to create the expertise and skill groups that will support the performance needed to sustain and increase our leading position in the energy industry, our capacity, and fulfill the expectations of our stakeholders. Similar to this, the human labor management concept we have planned involves gathering innovative employees and teams that are aware of the

public service responsibility carried by the energy industry and are ready to do what this requires within the values and culture of our company, who possess ethical values and respect the environment, creating value while aiming to be the best and most efficient.

- ▶ Working with a focus on fairness and merit
- ▶ Open and trust-based communication
- ▶ Valuing employees
- ▶ Taking charge and taking responsibility
- ▶ Supportive and guiding leadership are the values on which we build our Human Resources Strategy, where we develop and offer our employees projects that will increase their engagement, bring out their potential, and give them lasting peace and satisfaction in their working life. We continue to develop our Human Resources Strategy according to the requests and needs of our employees, in a way that is quantifiable and equal for all.



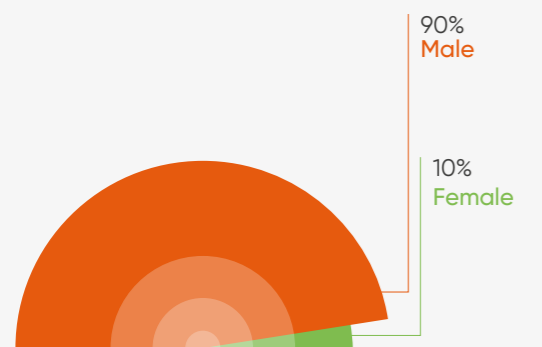
## Human Resources Policies

At Aydem Renewables, we encourage the successes of our employees with future-looking, groundbreaking projects while enriching their lives. This point of view is reflected in the value we offer our employees, who make up the main element of our employer brand. We develop and apply all of our human-related processes in accordance with the United Nations Universal Declaration of Human Rights. The Human Resources Policy that we have prepared as well as inclusivity and equal opportunities in the workplace, talent management and employee engagement, which are monitored by the Human Resources Directorate, proceed with the approval of the General Manager and the Human Resources Group Directorate, and monitored by the Holding Risk Management Group Directorate.

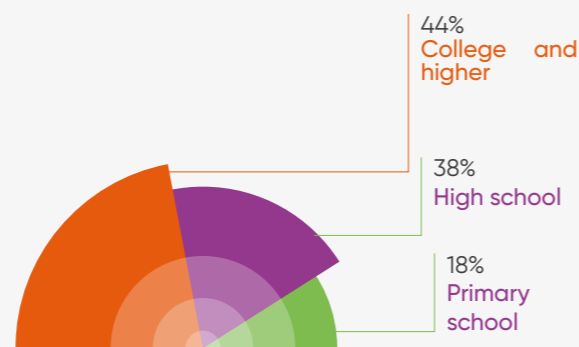
When necessary, Human Resources practices are checked and inspected by the Internal Audit and Control Group Directorate and reported regularly to senior management and tracked with yearly targets in the performance management system.

Due to the working conditions of our industry, we have fewer female employees in the field. 25% of the women working in our company occupy engineering positions, while this proportion is 11% for male employees. The percentage of women in middle and senior level managers is 12%, and the percentage of women among employees who received a promotion is 31%.

**Employees by Gender**



**Employees by Level of Education**



### Work-Life Balance at Aydem:

- ▶ We started analyzing the needs of our employees to adapt to the changing conditions during the pandemic..
- ▶ As part of our "Equality at Home and Work" program and for communication campaigns, we have been organizing solutions, programs, and awareness projects that support equal life at home, so there can be equal life at work.
- ▶ In addition to the required health insurances we take out for our employees, we have been making special arrangements with gyms in an effort to encourage sports and healthy living for our employees to protect their physical well-being.
- ▶ With our motto "We Are in the Right Place!" we tried to benefit from the advantages of the new working models we developed at Aydem Renewables when the pandemic hit plus the opportunities created by digitalization, keeping pace with the new global working regime, achieving optimum efficiency and increasing our competitiveness as a result. As we transform into a more dynamic and innovative organization together with our employees with the new working models we developed with the motto "We Are in the Right Place" to retain our claim to lead the future of the industry, we declare #WeAreForEnergy and have developed an innovative way of doing business where we keep our team spirit, agility, and pioneering mindset in hybrid, remote, and field work.
- ▶ We have reduced the standard weekly working time by 5 hours and developed the concept of efficient working so that our employees can spend more time in their private lives.

## Inclusive Workplace, Diversity, and Equality

At Aydem Renewables, we hire people with the principle "right person for the right job." We are acting to create equal opportunities without discrimination in the working environment. We believe that ensuring inclusivity and diversity, protected by our company policies and procedures, makes a more efficient, creative, and productive working environment possible. We do not tolerate discrimination on any lines in working life be it ethnicity, religion, language, race,

age, gender, sexual orientation, nationality, handicaps, or cultural differences, and we also employ disabled people, taking into account the legal quotas, in all of our processes where we act fairly and based on merit. We also support transfers within group companies as part of Promotions, Transfers, and Rotation Procedures and Internal Recruitment Procedures with the "right person for the right job" principle.

We value the abilities and experience of all of our employees and respect their differences. Ensuring that our employees can work in a fair environment without fear of discrimination or mistreatment is one of our highest priorities. We always act fairly and transparently in our hiring procedures, where we get to meet our employees for the first time, with a gender-neutral approach to CVs and a non-discriminatory perspective. Our search for colleagues is driven by the company's fundamental values of Sensitivity, Dynamism, and Contact with Life and continues by publishing job adverts on the Company's internal portals, website, and career pages. When hiring, we complete our evaluation of the applicants' skills, experience, and expertise with a Personality Inventory and General Skills and English tests.

We hired 61 new colleagues in 2022 in this way. The regional internal employment level of Aydem Renewables is around 70%. When it comes to career opportunities, we share job openings with our employees who already create value in the company using internal announcement channels and proceed by evaluating the applications they make.

At Aydem Renewables, we guarantee inclusivity and diversity with our Human Resources Policies and procedures, and we develop all our procedures with this in mind. We have an ethics board so that any incidents that may involve discrimina-

tion and mistreatment can be reported in confidence and we can take the necessary action. As a result of our meticulous approach here, no cases of discrimination or mobbing were experienced in our company in the reporting period.

Number of managers who received training on preventing harassment, mobbing, coercion, and violence

35

Number of employees who received training on preventing harassment, mobbing, coercion, and violence

67

### At Aydem Renewables We Listen to the Requests of Our Employees...

We are in constant communication with our employees through various communication channels. We carefully listen to the requests and feedback we receive through the Idea Line, the Enport Intranet Platform, Enbulletin monthly online communication magazine, social events, management meetings, e-mails, GPTW group meetings, open door communication meetings, IKON application, Phone, Mail, Intermediary Administrative Officers, and take the necessary action. Based on the requests made during the reporting period, we rewarded employees to increase their motivation for work, provided equal life training courses regardless of position or title, provided leadership training courses to increase managers' awareness, implemented the Promotion, Transfer, Rotation Project, conducted Office-Plant ergonomic improvement studies, encouraged employees to maintain the balance between work and private life, provided special and unique social opportunities and fringe benefits, extended the Open Door Project vertically, organized more social events such as picnics and trips, and celebrated birthdays.

## Inclusive Workplace, Diversity, and Equality

### At Aydem Renewables, for Equal Opportunities and Inclusivity...

- ▶ We raised awareness in all group companies on the issues of equality, diversity, and inclusivity through webinars, focus groups studies, online learning tools, and different programs,
- ▶ We analyze employees' needs for their Work Life balance due to the conditions that were completely turned around by the pandemic,
- ▶ We carry out communication work for the "Equality at Home and at Work" program,
- ▶ We select equal numbers of men and women for the talent pools by paying attention to gender equality to avoid gender inequality in employee numbers.
- ▶ We raise the awareness of our evaluators and conduct applicant-specific studies,
- ▶ We ensure that our working areas are gender inclusive and implement solutions for the different genders' special needs,
- ▶ We do not employ child labor in any of our activities and add anti-child-labor clauses to our supplier contracts,
- ▶ We have created fairness training and support processes to ensure equality among our employees and we encourage our employees to participate in this training,
- ▶ We share career opportunities in our company on internal communication channels first, and try to fill vacant positions with employees that are already creating value for us,
- ▶ We act fairly and transparently in our hiring procedures, where we get to meet our employees for the first time, with a gender-neutral approach to CVs and a non-discriminatory perspective.
- ▶ All our employees benefit equally from remuneration, performance evaluation, and career opportunities, and have equal rights,
- ▶ We share all developments concerning our equal opportunity plans with our stakeholders via internal and external communication channels,
- ▶ We use the "Buddy Implementation Procedure" at Aydem Renewables to ease new hires into the company and the job with the support of volunteer employees.

We are implementing new practices to increase the number of female employees as part of our commitment to the UN Global Compact, We aim to employ at least 20 female interns every year and at least 100 female interns in the next 5 years. The goal here is to give young female professionals the chance to earn field experience and introduce them to the working environment at our company.



# Inclusive Workplace, Diversity, and Equality

## At Aydem Renewables, for Societal Gender Equality...

- ▶ Our company has signed the United Nations Women's Empowerment Principles (WEPs),
- ▶ The "Procedure for Eliminating Domestic Violence" was published on November 25, the International Day for the Elimination of Violence Against Women, covering all our stakeholders,
- ▶ We are hiring 20 female interns,
- ▶ We practice positive discrimination for women when hiring,
- ▶ We set targets to increase the total training hours of women, and there are among the targets of the Human Resources Directorate,
- ▶ We gift handbags made by craftswomen to our female employees on March 8 Women's Day,
- ▶ We organize webinars and awareness training for "Equal Life,"
- ▶ We encourage women's participation in the Company Board of Directors and senior management to support the inclusion of women in the workforce and improve the social gender balance in the Company's decision-making mechanisms,
- ▶ We ensure that our working areas are gender inclusive and implement solutions for the different genders' special needs within the framework of Gender Equality in Physical Conditions and Legal Practices,
- ▶ We actively manage the procedures for maternity leave and afterward, and adopt practices that observe these rights and ease the transition back to work,
- ▶ Employees who have recently given birth are entitled to 6 months of unpaid leave after the maternity leave, they can work "part-time" supported by İŞKUR, and have the chance to work remotely,
- ▶ As part of the 16 days of activism started by UN Women on November 25 International Day for the Elimination of Violence Against Women, the Head Office of our Company was illuminated with orange light and the #shesaidno awareness hashtag was projected on the wall,
- ▶ We support women's participation in labor and include all the female-male equal opportunities principles in our human resources policies and procedures, guaranteed by our Human Rights Policy.

**We signed the United Nations Women's Empowerment Principles (WEPs) in 2022.**



**We published the "Procedure for Eliminating Domestic Violence" on November 25, International Day for the Elimination of Violence Against Women.**

**Number of male employees who received leadership training:**  
**176/503 (35%)**

**Number of female employees who received leadership training:**  
**31/53 (58%)**

## Employee Development and Employee Satisfaction

At Aydem Renewables, we provide our employees with a working environment where they can improve their talents and productivity, advance in their careers, and feel satisfied and healthy. We organize talent management programs, career planning, and comprehensive training suitable for our employees so we can grow together and achieve our goals. The purpose of our Training Policy is to train our employees to work more efficiently in accordance with the company's goals and objectives and add value to the company. We make all kinds of investments to identify the training that needs to be applied, plan training activities, and implement them. We plan technical, occupational development, and personal development training courses that are compatible with our employees' needs and appropriate for their respective fields.

We monitor global and industry-wide developments and benefit also from the possibilities introduced by digitalization when preparing our training programs. With our Success Factors Education module, one of our digital transformation steps, we have created a cloud-based system where we can manage our training processes from a

single platform. This lets us apply and monitor our training processes more systematically.

We provide many online and face-to-face training programs for employee growth under the roof of the Aydem Academy. And for our technical employees, we organize their training provided by the Vocational Qualifications Institution, so they can become more technically proficient and certified, and to increase the quality of the workforce. We organize orientation training for our new employees.

We conduct various training programs to support the growth of our employees' talents. We spent a total of TRY 1.1 million on such training during the year. Talent and vocational development training in 2022 total of 13,192 man-hours with 22,360 man-hours in OHS training, a significant increase over previous years. In addition to talent and OHS training, we also organize training in disasters and emergencies and have been giving ethics, risk, and anti-corruption training since 2020.

Employee Training (man-hours)	2019	2020	2021	2022
Talent and Occupational Development Training	7,552	10,173	15,718	13,192
OHS Trainings	13,376	17,110	17,968	22,360
Disaster and Emergency Training	2,736	1,380	1,480	2,985
Ethics Training*	-	187	366	32
Anti-bribery and Anti-corruption Training*	-	8	43	1

\* Ethics Training and Anti-Bribery and Anti-Corruption Training began in 2020.

Aydem Renewables earned the Great Place To Work® certificate in both 2021 and 2022 among companies with 500-999 employees by scoring 80 in the Great Place to Work® Trust Index employee satisfaction survey, valid in more than 60 countries.

### Remuneration and Fringe Benefits

Aydem Renewables acts with care in its remuneration processes as well in light of its Human Resources Policy, and proceeds with an understanding of equality and competitiveness. It works with a global and independent remuneration adviser in this area, investigates the current realities of the labor market, and manages its processes with a fair remuneration system based entirely on performance analyses. This ensures that employees are not discriminated against based on gender, language, religion, race, sect, belief, nationality, civil status, or similar reasons and are given a working environment where they can feel safe.

The Remuneration Policy sets out the principles that will be followed when determining the wages of all employees including senior management, including CEO, and the management team. We have adopted a competitive remuneration policy designed to motivate employees, starting with senior level and key managers, attract new talents, and keep them within the Company. We also apply a performance-based remuneration method to determine the wages of all managers and employees, including senior level managers. Accordingly, blue collar and white collar employees are given targets within their duties, responsibilities and qualifications, and premiums are paid following yearly evaluations. While the performance base for the premium differs per employee category, it covers social, environmental, and governance issues starting with Occupational Safety in addition to financial performance indicators. We take such factors as basic qualifications and the depth of technical knowledge into account when making our evaluations.

Apart from fixed and performance-based remuneration, employees are given a very wide range of fringe benefits such as private health insurance, efficiency-increasing project awards, achievement awards, position based company cars, mobile phones, laptops, dining card support, gifts for new year and special occasions, seniority awards, and marriage and birth awards. We make sure that all employees benefit equally from these rights.



# CONTRIBUTION TO THE LOCAL ECONOMY and SOCIETY



**Aydem**  
yenilenebilir  
enerji

Hayat için enerji

At Aydem Renewables, we manage using a good corporate governance model coupled with our social responsibility awareness, and we strive to give the best to our country, people, and all our stakeholders. We believe that our working discipline, with fair, ethical, and robust governance policies at its core, will always drive us to do better. We believe that we need to create value for all our stakeholders and society in this area, and we have adopted an approach that observes global standards and the sustainability requirement of natural resources, the environment, and future generations. We try to contribute to sustainable development and a safe life for future generations by working with non-governmental organizations, public institutions, and organizations in the areas where we operate, and act with this awareness of responsibility.

Observing the rights of the people living in the areas where we operate, taking measures to prevent rights violations, complying with applicable national and international laws and regulations on human rights, and ensuring that our business partners do the same without compromising on our publicly shared Human Rights policy are enshrined

as a fundamental Company principle. The Internal Audit function also provides guarantees for all these fields. We carry out our work in our areas of activity with great sensitivity and care for society and the environment.

We continuously check, maintain, and make improvements to the access roads in the areas where our wind power plants are located, usually at higher altitudes with rough terrain to obtain maximum benefit from wind capacity usage. By improving the access roads, we not only help the indigenous peoples access agricultural areas but also allow firefighting teams to respond quickly to fires in these regions.

Also, as we have power plants located throughout Türkiye, we contribute to local employment and support the economic growth of those regions and development of the indigenous populations through social projects and collaborative efforts.

In collaboration with AKUT, we organized training programs to prepare the indigenous people for natural disasters and to fight blazes and forest fires as part of the project called "Into the Future Hand-in-

Hand with Our Energy" and we also carry out drills.

We measure the expectations of local government and the indigenous populations in the areas where we operate through Stakeholder Boxes and we continue working by establishing relations with them built on transparency and trust. We respond personally by phone to requests and suggestions forwarded to us via the Stakeholder Boxes, and act to satisfy these

requests. We continued to meet such requests as supplying materials to be used in common areas of use and renovating schools in 2022 as well.

We donated a total of TRY 900,000 to various institutions and organizations in 2022 through donations, aid, and social responsibility projects.



## For Local Development:

We collaborated on projects with consultancy companies for settlements in the project region in 2022 and carried out activities to maintain maximum social benefit.

### In Büyükoturak Village in Uşak:

- ▶ Repair and maintenance of a fire sprinkler and making it operational.
- ▶ Partnering with the Natural Life Village Project in cooperation with the Zafer Development Agency Investment Support Office,
- ▶ Increasing the water holding capacity of Kozviran Pond,
- ▶ Furnishing and repairs at the family medical center and purchasing a diesel generator for the infirmary.
- ▶ Roadworks to improve land access roads,
- ▶ Renovating all the playgrounds at the Primary and Middle School.

Büyükoturak had been classified as a town until 2014, therefore it has public services such as a bank, agricultural loans office, police station, post office, high school and a market, and is the hub for the neighboring villages; its Family Medical Center has a doctor, nurse and healthcare employees and it also serves the neighboring villages. The items and furniture in the Family Medical Center were old and worn. So, we carried out repair and renovation work such as renewing the electricity and water installations, applying fresh paint, replacing kitchen counters and cabinets, converting a section that was used for storage into an examination room with a sliding glass panel on rails laminated floorboards. We also purchased a generator to provide continuous energy to the infirmary in case of energy blackouts.

The Zafer Development Agency approved the additional application prepared by the Uşak Province Special Administration for the operation stage of the project for the production of teas, essential oils, cosmetics, creams, disinfectants and similar products from medicinal and aromatic herbs such as lavender, thyme, saffron, and echinacea on November 5, 2011, making Aydem Renewables the project's corporate partner. Energy requirements of the machinery and equipment at the plant such as the steam tank, distilling tanks, squeezing and filling machinery etc. will be met by the 50 kW SPP system to be installed on the roof of the administrative building by Aydem Renewables.

We repaired the inoperable fire sprinkler in Büyükoturak Village and performed maintenance. In collaboration with AKUT, we trained everyone who will use this equipment and the fire-fighter tanker given to the village previously in case of fire or emergencies, and we carried out practical training by performing drills, and made the sprinkler available for the villagers to use.

We improved more than 100 km of land access roads around the villages of Büyükoturak, Paşacık, Çiftlik, and Karaköse.

### In Çiftlik Village:

- ▶ We installed an SPP system for the village's drinking water.

We installed a 7.2kW SPP consisting of 14 solar panels in the pressurized drinking water system in which drinking water is first carried to the 15-tonne intermediary depot in the village by gravity then pumped with an electrical pump to the main depot. The village's electricity expenses due to pumping costs are now covered by the SPP system we installed.

### In Paşacık Village:

- ▶ We purchased a patient bed and an inflatable mattress,
- ▶ We purchased a seed picker and feed crushing machine.

### In Karaköse Village:

- ▶ We helped produce seed for animal feed plants in cooperation with the Uşak Provincial Agriculture and Forest Directorate, the Banaz District Agriculture and Forest Directorate, and the Çiftlik Village Development Cooperative.

### In Uşak:

- ▶ We sponsored the showing of the Grain of Wheat film on Disabled Day.
- ▶ We gave tracksuits to the Banaz Şehit Sadık School.
- ▶ We provided folklore costume support for Büyükoturak Village on the April 23 national holiday.

### In Taşlık Village, Düzce:

- ▶ We met the needs of the common areas in Taşlık Village, near our Aksu plant. worth TRY 30,000 to the Social Aid and Support Foundation of Düzce Gölyaka Municipality.
- ▶ We donated Ramadan food packages

### In Denizli:

- ▶ We renovated the Çivril Lütfiye Altaş Primary School and library.
- ▶ We donated 500 books to the Alaca Primary School at Buldan, which had burned down and was then rebuilt.
- ▶ We donated 500 books to the Sakarya Middle School in Sarayköy.
- ▶ We donated kites to the Honaz Rehabilitation Center.
- ▶ We became jersey sponsors for the Zeykinköyspor soccer club.
- ▶ In collaboration with the Denizli Atatürk Vocational and Technical Anatolian High School, we initially installed bat shelters prepared by their students around the Kemer HEPP in Aydın and the Dalaman HEPP in Muğla. The bats in the region are going to be monitored and the necessary action will be taken, and how bats contribute to agriculture and the ecosystem in the region will be observed.

### For our youth:

- ▶ We signed a one-year main sponsorship agreement with Pamukkale University (PAÜ) - IEEE.
- ▶ We are carrying out scholarship, work experience, and employment after graduation programs with Istanbul Technical University, Middle Eastern Technical University, Pamukkale University, and Kütahya Dumlupınar University to create a qualified workforce and provide experience to graduate students for their growth and in business life.

**We also make our local and social contributions with the voluntary assistance of our valued employees. We have been able to reach out to many people with these projects.**

1. Using the "Buddy Implementation Procedure" with 21 volunteer participants, we aim to ease new hires at Aydem Renewables into work at the company quickly.
2. One hundred volunteers voiced books chosen by our employees in the Touch Life with Your Voice project in cooperation with Boğaziçi University Visually Disabled Technology and Education Center. Participants in this project are given free Storytel membership.
3. Four volunteers have gave voluntary internal training on equal life to all employees under the Equal Life project, supporting awareness in this area.
4. Under the Let No Schools Be Without Books project, 550 volunteer participants are donating books to village schools in need from their own libraries, and our Corporate Communication Directorate is ensuring the books reach the locations in need.
5. Led by the Sustainability and HSE Directorate, 20 volunteers created the Ecoteam, an entirely voluntary effort, and are planning and carry out environmental projects.
6. One hundred fifty volunteers collected aid to increase solidarity over the Ramadan Holiday in cooperation with LÖSEV and supported voluntary action.
7. As part of the 16 days of activism started by UN Women on November 25 International Day for the Elimination of Violence Against . the Head Office of our Company was illuminated with orange light and the #shesaidno awareness hashtag was projected on the wall,
8. We provided food and soup for socioeconomically disadvantaged people for 4 months in collaboration with the PASVAK Soup Kitchen.
9. We participated in the We Are Illuminating the Future with Our Energy campaign, and donated a total of 1,000 books to village schools located around the plant.

# ANNEXES

- Performance Table
- GRI Content Index



# Performance Tables

Economic Performance Date	2019	2020	2021	2022
Net Sales Revenue (TRY)	1,197,000,764	1,340,375,223	1,240,753,398	3,807,844,798
Total Installed Power (MW)	1,020.00	1,020.00	1,020.00	1,020.00
Capacity Utilization Rate HEPP (%)	33%	30%	18%	27%
Capacity Utilization Rate WPP (%)	30%	33%	35%	35%
Capacity Utilization Rate LFG (%)**	67%	53%	26%	22%
Total Energy Production (MWh)	2,802,719.36	2,638,406.65	1,795,602.79	2,475,385.00
WPP Energy Production (MWh)	408,045.09	438,427.47	483,514.68	474,724.00
LFG	3,748.50	2,956.55	1,449.67	619.00
HEPP Energy Production (MWh)	2,390,925.77	2,197,022.63	1,310,638.45	2,000,042.00
Geothermal Electricity Production (MWh)	-	-	-	-
Operating Profit (TRY)	671,711,233	683,241,931	450,168,938	2,700,263,713
EBITDA (TL)	968,448,475	1,039,205,100	904,865,477	3,471,643,925
Net Payable (TRY)	4,227,466,418	4,783,416,254	8,530,802,291	11,538,075,180
Return on Equity (ROE) (%)	-0.12	-0.12	0.00	0.08
Total Assets (TRY)	10,242,416,788	12,470,698,190	22,531,356,887	35,389,705,153
Total Investment Amount (TRY)	154,696,366	74,590,248	358,975,553	1,418,894,051
Direct Economic Value Created - Net Sales Revenue (TRY)	1,197,000,764	1,340,375,223	1,240,753,398	3,807,844,798
Distributed Direct Economic Value (TRY)	348,853,195	505,314,343	567,056,866	1,386,068,215
Activity expenses (including supply, excluding wages)	172,466,254	264,501,448	275,837,180	629,948,888
Wages and side benefits paid to employees	58,552,448	68,320,010	95,242,652	167,396,789
Paid dividends	0	0	0	0
Taxes and similar payments made to the state	117,663,802	169,453,885	191,493,371	587,846,248
Donations, sponsorship, and corporate responsibility spendings	170,691	3,039,000	4,483,663	876,290
Supplier Structure (In Purchasing Value Basis) (TRY)	242,152,196	282,958,369	636,883,822	1,509,488,924
Local Supplier	200,817,998	265,290,348	373,201,590	1,474,944,970
Non-Local (Foreign) Supplier	41,334,198	17,668,020	263,682,233	34,543,954
Supplier Structure (Number of Suppliers)	1,050	856	879	1
Local Supplier	1,015	842	843	1111
Non-Local (Foreign) Supplier	35	14	36	25
Support made to infrastructure works (TRY)	170,691	0	0	179,065
Subsidies and funding received from the state and various international institutions (TRY)	0	0	0	1,266,784,981

\* The calculated corporate tax amount is stated.

\*\* Transferred from the company in June 2022..

Environmental Performance Data	2019	2020	2021	2022
Total direct energy consumption (kWh) (in fuel basis)	2,799,706.06	2,403,556.44	2,919,241.81	2,830,330.00
Diesel Fuel Consumption (kWh)	2,640,456.24	2,072,864.68	2,778,160.24	2,627,620.00
Gasoline Consumption (kWh)	120,924.70	120,413.35	99,124.81	161,880.00
Natural Gas Consumption (kWh)	159,249.82	210,278.41	41,956.76	40,830.00
Total Energy Consumption (kWh) (Electricity)	36,058,018.00	36,751,538.00	31,523,172.00	37,133,839.00
Energy Purchased (Electricity)	137,409,863.38	143,676,027.80	107,781,309.21	125,577,000.00
Total Renewable Energy Consumption (kWh)	36,058,018.00	36,751,538.00	31,523,172.00	37,133,839.00
WPP, JPP, LFG	11,713,150.00	14,812,156.00	15,581,962.00	12,517,240.00
HEPP	24,344,868.00	21,939,382.00	15,941,210.00	24,616,599.00
Energy Consumption per Production (%)				
WPP	1.76	1.52	1.14	1.14
LFG	2.71	2.51	1.90	3.75
HEPP	0.85	0.80	0.88	0.89
Total Energy Saving (kWh) (from efficiency projects)	-	-	19,577,000	1,454,000
Water Consumption (m³)				
Well Water	8,515.10	10,782.70	8,090.30	9,759.12
Tap Water	8,567.86	6,902.83	4,292.54	12,211.85
Water Passed Through Turbines	12,789,236,351.50	12,418,796,962.81	7,845,652,718.00	10,855,357,553.47
Reclaimed Water (reclamation from outside the facility)	243.15	224.96	189.83	198.54
Water Consumption per Production (m³/MWh)				
WPP	0.0015	0.0024	0.0026	0.0035
HEPP	0.0050	0.0056	0.0063	0.0041
Geothermal	240,000	571,370	467,847	1,092.02
Consolidated	0.0045	0.0053	0.0056	0.0090
Fresh water (≤1,000 mg/L Total Dissolved Solids)	12,750.00	13,865.72	10,038.67	13,607.01
Total Waste Water Discharge (m³)**		1,334.00	3,627.00	9,986.10
Total Waste Quantity (tonnes)***	37.26	74.41	73.98	97,490.66
Recycled (R-coded) non-hazardous waste (tonnes)	1.00	2.00	6.00	70,112.00
Recycled (R-coded) hazardous waste (tonnes)	33.00	26.00	50.00	27,378.66

\* Total production and water consumption is considered.

\*\* No discharges were made to natural receiving environments, the resulting waste water is stored and periodically transferred to waste water facilities.

\*\*\* The noticeable increase in the period is caused by the construction works performed in the investment period. The emission level is expected to return to normal after the physical investment.

# Performance Tables

Energy and Emission Management	2019	2020	2021	2022
Total Direct GHG Emissions (Scope 1) (tonnes CO <sub>2</sub> )	925.32	775.45	1,364.72	1,587.93
Total Indirect GHG Emissions (Scope 2) (tonnes CO <sub>2</sub> )	6,477.28	4,729.06	3,534.47	3,120.07
Total Indirect GHG Emissions (Scope 3) (tonnes CO <sub>2</sub> )*	646.64	498.31	960.94	70,482.52
Greenhouse Gas Emissions Per Production (tonnes CO <sub>2</sub> /MWh)	0.00	0.00	0.00	0.03
Penalties Received for Landscaping in Reporting Period (quantity - TRY)	0.00	0.00	0.00	0.00
Amount of greenhouse gas reductions provided by business travel, personnel shuttles, company vehicle use (tCO <sub>2</sub> )	-	-	-	537.44
Amount Spent for Environmental Activities and Investments (TRY)				
Measurement and analysis costs	-	-	91,200.00	72,244.00
Total waste costs	-	-	292,566.00	321,359.03
Chemical expenditure	-	-	15,000.00	3,500.00
Documentation and approval expenses	-	-	201,652.00	372,816.00
Consultancy and training costs	-	-	1,022,660.00	1,798,998.00
Maintenance and repair expenses	-	-	23,500.00	20,229.00
Investment costs	-	-	925,900.00	354,000.00
Training provided to suppliers in HSE topics (man-hours)	1,014.00	1,137.01	217.71	226.00
Total leak and spillage incidents (quantity)	0	0	0	0
Total leak and spillage amounts (quantity)	0	0	0	0
Environment training				
Training participants (number of individuals)	-	-	773	1,419
Company employees	-	-	773	1,419
Contractor/supplier employees	-	-	0	45
Training duration (man-hours)	-	-	591.92	1,422.25
Company employees	-	-	591.92	1,422.25
Contractor/supplier employees	-	-	0	346
Environmental accident report	-	-	0	0
Social Performance Data	2019	2020	2021	2022
Talent and Occupational Development Training - Participants (person)	341	539	540	571
Female Office Employees	39	45	45	51
Female Field Employees	0	0	2	4
Male Office Employees	68	78	81	94
Male Field Employees	234	416	412	422

\* The noticeable increase in the period is caused by the construction works performed in the investment period. The emission level is expected to return to normal after the physical investment.

Social Performance Data	2019	2020	2021	2022
Talent and Occupational Development Training- Total Hours (man-hours)	7,552.00	10,173.00	15,718.00	13,192
Female	1,461.00	826.00	695.00	1,815
Male	6,091.00	9,347.00	15,023.00	11,327
Training Hours per Employee (hours/employee)	13.30	17.90	29.30	23.70
Female	31.80	16.50	13.40	34.20
Male	11.60	18.10	31.00	22.50
Recorded Accident Frequency	5.42	5.77	3.36	1.6
Accident with Lost Time Frequency	2.71	0.82	0.84	0
Rate of Professional Diseases	0.00	0.00	0.00	0
Number of Fatal Occupational Accidents	0.00	0.00	0.00	0
Injury Rate	5.42	5.77	3.36	2
Direct employment				1.76
Contractor employees				2.64
Total Number of Experiences Work Accidents	12	7	4	3
White collar employees	0	0	0	0
Blue collar employees	12	7	4	2
Contractor employees	0	0	0	1
OHS Training Provided to Employees - Total Hours (person*hours)	13,956	18,062	19,378	24,402
Direct employment	13,376	17,110	17,968	22,360
Contractor employees	580	952	1,410	2,042
OHS Training Provided to Employees - Number of Participants				
Direct Employment	-	567	537	556
Contractor employees				124
Planned Downtime (hours)	35,766.79	66,079.81	59,723.17	46,680
HEPP				45,378
WPP, JPP, LFG				1,302
Unplanned Downtime (hours) (trip duration)	11,573.86	5,205.79	14,414.32	14,908
HEPP				2,348
WPP, JPP, LFG				12,560
Number of Unplanned Stoppages (number of trips)	4,031.57	2,249.00	1,334.00	5,044.00
HEPP				703.00
WPP, JPP, LFG				4,341.00
Official Compulsory Trips (hours)	52.00	53.00	61.00	170.00
HEPP				24.00
WPP, JPP, LFG	84.68	109.16	147.58	146.00

# Performance Tables

Social Performance Data	2019	2020	2021	2022
<b>Employees who received leadership training</b>	<b>0</b>	<b>0</b>	<b>250</b>	<b>207</b>
Female	0	0	49	31
Male	0	0	201	176
<b>Employees who received mentorship</b>	<b>0</b>	<b>5</b>	<b>0</b>	<b>1</b>
<b>Persons who received business ethics, misconduct, and anti-corruption training</b>		<b>216</b>	<b>367</b>	<b>30</b>
Employee		160	364	27
Manager		56	3	3
<b>Employee training on ethics</b>				
Total training participants (person)		160	364	27
Total training hours (man-hours)		187	366	32
<b>Anti-bribery and anti-corruption training</b>		-	-	-
Total training participants (person)		160	364	27
Total training hours (man-hours)		8	43	1
<b>Sustainability Training (man-hours)</b>				
Sustainability Training				80
Sustainability Management and Reporting Training				34
Corporate Sustainability				360
Sustainability Expertise Training				198
Employees who received prevention of harassment, mobbing, coercion, and violence training				
Employees			21	67
Manager			34	35
<b>Number of participants in disaster and emergency training</b>	<b>342</b>	<b>329</b>	<b>370</b>	<b>500</b>
<b>Disaster and emergency trainings total hours (man-hours)</b>	<b>2,736</b>	<b>1,380</b>	<b>1,480</b>	<b>2,985</b>

Employee Demographics	2019	2020	2021	2022
<b>Total Workforce (Number)</b>	<b>690</b>	<b>753</b>	<b>704</b>	<b>556</b>
<b>Direct Employment</b>				
Female	46	50	52	53
Male	523	517	485	503
<b>Contractor Employees</b>	<b>121</b>	<b>186</b>	<b>167</b>	<b>374</b>
<b>Direct Workforce (Number)</b>	<b>569</b>	<b>567</b>	<b>537</b>	<b>556</b>
Female	46	50	52	53
Male	523	517	485	503

Employee Demographics	2019	2020	2021	2022
<b>Direct Workforce by Type of Contract (Number)</b>				
Indefinite Employment Contract	510	563	535	552
Temporary Employment Contract	59	4	2	4
<b>Direct Workforce by Level of Education (Number)</b>				
No education	0	0	0	0
Primary school	138	129	101	98
High School	221	213	202	213
University and Higher	210	225	234	245
<b>Direct Workforce by Age Group</b>				
18-30	104	94	94	85
30-40	225	217	207	219
40+	240	256	236	252
<b>Employees provided regular performance evaluation feedback</b>				<b>526</b>
<b>Senior Management Structure (Number)</b>				
Female	0	0	0	0
Male	5	4	4	4
<b>Mid-Level Management Structure (Number)</b>				
Female	5	8	7	7
Male	45	43	43	46
<b>New Recruits (Number)</b>	<b>74</b>	<b>39</b>	<b>43</b>	<b>61</b>
<b>Resigned Personnel (Number)</b>	<b>56</b>	<b>23</b>	<b>19</b>	<b>28</b>
<b>Employee Circulation</b>	<b>0.026</b>	<b>0.040</b>	<b>0.035</b>	<b>0.052</b>
Amount of people leaving because they want to	30	18	9	11
Amount of people dismissed by the company	26	5	10	17
<b>Number of Employees on Maternity/Paternity Leave</b>				
Female	6	5	4	3
Male	0	0	0	0
<b>Number of Employees Returning from Maternity/Paternity Leave</b>				
Female	6	5	4	1
Male	0	0	0	0
<b>Number of Employees who did not Quit Work for the Last 12 Months After Returning from Maternity/Paternity Leave</b>				
Female	9	7	4	0
Male	0	0	0	0
<b>Number of total disabled employees</b>	<b>14</b>	<b>15</b>	<b>16</b>	<b>16</b>
Female	0	0	0	0
Male	14	15	16	16
<b>Number of Employees Covered by CBA (Number)</b>	<b>32</b>	<b>31</b>	<b>31</b>	<b>29</b>



# GRI Content Index

**Declaration of Use:** Aydem Renewables has prepared its report on the period January 1 2022–December 31 2022 according to GRI Standards.

**GRI 1 Use:** GRI 1: Core 2021

GRI STANDARD/ OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED		
			Excluded Requirements	Reason	Explanation
<b>General Explanations</b>					
	2-1 Details on establishment	About the Report, page: 1 About Aydem Renewables, page: 10-12 Contact, page: 114			
	2-2 Establishments included in sustainability reporting	About the Report, page: 1			
	2-3 Reporting period, frequency and contact information	About the Report, page: 1 Contact; page: 114			
	2-4 Restatement of information	GRI Content Index: The report contains no restated information.			
	2-5 External Audit	The report has not been subjected to any external audit. Contact; page: 114			
	2-6 Activities, value chain, and other business relations	About Aydem Renewables, page: 10-12 Supply Chain Management, page: 42-43			
<b>GRI 2: General Explanations 2021</b>	2-7 Employees	Workplace Practices, page: 84 Performance Tables, page: 109			
	2-8 Non-employee workers	Performance Tables, page: 109			
	2-9 Management structure and composition	Corporate Governance, page: 22-25			
	2-10 Application and election of highest governance body	Corporate Governance, page: 22-25			
	2-11 Head of highest governance body	Corporate Governance, page: 22-23			
	2-12 Role of highest governance body in inspecting the management of effects	Corporate Governance, page: 24-25 Risk Management, page: 26 Internal Audit, page: 28 -29 Business Ethics, Transparency, and Anti-Corruption, page: 30-31			
	2-13 Delegation of responsibility for managing effects	Corporate Governance, page: 24-25 Risk Management, page: 26 Sustainability Management, page: 38-39			

GRI Content Index - Essentials Service - GRI has reviewed that the content Index is provided in a Standards compliant and open way; references on explanations numbered 2-1 to 2-5, 3-1 and 3-2 conform to the related sections of the report. This service was provided using the Turkish version of the report.

GRI STANDARD/ OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED		
			Excluded Requirements	Reason	Explanation
<b>General Explanations</b>					
	2-14 Role of highest governance body in sustainability reporting	Sustainability Management, page: 38-39			
	2-15 Conflict of interests	<i>Activity Report 2022</i> , page: 149			
	2-16 Communicating critical concerns	Corporate Governance, page: 22 -23 Business Ethics, Transparency and Anti-Corruption, page: 30-31			
	2-17 Collected information of highest governance body	Corporate Governance, page: 22-23			
	2-18 Performance evaluation of highest governance body	<i>Remuneration Policy</i> , page: 2			
	2-19 Remuneration policies	<i>Remuneration Policy</i> , page: 2			
	2-20 Wage determination process	<i>Remuneration Policy</i> , page: 2			
<b>GRI 2: General Explanations 2021</b>	2-21 Yearly total wage ratio	Remuneration and fringe benefits, page: 93	This information is not disclosed due to confidentiality constraints.	Confidentiality constraints	
	2-22 Explanation of sustainable development strategy	Sustainability Management, page: 38-39			
	2-23 Policy commitments	<i>Our Policies</i>			
	2-24 Integrating policy commitments	<i>Human Rights Policy</i>			
	2-25 Improvement of negative effects processes	Business Ethics, Transparency and Anti-Corruption, page: 30-31			
	2-26 Recommendation seeking and conveying concern mechanisms	Business Ethics, Transparency and Anti-Corruption, page: 30-31 Stakeholder Participation, page: 44-45			
	2-27 Compliance with laws and regulations	Biodiversity, page: 63-65 <i>Activity Report 2022</i> , page: 145			
	2-28 Memberships	Corporate Memberships, page: 46-47			
	2-29 Stakeholder participation approach	Stakeholder Participation, page: 44-45			
	2-30 Collective Employment Agreements	Union Activities, page: 77			

# GRI Content Index

GRI STANDARD/ OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED		
			Excluded Requirements	Reason	Explanation
<b>Prioritized Topics</b>					
<b>GRI 3: Prioritized Topics 2021</b>	3-1 Process to determine prioritized topics	Sustainability Management, page: 38-41			
	3-2 Prioritized topics list	Sustainability Management, page: 38-41			
<b>Climate Change and Biodiversity</b>					
<b>GRI 3: Prioritized Topics 2021</b>	3-3 Management of prioritized topics	Climate Change and Biodiversity, page: 50-65			
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption of the organization	Climate Change and Biodiversity, page: 52 -59 Performance Table, page: 105-106			
	302-3 Energy density	Climate Change and Biodiversity, page: 52 -59 Performance Table, page: 105-106			
	302-4 Reduction of energy consumption	Climate Change and Biodiversity, page: 52 -59 Performance Table, page: 105-106			
<b>GRI 303: Water and Pollutants 2018</b>	303-1 Interactions with water as a shared resource	Climate Change and Biodiversity, page: 59-61			
	303-2 Managing the impacts of water discharge	Climate Change and Biodiversity, page: 59-61			
	303-3 Water consumption by source	Climate Change and Biodiversity, page: 59 -61 Performance Table, page: 105-106			
	303-4 Waste water discharge	Climate Change and Biodiversity, page: 59 -61 Performance Table, page: 59			
<b>GRI 304: Biodiversity 2016</b>	304-2 Prominent effects of activities, products and services on biological diversity	Climate Change and Biodiversity, page: 56-57			
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) Greenhouse Gas Emissions	Climate Change and Biodiversity, page: 56 -57 Performance Table, page: 105-106			
	305-2 Indirect Energy (Scope 2) Greenhouse Gas Emissions	Climate Change and Biodiversity, page: 56 -57 Performance Table, page: 105-106			
	305-3 Other Indirect Energy (Scope 3) Greenhouse Gas Emissions	Climate Change and Biodiversity, page: 56 -57 Performance Table, page: 105-106			
	305-5 Reducing greenhouse emissions	Climate Change and Biodiversity, page: 56-57			
<b>GRI 306: Wastes 2020</b>	306-2 Managing impacts relating to waste	Climate Change and Biodiversity, page: 62			
	306-3 Wastes generated	Climate Change and Biodiversity, page: 62 Performance Table, page: 105-106			
	306-4 Wastes recovered	Climate Change and Biodiversity, page: 62 Performance Table, page: 105-106			
<b>Business Ethics and Corporate Governance</b>					
<b>GRI 3: Prioritized Topics 2021</b>	3-3 Management of prioritized topics	Corporate Governance, page: 22 -25 Business Ethics, Transparency and Anti-Corruption, page: 30-31			
<b>GRI 205: Anti-Corruption 2016</b>	205-2 Communication practices regarding anti-corruption policies and procedures	Business Ethics, Transparency, and Anti-Corruption, page: 30-31			
	205-3 Identified cases of corruption and measures taken	None.			

GRI STANDARD/ OTHER SOURCE	EXPLANATION	SECTION	EXCLUDED			
			Excluded Requirements	Reason	Explanation	
<b>Business Continuity and Reliability</b>						
<b>GRI 3: Prioritized Topics 2021</b>	3-3 Management of prioritized topics	Business Continuity and Reliability, page: 68-71				
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-1 Infrastructure investments and services supported	Business Continuity and Reliability, page: 68-69 Our Investments, page: 17				
	203-2 Prominent indirect economic impacts	Our investments, page: 17 Performance Table, page: 104				
<b>Workplace Practices</b>						
<b>GRI 3: Prioritized Topics 2021</b>	3-3 Management of prioritized topics	Workplace Practices, page: 82-93				
<b>GRI 401: Employment 2016</b>	401-1 New hires and employee turnover ratio	Performance Table, page: 107-108				
	401-3 Maternity leave	Performance Table, page: 107-108				
<b>GRI 404: Training and Education 2016</b>	404-1 Hours of training per employee	Workplace Practices, page: 92 -93 Performance Table, page: 107-108				
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Workplace Practices, page: 88 -89 Performance Table, page: 107-108				
<b>GRI 406: Anti-Discrimination 2016</b>	406-1 Incidents of discrimination and corrective measures taken	Workplace Practices, page: 90-91				
<b>Occupational Health and Safety</b>						
<b>GRI 3: Prioritized Topics 2021</b>	3-3 Management of prioritized topics	Occupational Health and Safety, page: 74-79				
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational Health and Safety Management System	Occupational Health and Safety, page: 74-75				
	403-2 Identifying Damage, Risk Evaluation, and Event Inspection	Occupational Health and Safety, page: 78-79 Risk Management, page: 26				
	403-3 Occupational Health Services	Occupational Health and Safety, page: 74-77				
	403-4 Worker Participation in OHS Processes, Consultation, and	Occupational Health and Safety, page: 74-77				
	403-5 Employee OHS trainings	Occupational Health and Safety, page: 76 Performance Table, page: 107-108				
	403-9 Occupational Injuries	Occupational Health and Safety, page: 76 -77 Performance Table, page: 107-108				
	403-10 Occupational Diseases	Occupational Health and Safety, page: 76 -77 Performance Table, page: 107-108				
	<b>Occupational Health and Safety</b>					
	<b>GRI 3: Prioritized Topics 2021</b>	3-3 Management of prioritized topics	Contribution to the Local Economy and Society, page: 96-101			
	<b>GRI 201: Economic Performance 2016</b>	201-1 Produced and distributed direct economical value	Aydem in Numbers, page: 14 -16 Performance Table, page: 104			
<b>GRI 204: Purchasing Application 2016</b>	204-1 Ratio of purchases from local suppliers	Supply Chain Management, page: 42-43				
<b>GRI 207: Tax 2019</b>	207-4 Country-by-country reporting	Performance Table, page: 104				

## Contact

You may contact us to obtain more detailed information about Aydem Renewables Inc. Sustainability Report 2022 and let us know your recommendations.

[surdurulebilirlik@aydemenerji.com.tr](mailto:surdurulebilirlik@aydemenerji.com.tr)

### Aydem Renewables Inc.

Adalet Mahallesi  
Hasan Gönüllü Bulvarı No: 15/1  
Merkezefendi/ Denizli

Telephone: +90 258 242 27 78

### Reporting Advisor & Design:



[www.kiymetiharbiye.com](http://www.kiymetiharbiye.com)

### LEGAL DISCLAIMER

Aydem Renewables Sustainability Report (Report) has been prepared by AYDEM RENEWABLES INC. (Aydem Renewables) in accordance with GRI Standards. All information and opinions that are included in this report and that do not qualify as being complete have been obtained by Aydem Renewables and/or its affiliates and have not been independently verified for purposes of this report. This report has been prepared for informational purposes only and does not serve as a basis for any investment decision. The information contained herein does not constitute an offer or part of an offer for the sale of the shares of Aydem Renewables and an invitation to such sales proceedings, and no such legal relationship shall be deemed to have been established with the publication of this report. All the information and associated documents are believed to be correct at the time this report was written and the information herein is disclosed in good faith and is based on reliable resources. Regardless, Aydem Renewables makes no representations, warranties, or commitments regarding this information. As such, neither Aydem Renewables nor any of its affiliated companies or their board members, consultants or employees shall be liable for any information or communication communicated within the scope of this report or for any loss or damage that a person may suffer directly or indirectly as a result of any information based on or not included in the information included herein.

SUSTAINABILITY REPORT  
**2022**

