



Sustainability Report 2021



**Energy that saves
the future**

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Indicators

“

We rank among the world's leading energy companies, with experience in undertaking turnkey contracting projects worldwide since 1998. Together with our employees, we operate to build a better future in our country and in different regions across the world.

While stellar business results are essential, we also believe that contributing to a better future is a key indicator of success. That is the reason why we emphasize sustainability projects.

We continue to present our sustainability report, prepared by our sustainability ambassadors.”

”

ABOUT THE REPORT

In the third edition of Çalık Enerji's Sustainability Report, we share the social, economic and environmental outputs of the Company's operations in 2021 with our stakeholders.

At Çalık Enerji, we integrate corporate values and core sustainability principles in all our activities.



In this Sustainability Report, we highlight the various dynamics, practices and critical aspects of our business lines.

In the third edition of the Çalık Enerji Sustainability Report, we share with our stakeholders the social, economic and environmental outputs of the Company's operations undertaken in and out of Turkey from January to December 2021.

As an integrated company with a presence in the key links of the energy value chain, including re-newable investments, distribution-retail, and EPC contracting operations, we carefully consider the balance and alignment of our operations with the environment, and incorporate with our corporate values and core sustainability principles in all our activities. In this Sustainability Report, we also bring the various dynamics, practices and critical aspects of our business lines to the fore.

Like last year, this report was prepared in accordance with GRI core standards, and SASB materiality criteria for the energy sector were evaluated within the study. The utilization of six capitals in our value creation model and the value-created in each field were defined in line with an integrated thinking and reporting approach.

The report shares how Çalık Enerji's business activities contribute to the Sustainable Development Goals (SDG) across governance, environmental, social and economic dimensions. Concerning the SDG, our activities contribute to the execution, planning and measurement stages.

General information on the Company and details on the core approach are provided in the introduction section of the Report. The Sustainability Report includes information on governance, social, environmental and economic performance as part of the sustainability approach.

Our Board of Directors played an active role in developing our Sustainability Report by overseeing its progress through regular meetings and making recommendations.

MESSAGE FROM THE CHAIRMAN

Since our foundation, we have promoted sustainability as one of our main corporate values, predicated on a spirit of responsibility driven by our principle of generating solutions that will add value to human life.

15.1

TL billion
Total Assets

8.5

TL billion
Total Equity

Dear Stakeholders,

The most striking global development in the past two years has been the COVID-19 pandemic. Prompting countries to take extraordinary measures and spawning changes in market conditions, the effects of the pandemic were manifested in 2021 in the form of price increases in commodities and logistics, attributable to supply shortages. While Turkey managed the pandemic effectively, the impact of rising costs worldwide began to be reflected in economic indicators as of the second half of 2021.

As Çalık Enerji, we skillfully navigated the turbulent atmosphere of 2021 from both financial and operational standpoints. Driven by our well-entrenched corporate work approach and agility, we closely monitored the impacts of global developments in all regions and sectors at which we operate. With our robust financial structure, we adopted necessary measures on a timely basis, and continue to do so. In addition to our current geographies such as Turkey, Central Asia, the Middle East, and the Balkans, we have expanded notably our operations in Africa, which we will be extending further in the coming period.

We have positioned sustainability as one of our fundamental values, with the spirit of responsibility inspired by our principle, in place since the day we were founded, of producing solutions that will add value to human life. Our deep-rooted corporate structure, highly qualified human resources, initiatives, innovative approaches, and accurate strategies place us in the spotlight as a player in the operational sites we focus on, while we firmly continue working towards our goal of sustainable growth.

We accept the United Nations Sustainable Development Goals as a guide for what needs to be done for a livable world by 2030. With this approach, we continue our activities with an innovative perspective that places customer satisfaction at its center and complies with sustainability principles, our codes of conduct, and the Holding's values.

We make an economic contribution to our geography and, through our activities, implement social projects to increase the value produced for all stakeholders. We create employment opportunities for the local community in the regions where we operate and contribute to regional economies with local companies that are part of the supply chain.

We will continue to implement applications that advance our economic, social, environmental and governance performance in line with the United Nations Sustainable Development Goals in the next period. With effective and solid corporate governance, we will constantly monitor our development steps in the value areas we prioritize.

In our Sustainability Report for 2021, we share the milestones on a sustainability journey fueled by continuous development, and we thank all our stakeholders, who have accompanied us on this journey.

Best regards,

AHMET ÇALIK
Chairman



MESSAGE FROM THE CEO

We act with the awareness that environmental, social and financial sustainability can only be achieved through good governance and we undertake our responsibility for you and future generations.

9.6

TL billion
Net Sales

2.3

TL billion
EBITDA

Dear Stakeholders,

As Çalık Enerji, we are delighted to present our third sustainability report under the theme “Energy that Saves the Future.” As we present our social, environmental, financial and governance performance, along with the progress of 2021, we consider this Report to be our sustainability scorecard. During its preparation, we identified both our strengths and our areas of improvement.

Our sustainability perspective is guided by the United Nations Global Compact, which we signed in 2019, thus adopting the ten principles that we now integrate into our activities. With this respect we move our Company forward every year, and support the policies we develop with tangible projects.

We act with the awareness that environmental, social and financial sustainability can only be achieved with a good governance spirit, and we undertake this responsibility for you and future generations. As we carry out our activities, we monitor environmental and social added value and build our efforts on our value creation model. In this respect, we measure the Company’s success not only by financial figures but also by the investments we make into the future. Renewable energy investments, contracting operations, distribution and retail sectors are our core lines of business and we solidify our goal of ranking among the leaders of these sectors with the mission of building a better future.

We raise awareness via the Energetic Schools Project.

At Çalık Enerji, we are pleased to initiate a creative and enduring social responsibility project. The feasibility efforts lasted around one year for the project “Energetic Schools,” which we positioned as a new brand. We believe wholeheartedly in this project, and our goal is to install solar panels in the gardens of Vocational and Technical Anatolian High Schools affiliated with the Ministry of Education and raise students’ awareness on renewable energy. In this way, we support schools and students in terms of the three pillars of sustainability: environmental, social and financial sustainability. We also conducted mentoring activities in which students met with our Sustainability Ambassadors, in order to contribute occupational high school students’ current knowledge of the energy industry while raising their awareness regarding energy resources and sustainability. We intend to implement the project in all the regions where we operate and will position Energetic Schools as a brand value.

Meanwhile, we are thankful to Mitsubishi Corporation for the support extended to our first energetic school with the establishment of a Utility and Climatization Workshop.



We continue measuring our carbon footprint.

After measuring five of our locations for the first time last year, in 2021 we completed carbon footprint measurements at 11 locations, meaning we have measured the carbon footprint of all our facilities in Turkey.

In the coming years, we will expand the scope of these evaluations, measuring the carbon footprint of our overseas sites and implementing projects to reduce that footprint.

Renewable energy investments, contracting operations, and the distribution and retail sectors are where we solidify our goal of ranking among the leaders of these sectors with the mission of building a better future.

MESSAGE FROM THE CEO

As a company that has adopted sustainability - not because it is an emerging trend but as a core value - we are aware that every step we take is an investment into the future.

24%

EBITDA Margin

We collaborate with leading non-governmental organizations to contribute to society.

Since our foundation, we strive to build a better future and continue our efforts to contribute to the communities we live in. In this respect, we work with nongovernmental organizations in various fields and implement projects together. We work with organizations that have a wide impact area and high level of inclusivity such as TEMA, UNICEF, Food Saving Community, and Mor Çati, so as to generate solutions for various social issues. In the coming period, we will continue to implement projects under the headings determined as our priority areas.

As Çalık Enerji, we now embark on the fourth year in our sustainability journey. In the past three years, we have taken tangible steps and recorded key achievements, but we are just beginning. We have many topics to cover as we move forward, meanwhile by transforming the policies and strategic plans we develop concrete projects.

Since our foundation, we strive to build a better future and thus continue our efforts to contribute to the communities we live in.

As a company that has adopted sustainability – not because it is an emerging trend but as a core value – we are aware that every step we take is an investment into the future. It was thanks to the participation and invaluable contributions of all our employees that we incorporated sustainability, a multifaceted concept, into our culture.

We work with all our power to implement those projects through which we will materialize the value we attribute to humanity and the investments we make in the future. We will continue to take decisive steps on our sustainability journey to expand the environmental, social and economic value we create. I would like to express my gratitude to all our stakeholders who have trusted and supported us on this path.

Best regards,

ONUR YÜCEKAL
CEO



WHO WE ARE

We conduct operations under the umbrella of Çalık Holding with the goal of building a better and sustainable future since our foundation in 1998. In a vast region spanning the Middle East, Central Asia, Africa, and Europe, we provide the energy coming from nature to people and move forward with our vision of becoming a global power in energy through successful projects that respect humans.

MAIN BUSINESS FIELDS OF ÇALIK ENERJİ

- EPC Contracting Operations
- Renewable Energy Investments (IPP)
- Distribution and Retail Services

OUR MISSION

Building a better future with all our energy across various regions in cooperation with our employees.

OUR VISION

Growing into the most commercially successful and preferred energy company in target countries.

CORPORATE VALUES

Sustainability

We value long-term, continuous success and respect the environment.

Fairness

At work and in our principles, we are a family that is motivated by what is right and fair.

People-Oriented

We devote all our energy to improving people's lives. Our priority is always the development and happiness not only of our employees and customers but of all the people touched by the value we generate.

Reputation

We put our good name above all else.

Work from the Heart

Regardless of the conditions, we work diligently for our company, for our goals and for our projects that we believe will add value to human life.

Innovation

We constantly improve our solutions and business models, and discover what will make us different.

Agility

We have the flexibility and speed to overcome all challenges.

Mutual Trust and Solidarity

We have mutual trust and solidarity at work, including teamwork and cross-functional work.

ÇALIK SUSTAINABILITY MANIFEST

We dream of a world,
Where we can play a part, and even inspire positive change...
Where we can look at today with happiness and pride,
and toward tomorrow with hope and confidence...

We work with great drive

and keen awareness of our social responsibility
to make this dream come true.

We embrace sustainability as a guiding principle

in order to add value to the world with
financial, social, environmental and cultural benefits.

We focus on innovation;

we shape our solutions and business models
according to current conditions and
transcend time with digital breakthroughs.

We aim to continuously improve the welfare

of our home country and operating countries and
increase the quality of life without compromising
occupational health and safety - one of our core principles.

We value nature

by conserving our natural resources for future generations,
standing behind circular economy,
and implementing the projects that will enable us to leave
zero carbon footprint.

At Çalık Holding, we focus on people

and prioritize projects that impact human life.

We uphold equality and justice

regardless of religion, language, race, or gender.

We believe that a more liveable future
is in our hands.

And we also know this fact;
every step we take with a heartfelt commitment to our sustainability principle
equates to

VALUE FOR LIVES, VALUE FOR THE FUTURE!

ÇALIK ENERJİ IN TURKEY



ÇALIK ENERJİ IN THE WORLD



FIELDS OF ACTIVITY

At Çalık Enerji, we continuously develop our engineering, supply, and logistics skills driven by our experience of 23 years.

We conduct our EPC projects in a wide geography of countries such as Turkmenistan, Senegal, Romania, Georgia, Iraq, Libya and Malawi.

EPC Contracting Operations (Engineering, Procurement and Construction)

As Çalık Enerji, we have 23 years of experience in establishing turnkey power plants. As a company that is constantly improving its engineering, construction, procurement and logistics capabilities through said experiences, we carry out the following projects in the field of EPC Works:

- Combined and Simple Cycle Power Plants,
- Renewable Energy Plants,
- Thermal Power Plants,
- Pumping Stations,
- Compressor Stations,
- Switchyards,
- Oil and Gas Plants,
- High Voltage Transmission Lines.

Our business partners in EPC projects include the world's leading international companies such as Mitsubishi, General Electric (GE), and Honeywell. These partnerships greatly contribute to the development of our EPC capacity as well as our organizational structure.

We conduct our EPC projects in a wide geography of countries such as Turkmenistan, Senegal, Romania, Georgia, Iraq, Libya and Malawi. Our projects are very important in terms of meeting energy demand in these countries. We successfully complete our EPC projects in accordance with the standards required by the employer countries.



Renewable Energy Investments

We contribute to meet the energy needs of our country by producing completely from local and renewable sources with the renewable energy investments we implemented in Turkey. Our current power plants in operation are solar, wind, and hydroelectric power plants. Our portfolio includes 8 solar power plants, 1 hydroelectric power plant, and 2 wind power plants, and as of the end of 2021, our total installed capacity is 138 MW.

Electricity Distribution and Retail

We manage our electric power distribution and retail services through our subsidiaries YEDAŞ, YEPAŞ, Aras, Aras EPSAŞ, KEDS and KESCO, and our natural gas distribution services through the companies Bursagaz and Kayserigaz. Quality, leadership and sustainability are our main goals in all business processes in line with our vision for corporate and operational perfection in our distribution and retail activities.

2021 Highlights

- In Malawi, where our first renewable EPC project is located, we successfully completed the commissioning works of the Tedzani-4 Hydro Power Plant with an installed capacity of 19.5 MW and delivered it to the client. The project also has the distinction of being the first power plant built in Sub-Saharan Africa by Çalık Enerji - Mitsubishi Corporation collaboration.
- In Georgia, following approval by the Georgian Parliament of the 50MW Nigoza Wind Power Plant, we completed the Environmental Impact Assessment (EIA), project development and preliminary engineering works, and received the approval of the Environmental Protection and Agriculture Ministry for the EIA report of the project. In July 2021, we started discussions to sign a construction agreement with the Ministry of Economy and Sustainable Development on behalf of the Georgian State. We plan to sign the agreement in the first half of 2022, initiate construction works immediately after receipt of the construction permit, and commission the power plant in 2023.
- The installation of a Roof Type Solar Power Plant with a capacity of 957kWp/820We on the roofs of Çalık Denim's production facilities in Malatya was completed in 2020. As part of Phase 2, we initiated engineering and supply processes for the Hybrid Power Plant Project in 2021 and commissioned the plant in November 2021. The Hybrid Power Plant Project is a pilot project that consists of solar energy, an energy storage system and diesel generators, and allows energy resource management and advanced monitoring features through the Energy Management System (EMS). This type of power plant, which can be used both on-grid and off-grid, is a solution developed especially for regions such as Africa, where the power supply is limited.
- We also started to work on generation plants aimed at self-consumption. Strategies were formulated for the business model, and hybrid (solar, diesel, storage) power station package systems were designed. In addition to the modular package systems we developed, we offer tailored solutions and operating, maintenance and servicing packages designed to address customers' specific needs. Our value-driven services include solutions for EPC/EPC-F/BOOT/IPP business models with affordable financial alternatives in potential countries, including, first and foremost, the African market.

STRATEGY AND VALUE CREATION MODEL

We strive to create a wide impact area and transform the stakeholder ecosystem with our sustainability approach.

Renewables constitute one-third of the electricity generated in the world as of the end of 2021.

Çalık Enerji shapes all its operations with the goal of becoming a leading and innovative energy company that creates value for the future. We set our business models and strategies by treating this goal as our stepping stone, in parallel with our capabilities and the market conditions surrounding our business lines.

We strive to create a wide impact area and transform the stakeholder ecosystem with our sustainability approach. With this approach, we signed the United Nations Global Compact in 2019. We regularly measure our performance on our value creation journey we have aligned with the United Nations Sustainable Development Goals (UN SDGs). Via our Sustainability Report for 2021, we present the sustainability achievements attained in the period, while also describing the goals and practices that will bring this performance to higher levels.

Renewable Energy Investments

The disruptive impact of the pandemic on the balance between supply and demand, rising inflation, and geopolitical stress factors, coupled with the alarming levels the threat of climate change has reached for this planet, show that a new energy economy is inevitable. As the demand for renewables mounts in this period, one-third of power generated in the world is derived from renewable energy resources as of the end of 2021.

Record-breaking energy investments last year maintained their upward trend in 2021. According to IEA's World Energy Investments Report for 2021, global energy investments are expected to grow by around %5, while 70% of the amount spent for new generation capacity is expected to come from renewable investments. A record level (290 MW) renewable energy capacity increase was attained in the period, as well. By 2026, some 95% of the global energy capacity increase will be derived from renewable energy resources, and more than fifty percent of this capacity increase will originate from solar, the IEA 2021 Energy Policy Report highlights.

Meanwhile, the momentum attained in the transition to clean energy is still below much-needed levels for net zero emission goals by 2050.

Having ratified the Paris Agreement in 2021, Turkey has taken on a more effective role in the fight against the global climate crisis. Reducing reliance on foreign resources and ensuring supply security are also among the areas of focus for Turkey. In this respect, steps towards expanding the use of domestic and renewable resources and diversity of supply.

In 2021, the total installed capacity for electricity in Turkey grew by 3,929 MW to 99,820 MW compared to the previous year, while the greatest share came from capacity increases in wind power plants and solar power plants, which were 1,775 MW and 1,148 MW respectively.

As of the end of 2021, according to the statistics published by TEİAŞ, the resource distribution for capacity and electricity generation of installed power in Turkey is as follows.

Taking installed power by resource into account for electricity generation in 2021 in Turkey, 31.55% was generated by hydropower plants, 1.68% by geothermal plants, 7.83% by solar plants, and 10.63 by wind power plants.

As Çalık Enerji, we believe that while facing a rapidly rising demand for energy, the world must go through an economic transformation that will secure minimizing CO₂ emissions and put clean energy in the center. As a company that has adopted sustainability as its core value, we have shifted our direction to renewable energy investments. In parallel with our strategy for electricity generation only from renewables, all our investments in power generation are composed solely of hydro, solar, and wind power plants. Our aim for the coming period is to further increase our investments in renewables, work towards the reduction of carbon emissions, and contribute to employment with business opportunities that green energy generation will create.

As Çalık Enerji, all our current electricity generation investments were composed solely of investments in hydroelectric, solar, and wind power plants.

2021 POWER GENERATION



STRATEGY AND VALUE CREATION MODEL

With the priority we attribute to customer satisfaction and service quality, we continuously develop business processes in pursuit of quality, efficiency, leadership, and sustainability.

After we ventured into EPC projects in Central Asia, we acquired more experience in this region and then carried out numerous high-quality projects in the Middle East, Africa, and Europe.

Distribution and Retail Activities

We manage our electric power distribution and retail services through our subsidiaries YEDAŞ, YEPAŞ, Aras EDAŞ, Aras EPSAŞ, KEDS, and KESCO, and our natural gas distribution services through the companies Bursagaz and Kayserigaz.

We shape our activities in this area in parallel with our vision of corporate and operational excellence. With the priority we attribute to customer satisfaction and service quality, we continuously develop business processes in pursuit of quality, efficiency, leadership, and sustainability. For this purpose, we deploy new technologies in order to realize our business processes in an efficient and safe manner. We aim to act in accordance with this policy throughout our licensing period.

EPC Contracting Operations

After we ventured into EPC projects in Central Asia, we acquired more experience in this region and then carried out numerous high-quality projects in the Middle East, Africa, and Europe.

We successfully completed our projects in different regions such as Libya and Iraq, while guaranteeing the safety of our employees at the highest level. Research for the period from 2020 to 2023 shows that EPC investments in Central Asia, the Middle East, Africa, and Europe will continue to grow. As Çalık Enerji, we aim to support the energy supply of the countries as well as to contribute to the improvement of standards in these countries.

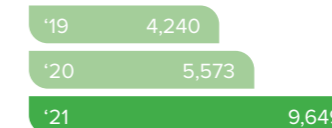
We believe that it is important to undertake operations from a sustainability perspective in infrastructure projects and work to make sure sustainability is widely adopted across our value chain. In bidding processes, we also strive to expand the value of these projects through our recommendations to relevant parties in such areas as environmental protection and human rights that will contribute to the social development of the region.



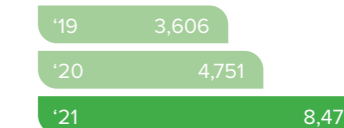
Financial Data

(TL MILLION)	2019	2020	2021
NET SALES	4,381	5,573	9,649
TOTAL EQUITY	3,605	4,751	8,471
TOTAL ASSETS	7,037	8,173	15,101
EBITDA	1,374	2,070	2,356
EBITDA MARGIN (%)	31	37	24

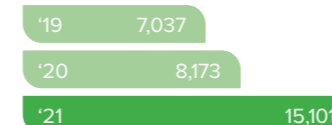
Net Sales (TL Million)



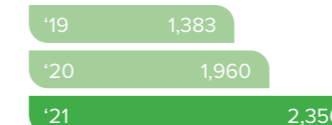
Total Shareholders' Equity (TL Million)



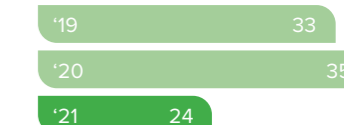
Total Assets (TL Million)



EBITDA (TL Million)



EBITDA MARGIN (%)



Value Creation Model

Inputs

- 

Human Resources
578 employees, local employment in EPC projects
- 

Financial Resources
TL 8.5 billion equity, TL 15.1 billion total assets
- 

Knowledge
Competency in working in different regions, being active in all fields of the energy market
- 

Relations
Relationship and communication with governments and public institutions
- 

Tools
Our technology and companies in different countries and cities
- 

Natural Resources
Wind, Solar and Hydro

Inputs

Çalık Enerji, for a Better Future



Çalık Enerji, for a Better Future

Outputs

- 

Energy Generation Plants
- 

Electricity
- 

Customer Satisfaction
- 

Employee Satisfaction
- 

Happy Stakeholders

Outputs

Value Created

- Social**
Improvement in Quality of Life (Social Contribution)
Gender Equality


- Environment**
Investment in the Future with Renewable Energy
Energy Consumption Awareness from a Young Age


- Economic**
Sustainable Development
Improvement of the Supply Chain
Increased Welfare of Communities


- Governance**
Corporate Trust



Value Created

SUSTAINABILITY JOURNEY

In May 2019, we made our commitment to 10 principles by signing the UN Global Compact (UNGC), of which we are pleased to be a signatory.

We have created our value creation model and materiality matrices by correlating our activities with Sustainable Development Goals.

Sustainability, ranking among essential core values with fairness, people-oriented working, reputation, work from the heart, innovation, agility, mutual trust, and solidarity, has been a part of Çalık Enerji's activities and business practice since its foundation. In May 2019, we made our commitment to 10 principles by signing the UN Global Compact (UNGC), of which we are pleased to be a signatory.



HUMAN RIGHTS

Principle 1: Business should support and respect the protection of internationally proclaimed human rights.
Principle 2: Business should make sure that they are not complicit in human rights abuses.



ENVIRONMENT

Principle 7: Business should support a precautionary approach to environmental challenges.
Principle 8: Business should undertake initiatives to promote greater environmental responsibility.
Principle 9: The development and spread of environmentally friendly technologies should be supported.



LABOR STANDARDS

Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.
Principle 4: Forced and compulsory labor should be ended.
Principle 5: All forms of child labor should be eliminated.
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation



ANTI-CORRUPTION

Principle 10: Business should fight all forms of corruption, including bribery and extortion



Our first Sustainability Report, which we published in 2020, offered us the opportunity to combine all of our efforts in this field as Çalık Enerji and determine our development areas. Thus, we achieved the integration of the sustainability approach into our main strategy. We have created our value creation model and materiality matrices by correlating our activities with Sustainable Development Goals.

We examined the existing database according to the GRI G4 standards and SASB energy sector materiality topics, and prepared our Sustainability Report based on this data. When preparing our report, we were inspired by the Integrated Reporting approach towards capitals. We identified the resources used and the value we created across each of the capitals to give a more accurate and comprehensive view of our sustainability impact.

In 2020, we conducted efforts to improve the sustainability governance structure and create a more comprehensive database. We devised our sustainability approach in a participatory

process with our Senior Management and Sustainability Ambassadors and developed various initiatives to spread the culture of sustainability within our Company. We adopted the principle of transparency, identified materiality topics and reported on them.

In 2021, we have included carbon footprint measurements, department-based sustainability projects, sustainability lectures, and corporate social responsibility projects among our lines of work and thus expanded Çalık Enerji's sustainability strategy.

Decisions we have taken in our business lines were always evaluated from our sustainability vision, while we maintained our social, environmental, and financial sustainability focus in our work.

Our primary goals are to systematically improve our established partnerships and stakeholder relationships through our commitment to sustainability and to ensure synergy in the communication, share and development stages among all parties within the ecosystem.

Decisions we have taken in our business lines during 2021 were evaluated from the perspective of our sustainability vision, while maintaining our social, environmental, and financial sustainability focus in our work.

SUSTAINABILITY JOURNEY

Çalık Enerji materiality assessment was conducted with participation of Sustainability Ambassadors from each department and the evaluation of senior management.

Corporate trust is important for business continuity.

Materiality

We conducted the materiality assessment as an approach to identify primary sustainability topics in company strategy and business processes in order to use opportunities and to manage risks, as well as to determine the reporting standards.

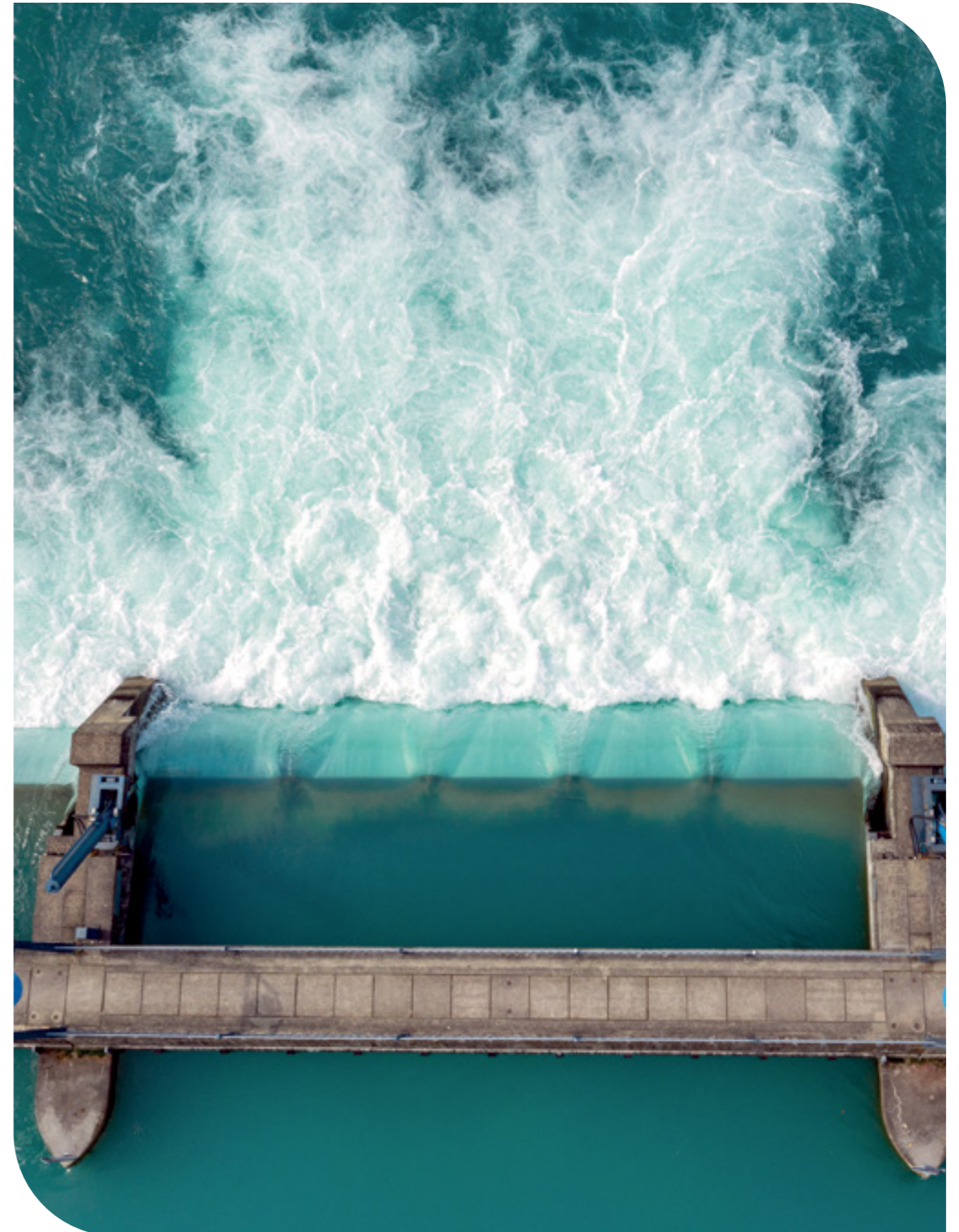
We determined opportunities and risks related to sustainability for Çalık Enerji by the materiality assessment. Çalık Enerji materiality assessment was conducted with participation of Sustainability Ambassadors from each

department and the evaluation of senior management. Risks and opportunities related to sustainability for Çalık Enerji were identified based on their impacts on our stakeholders, business, and industry with a long-term perspective in the materiality assessment process.

As we operate in 3 fields, materiality assessment was first conducted for each field separately and then we consolidated these in order to clarify key points for the company.

■ High materiality and priority ■ Medium materiality and priority ■ Low materiality and priority

	Risk/Opportunity	EPC	Renewable	Distribution
Governance	Corporate perception/trust in the Company	High	Medium	High
	Risk management system (Financial and operational)	Low	Medium	Low
	Decision making mechanism and delegation	Low	Low	Low
Environmental	Water management	High	Low	Medium
	Biodiversity	Low	High	Medium
	Climate change	Low	High	Medium
	Air quality	Medium	Low	Medium
	Natural disasters (Precautions)	Low	Low	Medium
Social	Occupational health and safety	High	High	High
	Employee - local people interaction (Local people perception, creating value)	Medium	High	High
	Competent human resources (Local/outsource)	Medium	Low	Medium
	Engineering capability (In-company competence)	Medium	Low	Low
	Customer satisfaction	High	Low	High
Economic	Failure to attract human resources due to regional conditions	Low	Medium	Medium
	Country risk/political risk	High	Medium	Low
	Competent human resources	Low	High	High
	Legislative amendments	High	High	High
	Sustainable profitability	Low	Low	Low
	Suppliers/sub-contractors/logistics	Medium	Medium	High
	Digitalization, technological advancement, innovation	Low	Low	Low
	Access to finance	Medium	High	High



SUSTAINABILITY JOURNEY

It is very important for us to complete projects by establishing good relations with the communities within the proximity of construction sites, protecting the environment, and contributing to the local economy.

Using the right resources in the right place and at the right time plays a key role in attaining sustainable profitability.

EPC PROJECT EXECUTIONS MATERIALITY TOPICS

Occupational Health and Safety

Occupational health and safety is the number one priority for our Company since the nature of work performed at construction sites is prone to risks in terms of occupational accidents. It is quite important to eliminate the risk of occupational accidents, guarantee employees' safety, attain our goal of zero-accident, and ensure all employees comply with safety rules at the construction site so that the time lost caused by stopped work can be prevented.

Customer Satisfaction

Customer satisfaction is a key component that ensures business continuity and opens up new business opportunities in EPC projects. For this reason, it is important for us to complete projects on time, in accordance with the national standards of the employer countries and in good relations with local communities while protecting the environment and contributing to the local economy.

Sustainable Profitability

The Company's continuity is important not only for employees but also for all stakeholders within its impact area thanks to the economic value generated. Therefore, profitability is a guarantee of sustainable success and continuity for the company. Sustainable profitability can be ensured by having an effective analysis, participating in tenders that are in line with the company's profitability expectations, effective and efficient planning after the award of the project, and utilization of the right resources at the right time in project management.

Corporate Perception/Trust in the Company

Trust in the company, just as customer satisfaction, is important for continuity and new business opportunities. This is why our business continuity will be defined by our strong relations with internal and external stakeholders, as well as by the trust and mutual understanding of employees, employers, social groups in the region where we operate and stakeholders around the shared goals that we all pursue.



Project Management

A project's sustainability is directly linked with how effective a project management process is. Projects cannot be completed in time and within the estimated budgets without planning resources and processes correctly. Continuity and sustainable profitability for the company can be achieved by completing projects in time, in accordance with applicable standards and estimated budgets.

Preventing Air Pollution

Construction processes will cause air pollution due to demolition and excavation works as well as concrete plants. This will create negative impacts on the health and quality of life of local people. It is among our priorities to take necessary measures towards these construction works in order to increase the quality of life of the local people and prevent causing any health problems.

Water Management

As water is the primary resource that is indispensable during construction works, we care about our water consumption while conducting EPC projects. We are aware that water is a shared resource and it is a precious asset in the regions where we have construction activities. Thus, we strive to keep water consumption under control.

It is among our priorities to take necessary measures towards these construction works in order to increase the quality of life of the local people and prevent causing any health problems.

SUSTAINABILITY JOURNEY

As Çalık Enerji, we exert efforts to minimize the impact of our operations on different species and preserve biodiversity during the construction and operating phases of our plants.

Our renewable energy generation activities are directly related to climate change, one of the most alarming problems facing the world.

RENEWABLE ENERGY INVESTMENTS MATERIALITY TOPICS

Water Management

Water management is vital for all renewable energy investments. For hydropower plant investments, in particular, we need to act by taking into account the water requirements of communities, who live in the region and make their living with agricultural activities.

Biodiversity

Biodiversity is a key sustainability topic for the future of our planet. As Çalık Enerji, we exert efforts to minimize the impact of our operations on different species and preserve biodiversity during the construction and operating phases of all our plants (hydro, solar, wind).

Climate Change

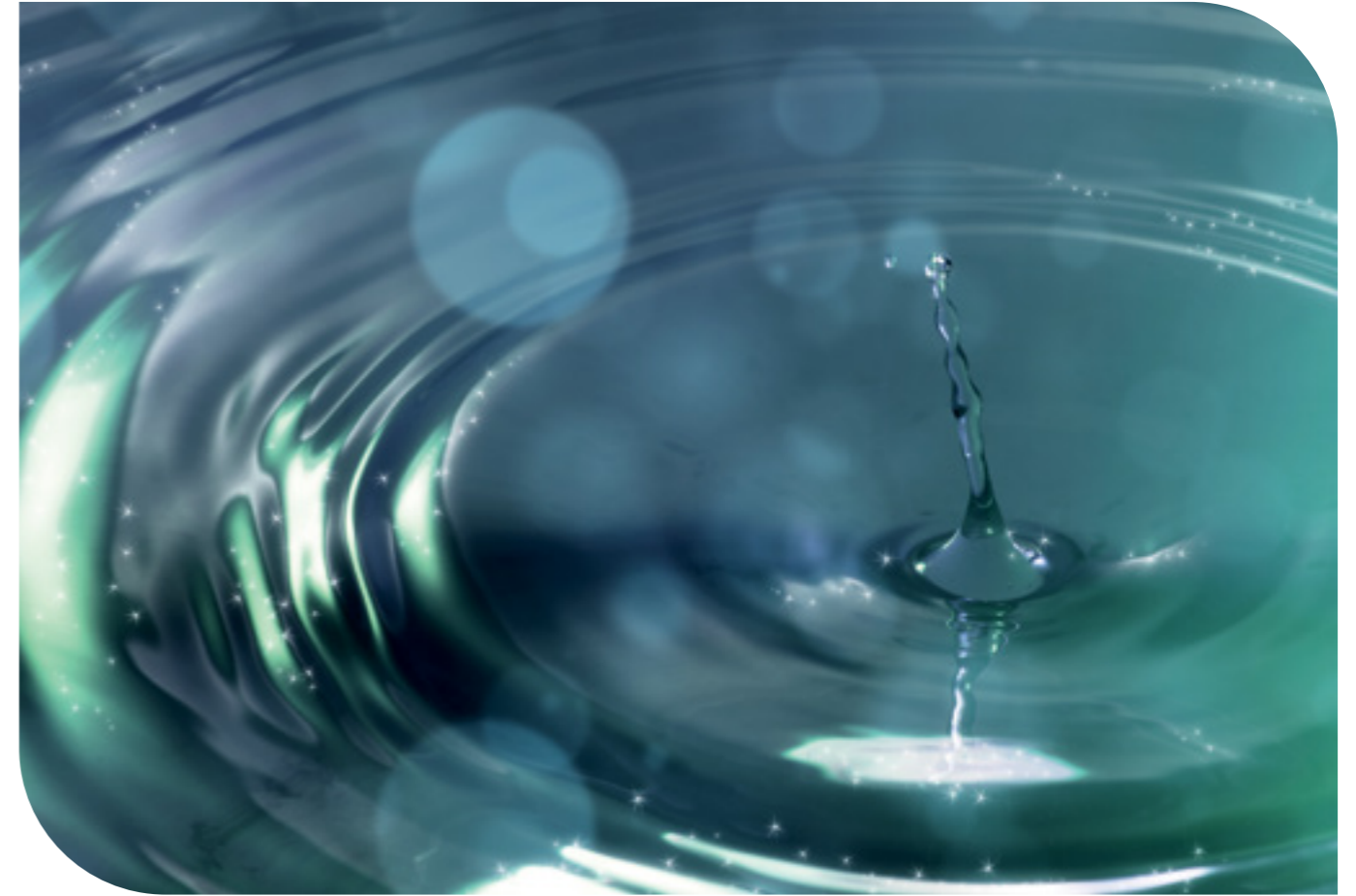
Our renewable energy generation activities are directly related to climate change, one of the most alarming problems facing the world. Especially for hydroelectric power plants, the amount of rainfall, rain frequency, timing, and drought have a great impact on the efficiency and safety of the plants. On the other hand, changes in wind structures and differences in sunlight due to climate change affect our solar and wind power plants.

Occupational Health and Safety

A full guarantee of occupational health and safety is vital during the generation activities of power plants. In accordance with occupational health and safety guidelines is essential to eliminate accident risks. Regular training and learning from experiences enable our employees to minimize risks in operational and maintenance processes.

Engagement with Local Communities

Developing mechanisms to help identify the issues, needs, and expectations of local communities, and finding solutions to address such issues together is essential to handle any process in a manner to create benefits for all parties. As Çalık Enerji, we place great importance on building transparent relations with local communities that are based on trust and mutual benefits.



Sustainable Profitability

We need to examine the profitability of all our power plant projects with utmost attention once the license has been obtained. It is because we can only guarantee our continuity and address stakeholders' expectations and demands through profitable operations.

Legislative Amendments

The legislation regulates the functioning of the energy market, as it does every issue. Therefore, any legislative amendments have a direct impact on the functioning, profitability, and investments required of Çalık Enerji, like in other businesses.

Access to Finance Resources

Energy investments need important amount of financing. As Çalık Enerji, we have been financing all of our solar and wind power plant investments with our own resources. We utilized external financing in our hydroelectric power plant and electricity distribution company investments. We maintain strong relations with financial institutions in a way as to have access to resources, knowing that the need for these resources at the investment stage of energy investments is high.

As Çalık Enerji, we place great importance on building transparent relations with local communities that are based on trust and mutual benefits.

SUSTAINABILITY JOURNEY

Our employees' health and safety are the number one priority for our distribution and retail companies.

Trust to the company can only be achieved through transparent and two-way communication with stakeholders.

DISTRIBUTION AND RETAIL MATERIALITY TOPICS

Occupational Health and Safety

Our employees' health and safety is the number one priority for our distribution and retail companies. Because people are the focus of our services. Each of our business processes, such as maintenance and repair services, transportation for reading meters, contains various occupational safety risks.

Customer Satisfaction

Customer satisfaction is key to success in the distribution and retail business. Customer satisfaction is important for the reputation of the company and to continue its work without having problems with stakeholders. Inefficiencies caused by conflicts that we may have with our stakeholders, may adversely affect our profitability.

Legislative Amendments

The legislation regulates the functioning of the energy market, as it does every issue. Therefore, any legislative amendments have a direct impact on the functioning, profitability, and investments required of distribution and retail companies' profitability like in all other organizations with activities in this field.

Corporate Perception/Trust in the Company

Trust to the company can only be achieved through transparent and two-way communication with stakeholders. Strong communication enables the development of collective solutions that enable an efficient and effective working environment.

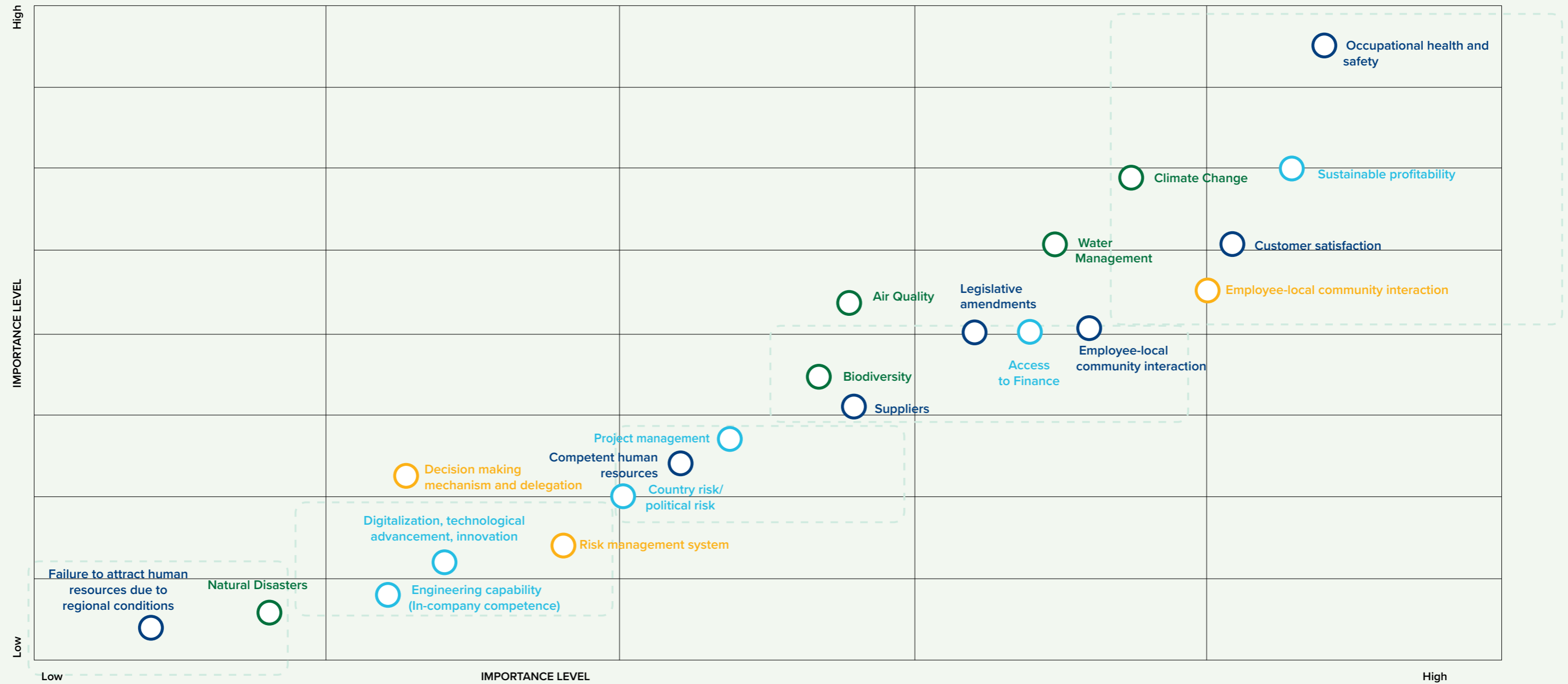


SUSTAINABILITY JOURNEY

CONSOLIDATED MATERIAL ISSUES FOR ÇALIK ENERJİ

Materiality Matrix

GOVERNANCE SOCIAL ENVIRONMENTAL ECONOMIC



SUSTAINABILITY JOURNEY

As a company operating in different regions and under challenging conditions, we take measures, learn our lesson from what has been experienced, and work towards the goal of "zero-accident."

We keep trust based strong relations with our stakeholders, engage them continuously and work hard to develop satisfactory solutions to the issues raised by our stakeholders.

Occupational Health and Safety

Occupational health and safety is the most material issue in all lines of business. We spend the utmost effort to achieve the zero accident target through regular training and audits.

Sustainable Profitability

We could continue to operate, create new job opportunities and contribute to the stakeholders if our projects are profitable. We can provide jobs for our employees and contribute our social environment. Therefore, profitability is key to the sustainability of the company and enables us to create value for all stakeholders.

Customer Satisfaction

Main prerequisite of sustainable profitability is business continuity. This can only be achieved by maintaining our projects by ensuring customer satisfaction and undertaking new projects.

Corporate Reputation/Corporate Perception

Establishing and preserving reputation is possible through building long-lasting and good relations with stakeholders via open and effective communication channels. We, therefore, keep trust-based strong relations with our stakeholders, engage them continuously and work hard to develop satisfactory solutions to the issues raised by our stakeholders. As a company operating in different regions and under challenging conditions, the positive perception of all our partners including government institutions, authorities, local communities, and supply chain members has a direct impact on our business potential.

Engagement with Local Communities

The fact that we strive to create value in a broad region of operations and business lines intensifies our engagement with local communities. Our interaction with the local people together with our employees is among our priorities due to the impact both on the continuation of our activities and the peace and business efficiency in the region. We work with our stakeholders to provide quick solutions to the problems experienced.

Legislation

Both energy production, distribution and retail activities are subject to regulations, and these regulations directly affect both the way of doing business and revenues. For this reason, amendments in the legislation are important for our business continuity. We conduct public relations on this topic through industry associations. We give our opinions at the times requested.

Water Management

Hydroelectric power plants have a direct impact on the water situation of the region. It is crucial that the water demand of local communities for living, agriculture and also life in rivers during construction and operational phases is met. We create solutions for meeting the needs of local people while being in close communication with them. In addition, we realize water saving methods in our plants.



Climate Change

As Çalık Enerji, we work for contributing to the struggle against climate change and we are also affected from the climate change. By investing in renewable energy, we prevent carbon emissions in electricity generation and contribute to the struggle against climate change. Climate change also poses a direct risk to the efficiency of our hydroelectric power plants, which operate depending on the adequacy of water.

Biodiversity

We pay utmost attention to protecting biodiversity in the construction of power plants and energy distribution works. Indeed, biodiversity helps keep a balance in the ecosystem and makes the world a more inhabitable place. Biodiversity is also important for our business as it is directly linked with the water we use in energy generation.

Waste Management

At Çalık Enerji, we plan and conduct waste management activities through a lifecycle analysis we established for business processes. This analysis determines what type of waste will be generated as a result of which business activities and what type of waste will be recycled or disposed to landfills. Different types of waste are collected in different landfills and relevant authorities are informed regarding the wastes. Recycling or disposal processes are initiated based on this information.

On the other hand, we pay special attention to waste oils in the construction of power plants, in our electricity generation plants and in distribution services. We provide storage and disposal of waste oils by licensed companies.

By investing in renewable energy, we prevent carbon emissions in electricity generation and contribute to the struggle against climate change.

SUSTAINABILITY JOURNEY

Having our suppliers follow codes of conduct and supply goods that are at required standards is crucial for our reputation and carrying out the projects smoothly and on time.

We implement human resources policies aimed at attracting and retaining qualified skills and place great emphasis on employees' development.

Access to Finance Resources

Çalık Enerji made all its solar and wind investments with internal resources while using external funds for investments in hydroelectric and distribution companies. Access to external financial sources is material so as to implement projects in the future, and thus preserve our business continuity, competitive power, and profitability.

Suppliers/Sub-contractors/Logistics

Having our suppliers follow codes of conduct and supply goods that are at required standards is crucial for our reputation and carrying out the projects smoothly and on time. Sub-contractors work as service providers on many different sites. It is important for these sub-contractors to follow occupational health and safety rules during the provision of these services and establish good relationships with our stakeholders in terms of the business continuity and reputation of our company. Logistics services are important for transporting large materials and equipment to construction sites during construction and power plant building processes without damaging the environment. In all these topics, we diligently monitor the processes and try to keep the risks under control.

Competent Human Resources

Effective and efficient execution of works without having problems and in accordance with stakeholders can only be achieved with competent human resources. Therefore, we implement human resources policies to attract and retain qualified skills and place great emphasis on employees' development.



STAKEHOLDERS

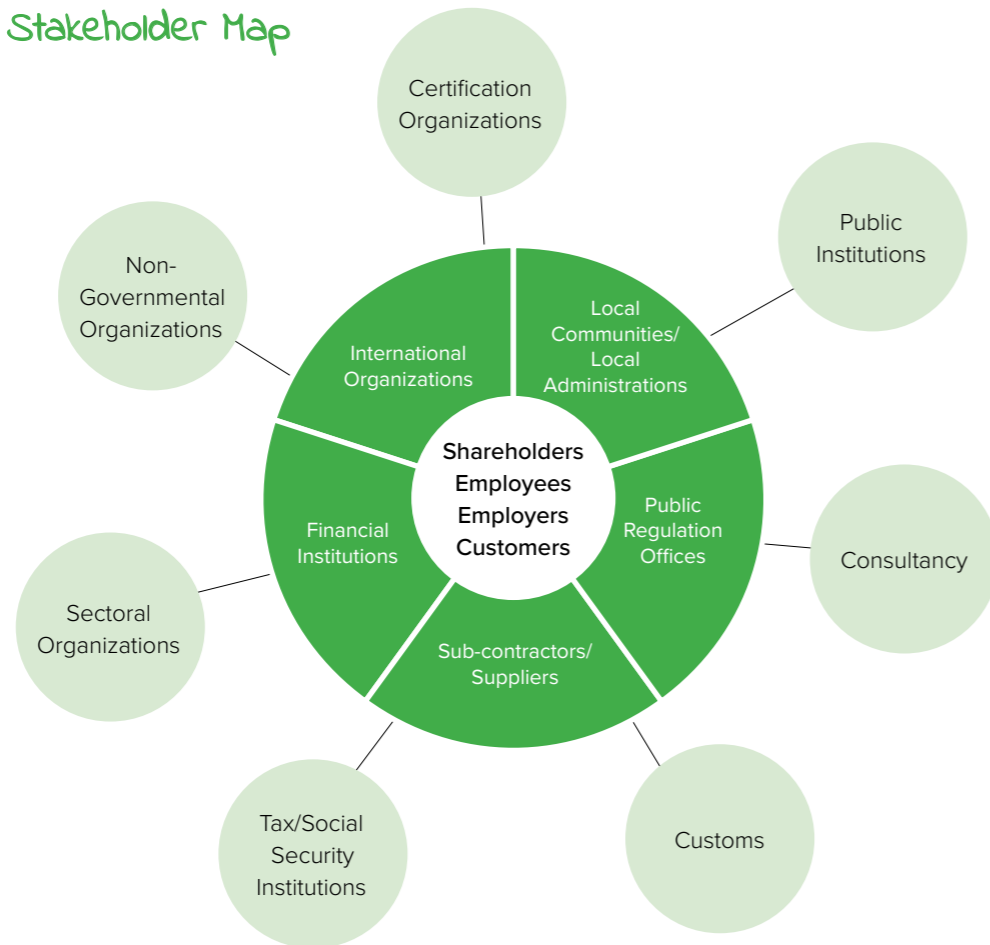
With the effective communication mechanisms we have established, we hear from our stakeholders on their expectations, and demands while developing solutions to the issues raised by them.

We are in close contact with customers who consume those services which are vital for life to continue and the quality of life people enjoy.

All real persons and legal entities, who are either impacted by our activities or have an impact on us, are the stakeholders of Çalık Enerji. We divided our stakeholders into three groups based on the frequency of our interaction. What lies at the center of our stakeholder ecosystem are the stakeholders whom we always must be in touch with while carrying out business processes. The second circle is composed of stakeholders we frequently interact with, while the outer circle includes stakeholders we have limited interaction with.

With the effective communication mechanisms we have established, we hear from our stakeholders on their expectations, and demands, while working with them in a constructive manner to develop solutions to the issues raised by them. We share our approaches, plans, and expectations with our stakeholders through stakeholder participation processes and mutually engage on critical issues. Our primary purpose in these processes is to establish a result-oriented approach that creates value for all parties involved.

Stakeholder Map



Our Shareholders

Shareholders are the owners of our Company, and by putting their capital into the Company, they enable us to conduct our activities. They approve our strategy through our Board, set forth the values to be considered while carrying out our business activities and inspect our activities to ensure that they are carried out in line with this strategy and values of our company.

Our Employees

Our employees constitute the greatest value of our Company. Our competent employees allow us to complete all our projects in an efficient way and as planned. They ensure our business continuity by establishing strong and healthy communication with our other stakeholders.

Our Customers

We work with a wide range of customers from individuals to public institutions. We are in close contact with customers who consume the services that are vital for life on the Planet and the quality of life people have. We convey our experiences to them and work to find out their issues, expectations, and demands. We work together to create useful solutions for all the parties involved.

Employers

The interaction we have with contractors in our projects is key for the continuity of our Company. Countries, where we have business activities, realize many different projects for sustainable energy. Tapping into our corporate experience and know-how, we also contribute to countries' strides for development and efforts to improve the quality of life people have.

Our competent employees allow us to complete all our projects in an efficient way and as planned.

STAKEHOLDERS

We procure products that are eco-friendly and fit the efficiency approach of our Company from suppliers who are key players regarding the quality and continuity of our work.

We establish sustainable relations with financial institutions that support us in the financing of new investments.

Local Communities

We are in constant contact with local communities as required by the nature of work we perform. Establishing efficient communication with local communities allows us to run our operations in a healthy way, understand their needs, demands and issues and create solutions. We always work based on a win-win principle.

Local Administrations

Local public institutions are important for the management of our business. For this reason, we carry out our projects in close communication with local administrations.

Regulatory Bodies

The energy industry is subject to regulation. For this reason, public regulation offices directly affect how and at which standards we carry out our business activities or how the prices are determined. From this perspective, we are constantly in touch with these institutions. We share our opinions with relevant institutions when necessary.

Suppliers

Prior to any procurement from suppliers, who are our key stakeholders for the quality and continuity of our work, we audit their working environment and have talks to have them comply with our procurement standards. We work with companies that follow our rules in procurement processes. We evaluate the quotes we receive within the scope of total cost of ownership and procure the goods that are suitable for the environment and the productivity of our company.

Subcontractors

Sub-contractors support us in our operations and are important structures for the efficiency of our work. In addition, it is important to give training to sub-contractor's employees on occupational health and safety. It is also one of our responsibilities to follow up whether the sub-contractor's employees are given decent jobs and their employee rights.

Finance Organizations

We establish sustainable relations with financial institutions that support us in the financing of new investments. We share our financial statements, give detailed information on our business and hold meetings on potential collaborations.

International Organizations

International institutions include UN Global Compact and international financial institutions that provide loans for the projects we carry out in other countries (Atlantic Council, ENR). We try to spread the impact area of responsible business approach by following the standards set forth by these institutions and deploying these standards to the structures under our sphere of influence such as suppliers and sub-contractors. In addition, we also provide reports for relevant organizations.



Certification Organizations

Certification organizations determine whether our business activities are carried out at international standards. At the same time, they allow us to convert the decrease in carbon emissions into economic value through the evaluation they make in our renewable energy investments. We work closely with certification organizations on the correct measurement of our efforts.

Non-Governmental Organizations

We interact with relevant non-governmental organizations in terms of environmental, social and economic impacts of our investments. On the other hand, we have memberships in business organizations that represent our country internationally, such as the Foreign Economic Relations Board (DEİK).

Sectoral Organizations

We are involved in non-governmental organizations established by actors of our sectors. We support the work of these organizations. We participate in negotiations with the public and opinion sharing processes.

Consultants

Consultants are the companies or individuals that add value to our company's activities with their expertise. We improve our business processes by leveraging external knowledge and expertise.

Public Institutions

Tax authorities, Social Security Institutions, other ministries and provincial offices that are not considered as regulatory bodies under this section, fall into this group. We interact with these institutions for inspection, reporting and compliance with the standards.

We work closely with certification organizations on the correct measurement of our efforts.

INTEGRATED THINKING APPROACH

As Çalık Enerji, we have adopted a value-oriented approach for monitoring and improving our activities. Through an integrated thinking perspective, we aim to increase the value created by the 6 capitals in each of our lines of business. The chart below includes the outcomes and value-created in each line of business as a result of activities through the use of capitals. Value-created in governance, social, environmental and economic areas through the sustainability approach are shown in different colors.



AWARDS, CERTIFICATES AND MEMBERSHIPS

Our Sustainability Ambassadors Program won the Our Energy Our Future Sustainability Award given by Para Magazine under the auspices of the Ministry of Energy and Natural Resources.

Compared to the previous year, we rose by 18 spots to 59th place on Fortune 500 Turkey for 2020.

OUR AWARDS FOR 2021

- We accorded an important achievement by ranking 51st and 8th in the general rankings and sectoral rankings respectively, on the Global 100 Index organized by Global 100 magazine and independent market research company Ipsos to reward Turkey's most successful 100 companies.
- As we rose to 81st place in the general rankings of Capital500 for "Turkey's Biggest 500 Countries" while attaining 22nd place in the rankings for "Companies with Highest Turnover Hike".
- As Çalık Enerji, we ranked 157th, rising 14 places compared to the previous year in the ranking of "ENR (Engineering News Record) Top 250 International Construction Companies of 2020."
- Compared to the previous year, we rose by 18 spots to 59th place on Fortune 500 Turkey for 2020.
- We were also deemed worthy of an outstanding award with our "Sustainability Ambassadors Program" which we launched in January 2020 so as to coordinate all sustainability activities undertaken by volunteer employees. Meanwhile, Para Magazine presented the Our Energy Our Future Sustainability Award under the auspices of the Ministry of Energy and Natural Resources. This award came thanks to our projects that touch on all the themes of climate change and the environment, sustainable finance, digitalization and innovation, energy efficiency, investments, and social benefit. Onur Yücekal, General Manager of Çalık Enerji, received the award from Fatih Dönmez, the Minister of Energy and Natural Resources, with a ceremony held as part of the 4th Energy and Natural Resources Summit on June 7, 2021.



CERTIFICATES

- ISO 9001:2015 Quality Management System
- ISO 10002:2014 Customer Satisfaction Management System (YEDAŞ/YEPAŞ)
- ISO 14001:2015 Environmental Management System
- ISO 45001:2018 Occupational Health and Safety Management System Standard
- ISO/IEC 27001:2013 Information Security Management System
- ISO 18295-1 Communications Center Management System
- TSE COVID-19 Safe Service Certificate
- ISO 50001 (Energy Management System) Certification process is about to be finalized.

MEMBERSHIPS OF ASSOCIATIONS AND WORK COMMITTEES

- Supply Chain Management Association (TEDAR)
- Foreign Economic Relations Board (DEİK)
- Solar Energy Investors Association (GÜYAD)
- Istanbul Exporters' Association (İİB)
- Istanbul Chamber of Commerce (İTO)
- Solarbaba BV
- Turkish Contractors Association (TMB)
- Portable Battery Manufacturers and Exporters Association (TAPDER)
- Turkish Wind Energy Association (TÜREB)
- Suppliers' Association
- Turkish and Cameroon Businesspeople Association

We ranked 51st and 8th in the general rankings and sectoral rankings respectively on Global 100 Index which recognizes Turkey's most successful 100 companies.

Governance

Trust to the company could be achieved with implementing good governance practices.

In all our operations, we effectively manage environmental risks by observing the world that we live in.



OUR APPROACH

In open communication with our stakeholders, we listen their expectations and needs and aim to produce solutions to problems together.

We prioritize building long-term, strong relationships and working to develop the environment necessary to maintain our existence in the long term.

As Çalık Enerji, we operate in line with the principle that good governance leads to greater success. We believe that a good governance approach is crucial for our decision-making process with our stakeholders, effective risk management, successful strategy making, execution and finally ensuring the sustainability of the company.

Effective corporate governance ensures effective project management and defines delegation of authority in its decision-making processes. In this way, the issues arising in the projects and the management of the risks are addressed at the appropriate levels and resolved without wasting time.

Trust to the company could be achieved by implementing good governance practices. Stakeholder engagement and building long-term constructive win – win relationships is one of the key components of building good reputation. In open communication with our stakeholders, we listen their expectations and needs and aim to produce solutions to problems together. We thus prioritize building long-term, strong relationships and working to develop the environment necessary to maintain our existence in the long term.

BOARD PROFILE

MEMBERS OF THE BOARD



AHMET ÇALIK Chairman

Ahmet Çalık, one of the important business leaders of Turkey and the neighboring region, is the Chairman of the Board of Directors of Çalık Holding, which is currently operating in the energy, construction, mining, textile, finance, telecommunication, and digital industries.

Ahmet Çalık, a member of a family that has been active in textiles since 1930, started his first personal endeavors in textiles in 1981 and founded Çalık Denim, one of the largest industrial investments in Eastern Anatolia, in 1987. Çalık started his commercial ventures abroad in Central Asia after the Turkic Republics gained independence in the 1990s, and has made investments in construction, energy, and finance with the goal of sustainable growth.

Çalık, acting with the goal of creating added value in the countries in which it operates, established Çalık Holding in 1997 by uniting all Group companies under a single roof. The Holding operates in 31 different countries with 14 thousand employees in 7 industries. Çalık Holding is the first Turkish company to become a member of the Japanese Business Federation Keidanren.

Focusing on projects that benefit people and society with visionary investments, Ahmet Çalık prioritizes diversity, sustainability, and durability in all sectors and geographies in which he is active while continuing his investments and acts with the principle of treating all cultures, beliefs, ethnicities, and genders equally, and adopts a business approach that respects the environment and supports social responsibility projects.

Fields of Operation

- Energy
- Construction
- Mining
- Finance
- Telecommunications
- Textile
- Digital

Significant Investments

- Ortadoğu Tekstil, 1981
- Çalık Denim, 1987
- Gap Pazarlama, 1994
- Gap İnşaat, 1996
- Çalık Holding, 1997
- Çalık Enerji, 1998
- Aktif Bank, 1999
- BKT, 2006
- ALBtelecom, 2007-2022
- Lidya Madencilik, 2010

- Yeşilirmak Elektrik Dağıtım A.Ş. (YEDAŞ), 2010
- Yeşilirmak Elektrik Perakende Satış A.Ş. (YEPAŞ), 2012
- Kosovo Electricity Distribution Company (KEDS), 2013
- Aras Elektrik Dağıtım A.Ş. (ARAS EDAŞ), 2013
- Aras Elektrik Perakende Satış A.Ş. (ARAS EPSAŞ), 2013
- Çalık Petrol, 2017
- BKT Kosovo, 2017
- Çalık Digital, 2017

Awards and Honors

- Order of State of Turkmenistan – 1997
- Mahdumkulu Award of Turkmenistan – 1997
- Order of Merit of the Turkish Republic – 1999
- Order of Merit of the Republic of Turkey Ministry of Foreign Affairs– 2002
- Order of Merit of Turkish Grand National Assembly – 2006
- Bursa Honorary Consul of the Republic of Kazakhstan, 2012
- USA Ellis Island Medal of Honor – 2014
- Albania Tirana University, Honorary Ph.D. – 2014
- Matsumoto Dental University, Japan, Honorary Ph.D. – 2014
- Turkmenistan “Garaşsyz, Baky, Bitarap Turkmenistan” Medal Certificate – 2015
- Japan Kindai University, Honorary Ph.D. – 2016
- Order of State of Japan (Order of the Rising Sun, Gold Rays with Neck Ribbon) – 2019
- Malatya Turgut Özal University, Honorary Ph.D. – 2020

BOARD PROFILE

MEMBERS OF THE BOARD

**ONUR YÜCEKAL****General Manager**

Graduated from Boğaziçi University, Department of Mechanical Engineering in 1997, Onur Yücekal received his MBA degree from Emory University in 2001. Embarking on his career at Bank Ekspres as Treasury Analyst in 1997, Yücekal then joined General Electric in the United States in 2001 and served as the Financial Planning & Reporting Analyst at GE Energy. Following his role as Senior Audit Manager at GE Corporate between 2003 and 2006, Yücekal took office at GE Money in 2006 and respectively held the positions of; CFO of GE/Garanti Bank JV in Istanbul, Garanti/GE Romania JV CFO and Board Member in 2009 and Bank BPH CFO in Poland in 2010. As of 2012 Yücekal, fulfilled his duties as CFO and Board Member of GE Turkey and simultaneously undertook the leadership role as CFO of the Middle-Eastern Region of GE Power Systems between 2014 and 2018. Between 2018 and 2019, Yücekal served as the Chief Financial Officer of Çalık Holding, and as of April 2019, he was appointed as General Manager of Çalık Enerji.

**ASSOC. DR. OSMAN SAİM DİNÇ****Board Member**

Born in Nevşehir in 1955, O. Saim Dinç earned a degree in the Faculty of Mechanical Engineering at Istanbul Technical University in 1978 and assumed the title of assistant professor in 1986. He attended the RPI (Rensselaer Polytechnic Institute), New York, USA, in 1988 for academic studies while simultaneously working for the GE Corporate Research and Development Center. Having worked for General Electric in NY, the USA, for 15 years, Mr. Dinç has held several positions and run many projects concerning power plants, gas turbines, wind turbines, aeronautical engineering, and product development. He assumed the title of associate professor in 1992. He was appointed as the Chairman of TPAO (Turkish Petroleum Corporation) on May 20, 2003. Having held office for four years, he gained broad experience in the oil and gas industry and completed scores of significant projects on a high note during his tenure. Having joined Çalık Enerji on 16 April 2007, O. Saim Dinç served as general manager until 2018. Currently, he is a member of the board. He has over 60 patents to his name and has had more than 40 articles published by international conferences and scientific journals. He is also an award-winning executive in many lines of business.

**ORHAN GENİŞ****Board Member**

Having graduated from Chemical Engineering Program at the Middle East Technical University, Orhan Geniş received his master's degree in leadership studies at the UK's University of Exeter. Orhan Geniş commenced his career in 1976 as a process engineer at TÜPRAŞ and was then transferred to UOP, a refinery and petrochemical production company in England, in 1990. He worked in the Petrochemical and Refinery Optimization Departments and served as Refinery Technologies Manager and Engineer and Consultancy Group Director between 1993 and 2002 at UOP, subsequently acquired by Honeywell. He became the Product Group General Manager of UOP in Europe, the Middle East, the Commonwealth of Independent States (CIS), and Africa in 2002. He continued to hold office as the General Manager in Switzerland between 2008- 2010 due to the company reorganization. After holding various positions for 20 years at Honeywell Intl Inc., Orhan Geniş managed Honeywell's business activities as the President of Turkey and Central Asian Fastest Growing Strategic Countries in the region between 2010 and 2018 before retiring in September 2018. Orhan Geniş created multiple international publications and is one of the contributing authors of the "Petroleum Refining Process" technology book published by Mc Graw Hill. In 2013 he was a recipient of the Assoc. Prof. Dr. Süha Atamer Award. The METU Chemical Engineering Academic Board gives the award to recognize leaders with outstanding achievements in the industry. He joined Çalık Group as a Board Member of Çalık Enerji in April 2019.

**MUSTAFA AKSOY****Board Member**

Born in 1977, Izmir-Tire, Mustafa Aksoy holds a BSc. Degree in Public Administration from Dokuz Eylül University. Having worked at Egebank and Garanti Bank as an auditor, Mr. Aksoy completed his MBA at Belgium's Antwerp University. He joined Çalık Group in 2004, serving in various marketing, corporate finance, M&A, and business development positions. Serving as the General Manager of Lidya Madencilik since July 2010, Mr. Aksoy holds board member positions both with Lidya and our JV mining companies with foreign partners. In addition, he became a Member of the Board of Directors of Çalık Enerji in April 2019. Besides English, he has a good command of German, French and Italian.

**FATİH GENÇ****Board Member**

Fatih Genç completed his bachelor's degree in the Civil Engineering Department of the Middle East Technical University in 1978. He worked at various levels at STFA Construction Group for more than 34 years, ultimately holding the position of General Manager. He was later appointed General Manager at İçtaş & Astaldi partnership, İçtaş Executive Board Member, and Taca Construction Saudi Arabia Country Manager. Fatih Genç who crossed paths with STFA Construction Group again in 2017, acted as a Project Management Committee Member in Kuwait. Since 2019, he has been a Board Member of Çalık Enerji and GAP İnşaat.

Social Responsibility Projects

- Malatya Educational Foundation
- Mahmut Çalık Education Complex
- Malatya Hasan Çalık Hospital
- Ankara Oncology Hospital
- Yalova Atatürk Mansion (Yürüyen Köşk) Restoration
- Renovations at the Geomatics Department, Faculty of Civil Engineering at Istanbul Technical University
- Renovation of the Precious Metals Laboratory at ITU Mining Faculty
- Boğaziçi University Faculty of Engineering - Hydraulic Laboratory Renovation
- Malatya Textiles Museum

Missions at the State Level

- Bursa Honorary Consulate of Republic of Kazakhstan, 2012

Personal

- 1958, Malatya
- Married with four children

BOARD PROFILE

Distribution of Board Members by Age and Gender

	AGE	GENDER	EDUCATION	PROFESSIONAL EXPERIENCE	SENIOR MANAGEMENT EXPERIENCE
AHMET ÇALIK	64	MALE	HIGH SCHOOL	41 YEARS	41 YEARS
ONUR YÜCEKAL	47	MALE	MECHANICAL ENGINEERING MBA	25 YEARS	16 YEARS
ASSOC. DR. SAİM DİNÇ	67	MALE	MECHANICAL ENGINEERING	44 YEARS	19 YEARS
ORHAN GENİŞ	70	MALE	CHEMICAL ENGINEERING	46 YEARS	19 YEARS
MUSTAFA AKSOY	45	MALE	PUBLIC ADMINISTRATION MBA	23 YEARS	12 YEARS
FATİH GENÇ	69	MALE	CIVIL ENGINEERING	44 YEARS	22 YEARS

Activities of the Board

Board meetings are held every 3 months. 4 meetings were held in 2021.

The current status, future projects, risks, and strategies of the Company were discussed in these meetings. The Board of Çalık Holding took decisions to further integrate sustainability in their companies' strategies and decision-making processes, and thus to proceed with ongoing sustainability-related efforts.

In line with this resolution taken by Çalık Holding, our Board decided to review our sustainability efforts and strengthened their connection with the company strategy.

At all our Board meetings held in 2021, Senior Management was regularly informed about our sustainability efforts.

OUR ETHICAL VALUES

As Çalık Enerji, we adopt a business approach based on creating value for our stakeholders in all regions we operate.

Our approach towards doing business is shaped on the basis of Çalık Holding's Code of Ethics and Compliance prepared for the Çalık Group.

As Çalık Enerji, we adopt a business approach based on creating value for our stakeholders in all regions we operate. Working with this point of view, we pay attention to:

- Having our customers satisfied,
- Contributing to development of the countries and regions we operate,
- Offering products and services at international standards and quality,
- Acting fair to all our stakeholders.

Our ethical values for business include the concepts of justice, fairness, honesty, impartiality, and responsibility. Acting ethically means doing the right thing based on ethical values.

All our actions must be in compliance with applicable legislations in all our operating regions, including those in the Republic of Turkey.

Within the scope of anti-corruption efforts, our Company is directly or indirectly subject to the Turkish Penal Code and Law on Prevention of Laundering Crime Revenues, and as the company engages in international commercial activities, to other legislations such as OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, UN Convention Against Corruption, United Kingdom Bribery Act 2010 ("UKBA"), US Foreign Corrupt Practices Act ("FCPA"), and Anti-Bribery Law of France ("Loi Sapin II"), as well as other anti-corruption laws in force in the countries where branches, local companies, or operations of Çalık Enerji are located.

We expect our employees to act in compliance with the laws of the Republic of Turkey, laws applicable in relevant countries, international conventions, procedures published by the Company, and the rules.

Legal Compliance

We expect our employees to observe the laws and regulations applicable in Turkey and in other regions where we operate while carrying out their duty. All information to be disclosed by the Company to the public and submitted to authorities is shared in accordance with the applicable standards and in a transparent way.

All our actions must be in compliance with applicable legislations in all our operating regions, including those in the Republic of Turkey.

OUR ETHICAL VALUES

The Company and its employees act sensibly and responsibly for social issues as good citizens and prudent tradespeople.

We aim to demonstrate an honest and fair approach towards our employees and provide a safe and healthy working environment.

Gender Equality and Diversity

We aim to demonstrate an honest and fair approach towards our employees and provide a safe and healthy working environment. In this context, discrimination in our Company against employees based on their language, race, skin color, gender, political view, belief, religion, observance, age, physical disability or other similar characteristics is not allowed in order to create a fair and safe working environment. We value diversity. At Çalık Enerji, equal opportunities are provided for equal individuals.

Occupational Health and Safety

We consider health and safety of all our employees as number one priority in all countries of operation. Workplace, physical work environment and conditions must be healthy and safe for all our employees.

Fight against Violence and Harassment in Workplace

Violating the privacy of our employees in the workplace or any other place they are in for business purposes through physical, sexual, or emotional harassment is illegal and unethical. In the event of such harassment, necessary legal and administrative procedures are initiated and necessary measures are taken in order to prevent harassment.

Responsibility to the Customers

It is essential to work with a customer-oriented approach at Çalık Enerji. We approach our customers with respect, decency, fairness, equality and courtesy rules. It is our priority to generate value for our customers, increase customer satisfaction and establish a long-term environment of trust in our relationships with our customers.

We engage with the individuals and corporations we work with based on honesty, fairness,

respect and goodwill and pay attention to fulfill our legal obligations in time. The company and the employees are responsible for carefully protecting confidential information of the individuals and corporations they work with.

Fair Competition

We adhere to fair competition rules of all countries in which we operate. We support the efforts towards establishing a competitive structure in the community and avoid unfair competition.

We collect and use data on rival companies legally and ethically. We respect the confidentiality of non-public information that belongs to our competitors.

Responsibility Towards Society

The Company and its employees act sensibly and responsibly for social issues as good citizens and prudent tradespeople. It is aimed to mind the traditions and cultures of the countries we operate in, adjust to the social structure and avoid any behavior that may have a negative impact on the social sphere.

We encourage our employees to participate in social events such as environmental, healthcare, educational and sports activities.

Responsibility to the Environment

We abide by the environmental laws and legislation in all our countries of operation and manage our business activities in parallel with international standards based on the principle of environmental protection.

We observe all relevant local and international laws, regulations, and conventions and ensure that these are followed and implemented by our business partners by including binding provisions in contracts.

we conduct our activities in accordance with international standards for environmental protection.

Protection of Business Secrets and Confidentiality

We define confidential information as business secrets, intellectual property rights, third party confidential information, agreements and other information that will negatively impact competition. This information may not be disclosed to or shared with third parties.

Our employees must pay attention to protect confidential and private information including but not limited to those that may belong to suppliers, customers and other stakeholders, regardless of their relevance to the employees' job, and they are not allowed to use such information in favor of themselves or third parties. This liability shall survive after the termination of the employees' business relationship with the company.

Passwords, user IDs, authorizations and other similar identifiers that are used to access our information systems must be kept confidential and should not be disclosed to anyone other than authorized users. Trying to afford business interests by using or disclosing company's confidential and private information to third parties (insider trading) constitutes a crime as per the laws as well as codes of conduct.

Media Relations

We manage our relations with the media through a clear and transparent communication model. We pay attention to corporate messages, information, and statements not to be misleading. We equally distance ourselves from media organizations and have equal relationships with them. We respond to any financial or sectoral information requests from the media through authorized employees under the coordination of the Corporate Communications Department.

Avoiding Conflicts of Interest

Any benefits or interests gained by the employees or their relatives, acquaintances or individuals and organizations they have a relationship with due to the position of said employees are defined as "conflict of interest."

We expect our employees to avoid all kinds of activities that may cause a conflict of interest. Company name or reputation may not be used for gaining personal benefit.

Our employees, within the scope of their jobs, may not enter into any mutual or gratuitous business relationships that may provide benefit to their family members, relatives or other third parties they have a relationship with. This matter is specially considered when deciding on the suppliers to work with.

Our employees may not become members of the boards or auditors of any company other than our group companies unless the Board of the Company that employees work for gives permission to do so. They may not have a second job outside the company. Working as an arbitrator, intermediary or expert as authorized by judicial or administrative bodies or working as a lecturer at universities are not subject to this restriction. For any duties to be performed outside the company, employees' work performance must not be affected, said duty must be performed outside the working hours of the company and the Human Resources Department of the company must be informed prior.

We respond to any financial or sectoral information requests from the media through authorized employees under the coordination of the Corporate Communications Department.

OUR ETHICAL VALUES

Our employees may offer or accept reasonable entertainment or meals to or from individuals in accordance with the customs of trade.

Our employees must be honest, respectful, and fair towards our business partners and observe the mutual interests of the companies.

We expect our employees to act in good faith and in accordance with applicable regulations and corporate discipline.

Accepting or Offering Gifts

Our employees may not accept any gifts, income, aid, entertainment, special discount, or commissions for their self-interest that may affect their impartiality, decisions, or behaviors. However, in the events where rejecting gifts from the customers or suppliers may be considered rude, employees may accept gifts provided that said gift is appropriate in terms of customs of trade and the approximate value of said gift does not exceed 150 Euros or its equivalent in other currencies.

Our employees may offer or accept reasonable entertainment or dinner to or from individuals in accordance with the customs of trade.

Our employees must never accept cash or borrow money, regardless of its amount, from suppliers, rivals or customers. Our employees are not allowed to invest in or lend money to suppliers that may give rise to conflict of interest. Likewise, they are not allowed to use special advantages or conditions offered by suppliers to the company for gaining personal benefit.

We expect our employees to act in good faith and in accordance with applicable regulations and corporate discipline.

Anti-Corruption

Bribery means offering a benefit to a public officer or any other designated person, directly or via intermediary parties, for them to do or not to do something related to the performance of their work.

Our employees may never attempt to influence the decisions of public officers or any other designated persons for them to do or not to do something related to the performance of their duty via offering or giving financial or other benefits.

Çalık Enerji employees may never be punished or subjected to other negative consequences for refusing to bribe someone, even if this refusal may result in the loss of a business transaction.

Our Company never allows any attempts of using our own resources for "Money Laundering" purposes, which is described as the process of making money illegally generated by other individuals or companies that appear to have come from a legitimate source.

We act in compliance with local and international laws and legislations against money laundering and try to reasonably track the source of the money generated during our business activities by working with reliable and reputable business partners.

Political Contributions

Çalık Enerji does not support a political view or party. Our employees must maintain a non-political stance on all platforms where they represent the company. Employees must avoid statements or behaviors that may expose their personal political views.

Çalık Enerji and its employees acting on behalf of the company may not make political contributions, directly or indirectly, to political parties, party members, candidates or organizations.

Our employees are free to participate in democratic political activities. However, they must inform the Compliance Officer before participating in such activities and these activities must be run without referring to the company or utilizing the company's resources.

Charitable Contributions and Donations

The majority of Çalık Enerji's contributions must be made towards social responsibility projects on education, healthcare, environment, and events related to art.

All donations, contributions, and sponsorships must be transparent and in compliance with the applicable laws of the countries involved. Any non-compliant applications, requests, or payment of donations, contributions, and sponsorships are reported to our Compliance Officer.

Corporate donations and social aid must be granted to the projects, organizations, or institutions that are in line with our internal procedures, Ethical Principles, and Corporate reputation.

Relations with Business Partners and Monitoring Compliance with Rules

We highly value our relations with our business partners.

Our employees must be honest, respectful, and fair towards our business partners and observe the mutual interests of the companies.

Our anti-corruption program also applies to the transactions performed with our business partners.

In order to determine whether a certain business partner is in compliance with the codes of conduct as well as the anti-corruption regulations in effect, business partner assessment must be made, when applicable (based on their size, reputation, etc.), by the relevant department under the supervision of our Compliance Officer, before initiating the business relationship.

The assessment must be repeated periodically as per the Guidelines for Managing Business Partner Assessments and it is also made before purchasing shares in a company or participating in a joint venture.

All kinds of agreements to be entered into with our business partners must include anti-bribery commitments and the right to terminate.

We regularly audit the performance of our business partners.

Çalık Enerji does not support any political view or party.

OUR ETHICAL VALUES

As an employer that minds ethical values, we provide the employees or others with safe and accessible channels through which they can report any suspicious cases in confidence and without the risk of retaliation.

The Ethics Committee is responsible for evaluating the nonconformities determined within the scope of the codes of conduct as well as the reports shared over the Ethics Hotline.

ETHICS LINE

As an employer that minds ethical values, we provide the employees or others (i.e. business partners) with safe and accessible channels through which they can report any suspicious cases in confidence and without the risk of retaliation. An ethics hotline was established through which all employees can freely report their concerns in full confidence. This hotline is designed to forward all ethical non-compliances pertaining to Çalık Holding and its Group Companies to the Ethics Board of Çalık Holding A.Ş. where relevant investigation procedures would be followed.

All our employees are encouraged to freely report suspected non-compliant behavior with the guarantee of non-retaliation. All complaints reported to the Ethics Line will be recorded and treated confidentially.

Ethics Committee will, with utmost attention, handle all suspicions reported via the Ethics Hotline by applying a maximum level of confidentiality, and take necessary action if it determines that corporate values, rules, or applicable laws have been violated.

ETHICS COMMITTEE

Ethics Committee consists of 1 chair, 2 principal members and 2 substitute members. The Chair and Members of the Ethics Committee are elected, authorized, and appointed by the Board of Directors of Çalık Holding, in line with the term of office of the Board of Çalık Holding. Ethics Committee holds meetings with all the members present and takes decisions unanimously. Members of our Ethics Committee may not participate in negotiations regarding themselves or their employees. In such cases, a suitable substitute member participates in the meeting and decision-making process.

Ethics Committee examines the non-compliant acts identified as per the Code of Ethics, as well as the reports submitted to the Ethics Hotline. It also takes necessary action regarding such reports upon the Chair's approval and the decision of the Board of Directors.



QUALITY

We work hard to offer the best to our stakeholders by acting in line with our Quality Policy pursued in all the regions of our operations.

As Çalık Enerji, we carry out our projects in accordance with quality standards at all our domestic and international locations and aim at constant self-improvement.

OUR QUALITY POLICY

Since our foundation, we place great emphasis on quality and work hard to offer the best to our stakeholders by acting in line with our Quality Policy pursued in all the regions of our operations.

Çalık Enerji Quality Policy is communicated to our employees, subcontractors, and suppliers operating on behalf of Çalık Enerji. It is announced at all operation sites under our control or working on behalf of our Company.

We have created Çalık Enerji Quality Management System in integration with environmental and occupational health and safety management systems. We exercise the same level of care while implementing the system. Accordingly, ISO 9001 Quality Management System, ISO 14001 Environmental Management System, and ISO 45001 Occupational Health and Safety Management System are audited and certified every year by third-party institutions to ensure their continuity.

We are known for our quality, creative, environmental, and people-friendly projects in the energy sector. We create value by continuously improving our services and constantly informing our stakeholders.

- Customer focus and feedback,
 - Leadership and management,
 - Processes and procedures,
 - Risk-based thinking system,
 - Transparency,
 - Assignment and authorization,
 - Monitoring and communication,
 - Knowledge and sustainability
- are titles that we care about when creating our management systems and ones that we transmit to all our stakeholders for continuous improvement.

As Çalık Enerji, we carry out our projects in accordance with quality standards at all our domestic and international locations and aim at constant self-improvement.

For our customers, we do the following:

- Prepare and perform projects based on their needs and expectations,
- Evaluate their concerns and opinions and discuss them with customers,
- All solutions comply with the principles of environmental protection and value creation for all stakeholders. We work to convince our customers with this approach,
- Keep customer satisfaction at the heart of our quality policy.

To offer high-quality services, we demonstrate leadership that

- Provides all necessary resources,
- Supports an open interaction and communication environment,
- Encourages employees to take responsibility,
- Encourages a risk-based approach and questioning.

To offer efficient services, we:

- Assess and improve our processes continuously,
- Create procedures for the functioning of our processes and develop our employees through training,
- Create feedback mechanisms to improve our processes,
- Support improvement of the quality management system.



By creating a transparent work environment, we encourage:

- Critical thinking,
- Identifying problems and suggestions for improvement,
- Discontinuing work when achieving target quality is in doubt and we authorize our employees to do so accordingly.

To perpetuate continuous improvement, we encourage;

- Constant monitoring of quality indicators,
- Investigation of the issues to find out the causes and develop solutions,
- Institutionalization and the spread of experience.

Moreover,

- Aligning all our activities with applicable local laws, and conducting them in line with Çalık Enerji's principles, as well as customers' needs and expectations,
- Ensuring constant customer satisfaction derived from product and service quality, and attaining all quality-related targets,
- Making the most efficient use of resources with the understanding that quality is key to success and on the basis of continuous development,
- And encouraging stakeholders, first and foremost our employees as the most precious asset of our business, to contribute to our policy

are the core objectives of our Quality Management System.

While expanding our business volume, we step forward by improving our rankings in the industry in a controlled manner, avoiding unforeseeable risks, and preserving our reputation, reliability, and quality.

During its activities, Çalık Enerji commits itself to the following core principles to attain these goals:

- Integrity
- Right and timely delivery to customers,
- Compliance with the regulations of the country where the work is performed,
- Implementation of the project as per the contract,
- Performing work with optimal profitability,
- Addressing customers' expectations,
- Respect for experience, technology, humans, and the environment.

All departments set targets by considering technical and financial possibilities, as well as what is advised by the general principles cited above. The extent to which the corporate goals have been attained is periodically examined by the Management to assess if the policies and goals have been thoroughly understood while they are initially being laid out.

While expanding our business volume, we step forward by improving our rankings in the industry in a controlled manner, avoiding unforeseeable risks, and preserving our reputation, reliability and quality.

INFORMATION SECURITY

In pursuit of its goals, Çalık Enerji operates in compliance with the applicable laws and regulations.

We are committed to following the principles of confidentiality, integrity, and accessibility of information according to the needs of our Information Security Management System,



OUR INFORMATION SECURITY POLICY

As we provide services in line with our objectives and in accordance with the applicable laws and legislation, we commit to:

- Define roles and responsibilities for the operation and continuity of our management system for information security,
- Set objectives for our Management System and evaluate their compliance at certain times,
- Conduct risk management activities within our Management System,
- Perform business impact analyses and define continuance targets and business continuity strategies to duly cater for our Management System,
- Follow the principles of confidentiality, integrity and accessibility of information to duly cater for our Management System,
- Allocate necessary resources and plan training programs to improve competency of our personnel with an aim to cater for and efficiently run our Management System,
- Conduct regular reviews to continuously improve the processes and activities that are parts of the operation of our Management System,
- Plan awareness raising and guiding activities to ensure that all of our personnel and partners participate to and comply with our management systems as per our holistic approach towards our Management Systems,
- Ensure compliance with the requirements of standards, legal regulations and contracts in terms of our Management System,
- Implement our Management Systems as an indispensable part of our corporate culture.

INTERNAL CONTROL AND INTERNAL AUDIT

The Auditing Group conducts its work in accordance with International Internal Audit Standards.

The Auditing Group aims to establish an effective internal control system and improve corporate management practices within the Company.



Çalık Holding A.Ş. The Department of Auditing (Auditing Group) provides auditing and consultancy services in the fields of financial, operational, and information systems and technical matters within Çalık Enerji.

In this context, process control, financial audits, tax audits, and financial and technical inspections of EPC projects are made and consultancy services, if requested, are offered within our Company.

Operating in accordance with the International Internal Auditing Standards, our Auditing Group evaluates and inspects compliance with the Internal Control Systems of Çalık Enerji and its subsidiaries, observing COSO Standards and best practices.

Our Audit Group aims to improve accuracy and reliability of financial and operational transactions, ensure compliance with legal regulations and corporate procedures, protect company's assets, and enhance efficiency

and effectiveness of operational processes, through establishing an effective internal control system and developing corporate governance practices at our Company.

Our Auditing Group periodically informs our Board of Directors and Auditing Committee on the results of auditing activities.

Our Auditing Group creates recommended actions to be taken for the findings of audits before reporting and reaches an agreement with relevant departments regarding the findings and action plans.

Our Auditing Group is also responsible for following up actions in order to ensure effective implementation of the measures taken by the Management in line with the action plans created as a result of the mutual agreement and to observe developments.

CONNECTIONS WITH SDGs

We think qualified people are the key component of power to create value, and thus work hard to offer a fair, inclusive, safe, and diverse working environment to employees.

We contribute to the 16th goal of the United Nations Sustainability Development Goals (SDGs), which is Peace, Justice, and Strong Institutions.

We think qualified people are the key component of power to create value and thus work hard to offer a fair, inclusive, safe and diverse working environment to employees. We stand against all forms of discrimination our employees may experience based on their language, race, color, gender, political thought, belief, religion, creed, physical disabilities, or similar reasons and adopt an approach based on equal opportunities.

In all our operations, we care about the Planet we live on and effectively manage our environmental risks, while promptly adapting ourselves to the changes in this field. We work to continuously develop our environmental sustainability performance in pursuit of our vision of adding value to society.

We take ethical rules as a basis in the work we do and the partnerships we have with suppliers, customer groups and other groups in our stakeholder ecosystems.

We contribute to article 16) Peace Justice and Strong Institutions of the United Nations Sustainable Development Goals (SDG) by implementing our management and decision-making systems based on these approaches.



ACHIEVEMENTS

Our Sustainability Ambassadors have become our sustainability locomotive through creative projects by generating team synergy at regular meetings.

SUSTAINABILITY AMBASSADORS

We established a project team within the scope of building our sustainability strategy. We created this project team from volunteer company employees working in different departments. Thus we aimed to instill an integrated thinking approach within the company and to create a decision-making infrastructure by evaluating issues from diverse perspectives. We named this team, consisting of people who would contribute to the dissemination of the sustainability perspective within Çalık Enerji using the sustainability perspective in decision-making processes, as "Sustainability Ambassadors."

Our Sustainability Ambassadors have become our sustainability locomotive through creative projects by generating team synergy at regular meetings.

On the other hand, our Sustainability Ambassadors had the opportunity to present their work directly and receive feedback through regular meetings with our Senior Management.



ACHIEVEMENTS

In 2021, we carried out efforts to increase the awareness of our employees within the scope of Çalık Enerji Ethics and Compliance studies.

We printed the Çalık Enerji Code of Business Ethics and Compliance Regulation brochures and distributed them to all our employees.

We moved business development processes to the digital platform, which stands for yet another investment we made in digitalization.

TRANSFER OF BUSINESS DEVELOPMENT PROCESSES TO DIGITAL PLATFORM

The project aims to facilitate the tracking of Business Development and Proposal processes and to store corporate memory digitally. With this respect we started using the Salesforce application, which allows the business development processes to be stored and tracked digitally. In the coming period, we plan to develop the application to include other functions of our Company.

COMPLIANCE AWARENESS-RAISING ACTIVITIES

In 2021, we carried out efforts to increase the awareness of our employees within the scope of Çalık Enerji Ethics and Compliance studies.

With the participation of all our employees, we conducted a training on "Ethics and Compliance" about the following topics:

1. Objective and Scope
2. Impact of Business Ethics on Company Value
3. Responsibilities
 - a) Holding Mission and Responsibilities to the Mission
 - b) Responsibilities to the Holding Values
4. Code of Ethics and Business Cases
 - c) Protection of Trade Secrets and Confidentiality & Examples
 - d) Media Relations and External Communication & Example
 - e) Social Media Use & Examples
 - f) Political Activities
 - g) Conflicts of interest
 - h) Use of the Assets
 - i) Accepting or Offering Gifts
 - j) Avoiding Abuse of Trust, Irregularities and Corruption
 - k) Anti-Corruption
5. Compliance Manager and Compliance Officers
6. Notification and Resolution of Violations
7. Duties of Executives
8. Ethics Line & Ethics Committee
9. Ethics and Compliance Roadmap
10. Questions & Answers



We printed the Çalık Enerji Code of Business Ethics and Compliance Regulation brochures and distributed them to all our employees.

Under the umbrella of the Legal Department, we established a unit where we appointed Corporate Compliance Officers who will adopt core values and uphold the principles of

the Code of Ethics, guide employees in this regard, receive reports of unethical conduct, and provide consulting on whether a matter constitutes unethical conduct. Our relevant Compliance Officers successfully completed the requirements of the 42-hour "Certificate Program for Compliance Officers" training during the year, deserved to receive their certificates, and started their duties.

Our Corporate Compliance Officers successfully completed the requirements of the 42-hour "Certificate Program for Compliance Officers" training during the year, deserved to receive their certificates, and started their duties.

Social

We are known for high-quality, creative, and environmentally-responsive projects that respect humans.

By signing the United Nations Global Compact, we undertook that we prioritize human rights in an international platform.

18,793

Total OHS Training Hours in 2021



OUR APPROACH

At Çalık Enerji, we aim to generate value by continuously improving our services and constantly informing our stakeholders.

We manage our operations by providing equal opportunities to all our employees at an equal distance to each employee and without discrimination.

As Çalık Enerji, we are known for our quality, creative, environmental and human-friendly projects in the energy sector. We aim to generate value by continuously improving our services and constantly informing our stakeholders. Occupational health and safety is the key factor in all our lines of business.

By signing the United Nations Global Compact, we committed on an international platform to prioritize sustainability and human rights. Global Compact signatories are expected to be respectful of human rights and implement sustainability approach in their own companies as well as their supply chains.

We exhibit an approach that puts human rights at the center in all our operating regions. We manage our operations by providing equal opportunities to all our employees at an equal distance to each employee and without discrimination. Our codes of conduct reflect our approach to this issue.

OCCUPATIONAL HEALTH AND SAFETY

We encourage all our stakeholders to contribute to the OHS system and this way strive to raise OHS awareness.

OUR OCCUPATIONAL HEALTH AND SAFETY APPROACH

Our Occupational Health and Safety (OHS) Policy is the top document governing our management systems and practices committed by our Senior Management which are discussed in Management Review Meetings held each year by our Senior Management.

Our Senior Management created our OHS Policy in accordance with the nature of all our domestic and foreign activities and included the commitment to comply with the requirements of the OHS Management System and improve its effectiveness continuously.

Our OHS Policy lights the way for our commitments and goals that fall into the categories such as planning and implementation, assignment and authorizations, risk management, monitoring and reviewing and identifying critical performance indicators. It is communicated to and accessible by all the parties involved around the world through web, intranet, bulletin boards, job trainings etc.

Our Occupational Health and Safety Management System was established within the framework of ISO 45001 so as to ensure a consistent implementation of the standards, procedures, and practices laid out. The system identifies how the Occupational Health and Safety System should be applied to business methods, processes, and systems.

The scope of ISO 45001, as well as ISO 9001 and ISO 14001 Management Systems, which have been integrated therewith, includes Business Development in Energy, Oil and Gas Industries, Tender Preparation, Monitoring and Deal Preparation, Design, Engineering, and Construction and Operating Activities.

OUR OCCUPATIONAL HEALTH AND SAFETY POLICY

In all our Occupational Health and Safety (OHS) activities, we always procure the resources necessary for construction sites and workplaces by investing in safe equipment and establishing safe working environments, believing in the zero-accident goal and adopting the approach for prevention of occupational diseases.

We regularly organize OHS trainings and emergency management drills, encourage all our stakeholders to contribute to the OHS system and aim to increase awareness of OHS.

We employ a risk-based thinking system that we created by foreseeing potential emergencies and accidents in the OHS. We place importance on emergency risk assessments, developing corrective actions to minimize risks and following preventive approaches. We evaluate all risks as well as environmental and social impacts of all incidents that may occur during our activities and make our decisions accordingly.

OCCUPATIONAL HEALTH AND SAFETY

We evaluate all risks as well as environmental and social impacts of all incidents that may occur during our activities and make our decisions accordingly.

In all our activities, we establish safe working places with the belief in the zero-accident goal and awareness to prevent occupational diseases.

We prepare critical performance indicators in the light of legislations and requirements of each country we operate in, identify and follow our goals accordingly and monitor OHS performances of sub-contractors. We exhibit full transparency while sharing the corporate knowledge we gained through these processes.

Occupational Health and Safety Statistics (EPC)

Project OHS Statistics	2019	2020	2021
Total Recordable Incident Rate (TRIR)	0.132	0.76	0.03
Fatality Rate	0	0	0
Near Miss Frequency (NMFR)	78	4	61
Rate of Occupational Accidents with Work Stoppage	0.044	0.25	0

Occupational Health and Safety Trainings (EPC)

Total OHS Training Hours	2019	2020	2021
(Direct, indirect person-hour)	14,896,662	3,157	18,793

COMPETENT HUMAN RESOURCES MANAGEMENT

We are well aware that our competent human resources are among the key factors that help maintain our successful performance.

We formulated our human resources policies and practices based on the values of Çalık Holding.



We are well aware that our competent human resources are among the key factors that help maintain our successful performance. We regularly conduct regular activities in a wide range of areas from recruitment to professional and managerial training programs in order to make our business processes more effective.

We formulated our human resources policies and practices based on the values of Çalık Holding. We pay utmost attention in order to ensure that each of our employees adopts and takes into consideration in each step taken, the values that apply to Çalık Holding and all Group companies: fairness, people-oriented approach, reputation, working from the heart, innovation, agility and sustainability.

COMPETENT HUMAN RESOURCES MANAGEMENT

By focusing on employee motivation and engagement, we strive to create an effective and efficient organization.

We follow career planning processes that reflect our employees' competencies and goals and maximize their productivity.

Providing equal opportunities to employees is a priority for us.

EMPLOYEES

Employee Profile

Number of Board Members:	5
Total Number of Employees:	578
Number of Disabled Employees	5

Number of Employees by Region

	2019	2020	2021
Çalık Enerji Head Office Istanbul	130	179	221
Çalık Enerji Turkmenistan Office			12
Çalık Enerji EPC	675	151	203
Çalık Enerji Renewable	59	50	46
Distribution and Retail (YEDAŞ)			11
Subcontractors	124	1,525	610
Çalık Enerji Subcontractors	124	119	4
TOTAL	1,200	2,612	1,192

Distribution of Çalık Enerji Employees by Age

	EPC				Renewable				
	2018	2019	2020	2021	2017	2018	2019	2020	2021
b. Employees (TOTAL)	993	266	151	521	52	54	59	50	46
Senior Management	2	2	2	17	1	1	1	1	0
<30	0			0					0
30-50	2	2		14				1	0
50+			2	3		1	1		0
Mid-Level Management	7	6	5	77	9	9	7	6	4
<30				0					0
30-50	7	6	5	71	7	7	6	5	3
50+				6	2	2	1	1	1
White Collar (Excluding Management)	277	152	92	409	42	44	51	43	42
<30	32	27	11	79	8	8	11	9	7
30-50	196	110	67	295	30	33	37	32	33
50+	49	15	14	35	4	3	3	2	2
Blue Collar	707	106	52	18	0	0	0	0	0
<30	73	10	1	1					0
30-50	536	92	46	12					0
50+	98	4	5	5					0

COMPETENT HUMAN RESOURCES MANAGEMENT

Our aim is to raise future leaders, who will act as mentors to ensure the continuity of our goals and our future.

We address employees' social and cultural needs and thus raise awareness of corporate culture to increase their productivity.

Employees by Seniority

	EPC	Renewable
0-1 Year	257	1
1-5 Years	200	15
5-10 Years	48	29
10-15 Years	13	1
15+	3	-
Total Number of Employees	521	46

Employees by Employment Type

	EPC	Renewable
Indefinite Term	515	46
Fixed Term	6	-
Total Number of Employees	521	46

Our Human Resources Policy

- Establishing an effective and efficient organization by taking our employees' motivation and loyalty into account, in line with Çalık Enerji's goals and strategies,
- Creating equal opportunities for our employees,
- Recruiting suitable candidates through effective measurement and assessment techniques,
- Formulating HR plans in alignment with our policies and strategies,
- Addressing our employees' social and cultural needs and thus raising awareness of corporate culture to increase their productivity,
- Creating a professional working environment that offers our employees improvement and development opportunities,
- Updating our employees' professional and personal competencies, thereby helping them adopt a lifelong learning and development path,
- Raising future leaders, who will act as mentors to ensure the continuity of our goals and our future,
- Following career planning processes that reflect our employees' competencies and goals and maximizing their productivity,
- Supporting employees with human resources systems and applications,
- Improving the capabilities of employees with corporate opportunities and benefits and directing them towards continuous success,
- Ensuring the development and continuity of employees.

PROCESSES

Recruitment

Çalık Enerji's selection and placement system are basically intended to recruit dynamic candidates who are open to change and apt at teamwork, in addition to the potential to develop themselves and their business. We take the principle of equal opportunities as a basis in all our HR processes. Our core principle in selecting and placing candidates is to provide, with no discrimination or privilege, equal opportunities to candidates who have the competencies required by the job and the capacity to embrace and live up to social values. We diligently examine applications in order to recruit the best candidate who is capable of carrying Çalık Enerji to its corporate goals and is equipped with the competencies and professional skills. Compliance with Çalık Enerji's corporate culture and values are the most important criteria taken into account in recruitment processes. We use selection tools, the validity and reliability of which are proven, to guarantee an impartial selection process. To find out candidates' strengths, rooms for improvement, and potential characteristics, we conduct Personality Inventories, Foreign Language Exams, and other occupational inventories required of the position.

New Recruits	2019	2020	2021
White Collar	114	140	272
Male	107	103	229
Female	7	37	43
Blue Collar	135	561	8
Male	135	561	8
Female	-	-	-
By Age	249	701	280
<30	45	62	59
30-50	184	603	192
>50	20	36	29

Management of Remuneration and Fringe Benefits

Wages are paid monthly at Çalık Enerji. Monthly wages are determined by our Human Resources Department, taking into account our employees' assessment levels and experience required by their roles. Wages are determined by the HR Department which takes the findings of the market research conducted at least once a year and current economic conditions into account.

We take the principle of equal opportunities as a basis in all our HR processes.



COMPETENT HUMAN RESOURCES MANAGEMENT

We believe that our employees' development is only possible through continuous learning and training.

With the Performance Management System, Çalık Enerji aims to achieve business goals, realize the potential of its employees and embed high performance into the corporate culture.

Performance Assessment

We run performance assessments every year so as to measure employees' efficiency, identify their rooms for improvement, career planning, and support rotation and organizational change processes. With the Performance Management System, Çalık Enerji aims to achieve business goals, realize the potential of its employees and embed high performance into the corporate culture. Çalık Enerji Performance Management System's performance assessment process consists of three stages:

Goal Setting: In line with the yearly Company goals, employees gather with their managers and determine their individual goals.

Interim Assessment: Goals set at the beginning of the year are reviewed.

End-of-Year Assessment: Corporate and individual goal realizations are evaluated.

Outputs from the Performance Management System provide input to education and development processes, career management, wage management, and rewarding processes. Employees' personal development plans are also developed in light of their career goals and as per the feedback they receive from their managers.

Training and Development

We provide equal opportunities to human resources, who are capable of living up to our corporate goals, in planning regular, effective, continuous and extensive training programs. We believe that our employees' development is only possible through continuous learning and training, therefore we aim to establish an environment where everybody can learn and flourish continuously.

Training Hours by Personnel Categories (Employee-Hour)

EPC & RENEWABLE			
Average annual training hours per employee	2019	2020	2021
Senior Management			18.7
Mid-Level Management	0.15		18.7
White Collar (Excluding Management)	0.64		18.7
Blue Collar	68.92		
Average annual training hours per employee			18.7



Orientation

The primary goal of our Human Resources Department is to provide opportunities and guidance for our employees to acquire extensive knowledge in their area of expertise and to use the same to develop themselves and their businesses. Every new recruit goes through an Orientation Period to quickly adapt to Çalık Enerji's vision, mission, and organizational structure and learn about the Company's functioning, practices and procedures. The purpose of the Orientation Training is to boost performance and decrease the turnover rate by accelerating the employee's adaptation process.

Career Management

Employees

At Çalık Enerji, there is an ongoing career planning process in place that provides each and every employee with equal opportunities. This process also helps our employees to improve themselves in their respective fields to achieve our future goals. Promotions, aimed at coordinating corporate goals and employees' career plans, bring along more authority, responsibility and higher wages to the employee who has been promoted. The employee must have the skills, know-how and experience required by the job description of higher positions and meet the Company's promotion criteria. Besides, career opportunities across Çalık Holding and Group Companies are also available for employees.

Universities

Çalık Enerji provides guidance to university students so they to shape their future and meets up with them on career days. Positions and career opportunities at the Company are presented during such events, while information and experience are shared on matters to consider while students look for work after graduation. Students can also apply for internships or seasonal positions at these events. We assess these applications as regards our intern or new graduate needs.

In line with the needs of the Company, we conduct seasonal programs aimed at new graduates together with Çalık Holding and offer job opportunities to new graduates as part of these programs. It is again thanks to these programs that we improve our perspective and value creation capacity with new graduates willing to develop themselves in the field of energy. Colleagues who join us as new graduates have the option for rotation and transfer across departments, and thus can experience different disciplines.

Çalık Enerji provides guidance to university students so they to shape their future, and meets up with them on career days.

GENDER EQUALITY AND DIVERSITY

We aim to demonstrate an honest and fair approach towards our employees and provide a safe and healthy working environment.

We care about diversity and provide equal opportunities to equal individuals.

We aim to demonstrate an honest and fair approach towards our employees and provide a safe and healthy working environment. With this approach, we never allow discrimination in our Company against employees based on their language, race, skin color, gender, political view, belief, religion, observance, age, physical disability or other similar characteristics, in order to be able to create and maintain a fair and safe working environment. We care about diversity and provide equal opportunities to equal individuals.

Distribution of Employees by Gender

	EPC & Renewable Energy & Distribution (YEDAŞ)		
	2019	2020	2021
White Collar	219	394	560
Male	318	341	473
Female	7	54	87
Blue Collar			18
Male			18
Female			0

We never allow any form of discrimination among our employees based on their language, race, color, gender, political thought, belief, religion, creed, physical disabilities, or similar reasons.

	EPC & Renewable Energy & Distribution (YEDAŞ)		
	2019	2020	2021
Senior Management	2	13	17
Male	3	2	15
Female	-	-	2
Mid-Level Management	58	212	82
Male	12	52	73
Female	1	6	9
White Collar (Excluding Management)	203	-	461
Male	51	79	385
Female	1	-	76
Blue Collar	657	-	18
Male		657	18
Female	-	-	-

SOCIAL DEVELOPMENT AND INTERACTION WITH LOCAL COMMUNITIES

We shape our activities by considering the stakeholder groups we interact with and the value to be created for social development.

We implement projects that have concrete and sustainable contributions to local communities' welfare and development.

SOCIAL DEVELOPMENT

At Çalık Enerji, we shape our activities by considering, in addition to economic gains, the stakeholder groups we interact with and the value to be created for social development.

We support local employment and countries' economies by providing jobs for people who live in the regions where we operate. We create a dialogue with local communities, hear their problems, and implement projects that have concrete and sustainable developments for local communities' welfare and development. Our social responsibility initiatives have a corporate and strategic framework and we implement them in various fields such as education, innovation, social solidarity, environment, arts, and sports.

The systematic and inclusive works we carried out in coordination with the Sustainability Ambassadors in 2021 allowed us to win the "Our Energy Our Future Sustainability Award" presented by Para magazine under the auspices of the Ministry of Environment and Natural Resources.

LOCAL EMPLOYMENT

We prioritize employment of local people for both our domestic and foreign projects. In this context, we assess competencies and level of knowledge of local communities and try to offer top employment opportunities for these projects.

EPC – Distribution of Local Employees by Country (Person)*

NUMBER OF LOCAL ÇALIK ENERJİ EMPLOYEES BY COUNTRY											
COUNTRY	JANUARY 2018	APRIL 2018	JULY 2018	OCTOBER 2018	JANUARY 2019	APRIL 2019	JULY 2019	OCTOBER 2019	DECEMBER 2019	DECEMBER 2020	DECEMBER 2021
Turkmenistan	2,674	2,409	1,521	959	314	220	226	222	192	453	446
Georgia	4	4	4	4	4	4	4	4	4	4	1
Iraq	10	10	10	10	10	10	10	10	10	10	213
Libya	3	3	3	3	3	3	3	3	3	2	4
Romania	-	-	-	-	-	-	-	-	-	-	17
Senegal	-	-	-	-	-	-	-	-	-	-	21
Malawi		71	96	133	137	154	131	141	133	72	0
TOTAL	2,691	2,497	1,634	1,109	468	391	374	380	342	541	702

*Number of local employees depends on the scale of a project. Therefore, number of local employees decreases upon completion of projects.



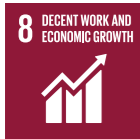
CONNECTIONS WITH SDGs

We contribute to the quality of life in the regions we operate as a result of our activities.

With our capacity as an employer, we contribute to local employment as well as the technical and social infrastructure of the project region.

We contribute to the quality of life through the value we create as a result of the activities in the regions where we operate. With our capacity as an employer, we contribute to local employment as well as the technical and social infrastructure of the regions where we operate. With this approach, we contribute to the articles under the headings

of 1) No Poverty and 8) Decent Work and Economic Growth of the United Nations Social Development Goals (SDG). Likewise, we contribute to the Goal of 5) Gender Equality by providing equal opportunities to access knowledge and social facilities through our infrastructure work.



ACHIEVEMENTS

In the coming period, we plan to strengthen our relations with university students by collaborating with different universities.

UNIVERSITY-PRIVATE SECTOR COLLABORATION

Aiming to strengthen university-private sector collaboration and boost engagement through events held by student clubs, we collaborated with Boğaziçi University's Construction Club (BÜYAP) and sponsored Civil Career Energy 2020 and 2021 editions. We were also the main sponsors of Makinistanbul organized by Istanbul Technical University's Industrial Project Development and Cooperation Club (EPGIK). For Boğaziçi University students who won the case analysis organized within the scope of the event, we provided the opportunity to do an internship in our Company. Our interns gained knowledge and work experience in the operating fields of Çalık Enerji during their internships in various departments of our Company.

In the upcoming period, we plan to participate in similar organizations to be realized by collaborating with different universities and to strengthen our relations with university students.



OHS AWARENESS RAISING ACTIVITIES

As Çalık Enerji, we standardized occupational health and safety warning and alert signs in order to increase the awareness of our employees and field visitors. We translated uniform designs into Turkish, English, and local languages and distributed them to all our construction sites. Thanks to the project, a standard has been developed throughout our Company in the corporate occupational health and safety process.

We standardized occupational health and safety signs and boards across our premises.



ACHIEVEMENTS

Çalık Enerji Human Rights Policy applies to all subsidiaries in which Çalık Enerji has a majority stake.

Çalık Enerji upholds the rule of law and observes human rights in all the regions where it operates.

HUMAN RIGHTS POLICY

Çalık Enerji Human Rights Policy, given below, has been adopted with the approval of our Board and announced to all our stakeholders.

Respect for human rights is a cornerstone of the Çalık Enerji corporate culture through the core values of fairness, agility, people-orientation, reputation, working from the heart, sustainability and innovation.

Çalık Enerji Human Rights Policy is guided by principles widely adopted across the world, particularly by the UN Universal Declaration of Human Rights, the International Labor Organization Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

Çalık Enerji Human Rights Policy applies to all subsidiaries in which Çalık Enerji has a majority stake. The policy is supervised by the Board of Directors and the Ethics Committee of Çalık Holding.

Respect for Human Rights

Çalık Enerji adopts the Rule of Law, acting according to human rights in all its operating regions. It also encourages its suppliers and business partners to behave at the highest level according to the universal human rights norms guaranteed by international conventions.

Commitment to Society and Stakeholders

Çalık Enerji values and respects local values, customs and its local stakeholders in the regions in which it operates. It ensures that the added value of the activities being carried out is at the highest possible level.

Çalık Enerji aims to establish a transparent and two-way communication with society and its stakeholders. It acts responsibly regarding the social needs that may arise in the local area beyond its fields of operation and takes care to establish good relations with the local community.

Equal Opportunity, Respect for Diversity and the Fight Against Discrimination

Çalık Enerji aims to demonstrate an honest and fair approach towards its employees and provide a safe and healthy working environment. To create and maintain this approach and working environment, it does not permit discrimination against its employees based on their language, race, skin color, gender, political view, belief, religion, observance, age, physical disability, or other similar characteristics. It values diversity. It provides equal opportunities for equal individuals.



Healthy and Safe Working

Çalık Enerji considers the health and safety of all its employees ahead of the work undertaken in all countries of operation. It ensures that the physical work environment and conditions are healthy and safe for all employees. It employs a risk-based thinking system; it evaluates emergency risks and conducts mitigating activities. It carries out all its activities in compliance with the OHSE Management System and invests in safe equipment.

Elimination of Forced Labor, Human Trafficking and Child Labor

Çalık Enerji opposes the employment of foreign nationals with the status of illegal immigrants, who are trafficked or without a work permit and methods of forced labor such as unlawful child labor and debt bondage and practices involving all other forms of mistreatment or exploitative behavior of employees.

Wages, Working Hours and Personal Benefits

Çalık Enerji competitively establishes its wage policy according to the sector and the local labor market under prevailing legislation. It considers industry practices and legislation

when regulating working hours and personal benefits and provides employees with opportunities to improve their skills and advance.

Ethical Line and Ethics Committee

As an employer that holds to ethical values, Çalık Enerji provides employees or stakeholders with safe and accessible channels to report any suspicious cases in confidence and without the risk of retaliation. It has an Ethics Hotline for all its employees to report their concerns quickly and anonymously. All reports submitted to the Ethics Hotline are treated confidentially.

The Compliance Officer investigates the reports in confidence, determines whether any corporate rules, values, or laws are violated, and takes necessary actions.

Ethics Committee is responsible for evaluating the nonconformities determined within the scope of the codes of conduct as well as the reports shared over the Ethics Hotline.

Çalık Enerji competitively establishes its wage policy according to the sector and the local labor market under prevailing legislation.



ACHIEVEMENTS

On March 8, International Women's Day, we collaborated with Mor Çatı women's Shelter Foundation and contributed to the Foundation's activities.

We added a new project to our list of endeavors for a better and more sustainable future: the Energetic Schools Social Responsibility Project.

COLLABORATIONS WE CARRIED OUT WITHIN THE SCOPE OF SOCIAL RESPONSIBILITY (TEMA, MOR ÇATI, SPINAL CORD PARALYTICS ASSOCIATION)

As Çalık Enerji, we pay attention to the fact that the internal communication studies we carry out with our employees also have a corporate social responsibility dimension.

Under our international communication efforts in 2021, we collaborated with Mor Çatı Women's Shelter Foundation on March 8, International Women's Day, and contributed to the work of the Foundation.

On the other hand, we ensured that one sapling was planted in Izmir Bademli 2 Forest on behalf of every Çalık Enerji employee within the scope of the collaboration we realized with TEMA in the new year.

We forwarded PET bottle lids we collected from containers placed on the different floors of our Head Office to the Spinal Cord Paralytics Association of Turkey (TOFD) to help provide wheelchairs and battery-powered vehicles to those disabled citizens in need.

SOCIAL RESPONSIBILITY/SOCIAL DEVELOPMENT

Education

Çalık Enerji added a new project to its list of endeavors for a better and more sustainable future: Energetic Schools Social Responsibility Project. "Valuing People, Investing in the Future" is the approach adopted in this project which is slated for long-term implementation. The pilot of Energetic Schools was conducted in Amasya in coordination with the Amasya Provincial Directorate for National Education. Thanks to the 12 KWp capacity solar energy panels installed in the garden of Şehit Gültekin Tırpan Vocational and Technical Anatolian High School, which was found technically and physically feasible by the Amasya Provincial Directorate of National Education within the scope of the project, which took about 1 year for feasibility studies, the school generated most of the energy needed internally. This contributed to the school's financial sustainability and helped raise students' awareness of sustainable and renewable energies.



Meanwhile, Çalık Enerji's shareholder Mitsubishi Corporation, with the support extended from the Corporate Social Responsibility Fund, established a Installation and Climatization Technology Workshop where students had the chance to learn about installation and climatization with the latest technology training sets and simulators.

We will roll out the Energetic Schools Project in other regions as well because it is our largest and most long-standing social responsibility initiative driven by our belief that sustainability can be widely upheld by societies only with a cultural change.

YEDAŞ gave full support to the book reading campaign under the title "Samsun Reading Time" launched by the Samsun Governor's Office and donated a library to İlkadım Osmangazi Imam Hatip Middle School.

YEDAŞ continues efforts to raise public awareness of Occupational Health and Safety (OHS). Employees paid a visit to Sinop University in 2021 and conveyed their experience in this field to students.

YEPAŞ supported the "Reading Time for Samsun" project co-run with the Governorship of Samsun and Samsun Provincial Directorate of National Education. As part of the project, the books by Prof. İbrahim Telliöğlü, a prominent historian in Turkey, were donated to selected libraries.

Social Solidarity

As Çalık Enerji, we run social responsibility efforts in all regions of activity in order to contribute to the welfare of the local communities and increase the value we create for the stakeholders. Within the scope of these efforts, we build strong ties with the local community by creating solutions for local needs. With this understanding, in 2021, we donated stationery and educational materials to students of a school operating in Basra as part of the West Qurna 2 Project undertaken in Iraq.

We collaborated with Mor Çatı Women's Shelter Foundation to raise awareness of violence against women and to support the Foundation in this field. We celebrated female employees' International Women's Day in March with gifts we purchased from the Foundation.

As Çalık Enerji, we run social responsibility efforts in all regions of activity in order to contribute to the welfare of the local communities and increase the value we create for the stakeholders.



ACHIEVEMENTS

In 2021, YEDAŞ fully supported the aid campaign launched by the Turkish Red Crescent for those in need.

Thanks to the R&D project it organized, YEDAŞ strives to increase energy quality and provide efficiency.

So as to support the fight against wildfires that break out in the summer seasons in Turkey, we collaborated with local administrations and initiatives. Accordingly, we distributed heat-resistant shoes, heat-resistant gloves, masks, headlamps, and batteries to Antalya and Marmaris.

In order to raise awareness of the importance of blood donation, **YEDAŞ** employees fulfilled their people-oriented responsibility this year as it is in every year and supported the “Blood Donation Campaign to the Red Crescent” organized in the Head Office building.

Demonstrating the best examples of social solidarity and cooperation by mobilizing during the pandemic process, YEDAŞ continued this approach in the holy month of Ramadan. In 2021, the Company fully supported the aid campaign launched by the Turkish Red Crescent for those in need.

With the aim to raise awareness of autism, YEDAŞ held an important event on April 2 “World Autism Awareness Day.” On this meaningful day, children with autism visited our Head Office and had the opportunity to meet our employees. They also visited the technical training center.



Innovation and Entrepreneurship

Thanks to the R&D project it organized, **YEDAŞ** strives to increase energy quality and provide efficiency. Those who made the best suggestions were rewarded.

Integrating the technology into business processes, the Company continues to produce effective solutions that will make life easier for its customers. In this context, it developed and implemented the EDAŞ Online System, which is a first in the electricity distribution sector in Turkey, which allows users to make new subscription applications through its website.

Continuing to make the electricity distribution network available for electric vehicles, with their number increasing day by day, YEDAŞ started the “My Energy is Everywhere” project in 2019. It continues offering electricity distribution services independent of the installation. YEDAŞ supported the project development activities by purchasing electric vehicles.

Prioritizing occupational health and safety, YEDAŞ started to develop Nitinol Material Smart Detector Vest with its new R&D project. Within the scope of the project, a Utility Model Application was made to the Turkish Patent and Trademark Office for the product.



In line with the HASAT Phase 2 R&D Project, called “Harvesting Energy Efficiency in the Electricity Distribution Industry (HASAT 2nd Phase)”, supported by YEDAŞ, the aim is to research methods for increasing efficiency in the electricity distribution grid as per the National Energy Efficiency Action Plan and to establish a technical infrastructure for an energy efficiency roadmap. Within the scope of the Project, works are in progress for; energy efficiency in transformers, distributed production, energy efficiency in general lighting, and energy efficiency awareness index.

Sports

In line with the one-year sponsorship agreement signed with the club, **YEPAS** meets the needs of Samsun Veteran Ping-Pong Club athletes with down syndrome such as jerseys and tracksuits. Samsun Veteran Sports Club table tennis team achieved a first in Samsun and was promoted to an upper league, and was entitled to compete in the first league for the new season.

Samsun Veteran Sports Club table tennis team achieved a first in Samsun and was promoted to an upper league, and was entitled to compete in the first league for the new season.

Environment

We address sustainability as a core component of our corporate strategy.

Our primary goal in terms of environmental sustainability is to run our business with a minimum ecological footprint.

186 THOUSAND TONS

Amount of CO₂ emissions prevented in 2021



OUR APPROACH

We bring sustainability to the forefront in all our business processes and manage our environmental impacts in compliance with international management systems.

We strive to establish corporate citizenship awareness.



We care about environmental performance as much as financial returns while deciding on investments, practices, and service development processes.

Aware of our responsibility arising from our presence in an all-encompassing sector with a vast sphere of influence, we consider sustainability an integral part of our corporate strategy. We care about environmental performance as much as financial returns while deciding on investments, practices and service development processes.

As Çalık Enerji, our primary goal in terms of environmental sustainability is to run our business with a minimum ecological footprint, pioneering the development of innovative services and solutions of the future, increasing the value created for the environment through our R&D efforts and engaging all our stakeholders in our value chain in this approach. Within this scope, we bring sustainability to the forefront in all our business processes and manage our environmental impacts in compliance with international management systems.

ENVIRONMENTAL POLICY

We take environmental protection as a basis while conducting our activities.



We strive to make our environmental protection processes productive and effective.

We abide by the environmental laws and legislation in all our countries of operation and manage our business activities based on the principle of environmental protection. We observe all relevant local and international laws, regulations, and conventions and ensure that these are followed and implemented by our business partners as well.

We designed our Environmental Management System pursuant to ISO14001:2015 standards and as a structure that enables constant learning and development.

With this system, we aim to;

- Make our environmental protection processes productive and effective,
- Develop systems for waste management (collection, recycling and disposal),
- Determine the environmental impacts of our business activities,
- Continuously improve the performance of our environmental management system,
- Facilitate the achievement of our strategic goals,
- We strive to establish corporate citizenship awareness.

For construction sites, we formulate environmental plans in accordance with the environmental laws and obligations applicable in the countries where we operate.

The design, construction, and deployment phases of these environmental plans include the management of:

- Environmental impact of design
- Environmental management
- Air pollution
- Water pollution
- Waste
- Noise and vibration
- Terrestrial ecosystem
- River and canal ecosystem
- Hazardous substances
- Employment and livelihood
- Conflicts of interest
- Local community
- Communicable diseases, HIV/AIDS and sexually transmitted diseases, and infectious diseases
- Working Environment
- Children's Rights
- Environmental accidents
- Global Warming / Climate Change
- Harm to archeological or cultural assets.
- These plans also involve the monitoring of:
 - Air quality
 - Water quality
 - Waste
 - Soil
 - Noise and vibration
 - River and canal water quality
 - Ichthyo-fauna
 - Labor and working conditions
 - Accidents
 - Culturally important pieces of art
 - Exhaust gas
 - Sewage water and wastewater of the facility

For construction sites, we formulate environmental plans in accordance with the environmental laws and obligations applicable in the countries where we operate.

ENVIRONMENTAL POLICY

We identify key performance indicators (KPIs) within the scope of environmental management for each project and determine the methods for tracking these indicators (headings, tracking frequency).

We formulate a communication plan both for internal and external stakeholders so as to pursue the right tone of communication before and during our work.

OUR ENVIRONMENTAL POLICY MODEL**Planning**

In the planning phase;

- We aim to identify the employer's environmental plan requirements for the project and the requirements stipulated by ecological regulations, depending on the nature of the investment and the work towards our EPC projects.
- We aim to identify environmental protection requirements with approaches that will not negatively impact the living conditions of our stakeholders, as well as the issues covered by regulations and during the EIA process of our energy projects.

We determine how to approach the issues identified in this phase and discuss solutions accordingly.

We identify key performance indicators (KPIs) within the scope of environmental management for each project and determine the methods for tracking these indicators (headings, tracking frequency).

Implementation

In the implementation phase:

- We give training to our relevant personnel on the following topics before work commences.
 - Possible environmental impacts of the project and how to manage them,
 - Water and energy-saving measures,
 - Information on how to collect, recycle or dispose of waste and employee expectations in this regard,
 - Fuel management approach,

- Hazardous material and waste management approach,
- Approach for protection of cultural and archeological assets,
- Water use approach,
- Hazardous waste leakage and measures and practices to prevent the leaking of waste into the soil,
- We formulate a communication plan both for internal and external stakeholders so as to pursue the right tone of communication before and during our work. The purposes of this plan are:
 - To ensure everyone understands the importance of the environment, to communicate the works performed and to share the results of activities with relevant stakeholders,
 - To raise awareness of our environmental policy, to support opening a dialog on our environmental policy, practices and the results thereof,
 - To identify expectations, demands, needs and issues and take necessary steps in this regard and support continuous improvement of our environmental management system,
 - To correctly implement our environmental policy and track its implementation and performance; all activities carried out must be reported. This allows us to inform the parties involved and take the necessary steps toward enhancing the quality of implementation. These reporting rules apply to all our employees and sub-contractors.

- All environment-related incidents must be reported under five separate classes:
 - Devastating incidents,
 - Major incidents,
 - Regional incidents,
 - Minor incidents,
 - Insignificant incidents.
- All our sub-contractors and service providers must comply with our Environmental Policy. Necessary inspections and audits are carried out to ensure compliance with our policy.

Risk Management

We perform risk management activities for environmental protection during business activities.

- We identify potential environmental risks for each project.
- We create control plans for these risks.
- We monitor and inspect the project and operational processes according to our risk management plans.

Energy Management

- We prefer renewable energy resources for energy generation to reduce carbon emissions.
- We adopt a holistic, long-term perspective from the planning phase to the use of energy and pay attention to the energy efficiency of power plants.

Waste Management

- We create a waste management plan for each project and operation. This plan covers our as well as the sub-contractors' activities.
- We inform our employees about the waste generated in working environments and train them on the procedures to be followed and measures to be taken.
- We group wastes as hazardous and non-hazardous wastes.
- We prepare waste disposal sites based on the types of waste.
- We recycle waste that is recyclable or deliver it to licensed waste collectors for recycling.
- We deliver hazardous wastes to licensed waste collectors.
- We treat wastewater.
- We take measures to prevent leakages.
- We prepare to control and inspection plans for all waste management steps.

Air Quality

- During our projects and operations, especially during the construction phase, we may cause air pollution. In this context, we take the necessary measures to keep air pollution under control.
- We communicate with our stakeholders and take necessary measures in line with the requests and complaints we receive.

Water and Wastewater Management

- We mind water use in the implementation of all our projects and other business activities. We complete our work using minimal amounts of water. We inspect all our activities and identify water-saving opportunities.
- We prepare a water plan with a holistic approach by taking the water needs of our local stakeholders into consideration.
- We use ground and surface water sources responsibly. We take necessary measures to prevent damage to these sources.
- We take necessary measures to prevent further pollution of wastewater. We treat wastewater and then discharge it after decontamination.

Noise

- We pay attention to minimizing noise-related issues in projects and activities by applying engineering solutions and performing our project works within prescribed limits.

Biodiversity

- We take the necessary measures to protect biodiversity in our project areas.
- We ensure the implementation of our Environmental Policy by conducting regular inspections within the scope of our environmental protection management plans.

We communicate with our stakeholders and take necessary measures in line with the requests and complaints we receive.

ENERGY MANAGEMENT

We focus on the development of renewable energy projects to reduce the use of fossil fuels.

We took firmer steps to contribute to the optimal use of natural resources with our recent solar power plant (SPP) projects.

Carbon emission is a serious issue in all aspects of the environmental impact resulting from energy generation, a primary field of our activities. Based on this fact, we focus on the development of renewable energy projects to reduce the use of fossil fuels. We took firmer steps to contribute to optimal use of natural resources with our recent solar power plant (SPP) projects.

Power Generation Capacity, by Location and Resource

ENERGY GENERATION PLANTS	RESOURCE	CITY
ADACAMI	HYDROELECTRIC	RİZE
SARPINCIK	WIND	İZMİR
DEMİRCİLİ	WIND	İZMİR
POLATLI	SOLAR	ANKARA
YILDIZLI	SOLAR	ANKARA
ERZURUM	SOLAR	ERZURUM
ERZİNCAN	SOLAR	ERZİNCAN
AMASYA	SOLAR	AMASYA
ÇORUM	SOLAR	ÇORUM

Energy Consumption

ENERGY CONSUMPTION OF POWER PLANTS FOR INTERNAL USE, ÇALIK ENERJİ (kWh)

	2020		2021	
	FROM GENERATED POWER	FROM THE GRID	FROM GENERATED POWER	FROM THE GRID
ADACAMI HPP	63,164	48,790	135,908	68,235
SARPINCIK WPP	1,933,639	107,337	2,111,145	104,464
DEMİRCİLİ WPP	2,474,060	174,633	2,501,785	157,539
POLATLI SPP	2,434	11,750	2,474	11,471
ERZURUM SPP	5,769	70,130	3,990	62,526
ERZİNCAN SPP	3,873	62,590	3,940	60,170
AMASYA SPP	5,046	75,632	2,505	71,666
AMASYA DOĞU SPP	3,873	45,749	2,647	41,614
ÇORUM SPP	7,281	143,873	5,494	136,826
YILDIZLI SPP	4,413	40,478	3,035	28,037
TOTAL	4,503,552.21	780,962.00	4,772,922.66	742,548.00



CLIMATE CHANGE

we prevented 186,519.20 tons of CO₂ emissions in 2021.

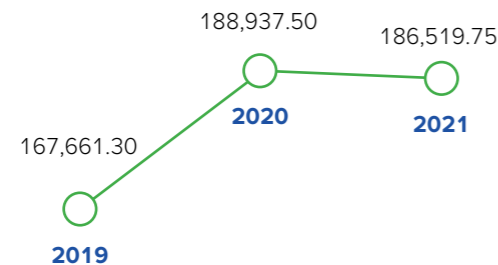
We carried out carbon footprint measurements at our Head Office, Ankara Office, Adacami HPP, Polatlı HPP, and Sarpıncık RES locations for 2021.

As Çalık Enerji, we contribute to struggling against climate change while being affected by climate change. Thanks to our plants generating from 100% renewable and clean resources, we generate power without resulting in CO₂ emissions and contribute to governments' fight against climate change. The efficiency of our hydroelectric power plants depends on the sufficiency of water, which in turn depends on precipitation. Climate change has a direct impact on rainfall. For this reason, the struggle against climate change is one of the most important issues for us.

Decrease in emission due to use of renewable energy

FIGHT AGAINST CLIMATE CHANGE

Emission Reduction with Renewable Energy (ton CO₂-e)



Thanks to the clean energy generated as a result of our renewable energy investments, we prevented 186,519.20 tons of CO₂ emissions by the end of 2021.

Especially for hydroelectric power plants, the amount of rainfall, rain frequency, timing, and drought are key factors in terms of efficiency and safety of the plants that face risks resulting from fossil fuels triggering climate change. On the other hand, changes in wind structures and differences in the sunlight due to climate change affect our solar and wind power plants.

In addition, climate change is partially responsible for natural disasters. Also being an electricity distribution company, it is crucial for us to ensure continuous supply of energy to our stakeholders during natural disasters in terms of continuity of life, hygiene and health.

CARBON FOOTPRINT

As Çalık Enerji, we carry out efforts in order to determine, evaluate and record the greenhouse gas emissions that may occur as a result of our activities, to calculate the carbon equivalents and to eliminate the negativities.

We carried out carbon footprint measurements at our Head Office, Ankara Office, Adacami HPP, Polatlı HPP, and Sarpıncık RES locations for 2021. Besides the consumption of natural resources, we expanded our scope a bit further and included GHG emissions resulting from our travels in our measurements.

In the upcoming period, we will determine our long-term "net zero" goals by measuring our carbon footprint in other regions we operate.

Çalık Enerji Greenhouse Gas Emissions* (ton CO ₂ eq)	2020	2021
Scope 1 - Direct Greenhouse Gas Emissions	408.38	502.76
Scope 2 - Energy Indirect Greenhouse Gas Emissions	358.25	470.83
Total Emissions	766.63	973.59
Carbon Footprint Intensity (ton CO ₂ e/person)	3.50	3.30

Category	Istanbul Headquarters	Ankara Office	Demircili WPP	Sarpıncık WPP	Adacami HPP	Amasya SPP	Yıldızlı SPP	Polatlı SPP	Erzurum SPP	Çorum SPP	Erzincan Tercan SPP	Total Emission, ton CO ₂ e
Scope 1	252.15	174.91	4.43	11.99	59.28	0.00	0.00	0.00	0.00	0.00	0.00	502.76
Scope 2	186.96	16.34	69.32	45.97	10.34	2.09	16.79	7.96	27.25	61.21	26.60	470.83
TOTAL (ton CO ₂ e):	439.11	191.25	73.75	57.96	69.62	2.09	16.79	7.96	27.25	61.21	26.60	973.59

Emission Scope	Emission Type	Emission Source	Facility	ton CO ₂ e
Scope 1 - Direct Greenhouse Gas Emissions	Fixed Burning	Natural Gas	Istanbul Headquarters	68.01
			Ankara Office	148.75
			Demircili WPP	-
			Sarpıncık WPP	-
			Adacami HPP	-
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
			Çorum SPP	-
	Erzincan Tercan SPP	-		
	Fixed Burning - General	Diesel	Istanbul Headquarters	2.24
			Ankara Office	-
			Demircili WPP	1.34
			Sarpıncık WPP	3.52
			Adacami HPP	36.02
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
			Çorum SPP	-
	Erzincan Tercan SPP	-		
	Fixed Burning - General	Gasoline	Istanbul Headquarters	-
			Ankara Office	-
Demircili WPP			0.03	
Sarpıncık WPP			-	
Adacami HPP			-	
Amasya SPP			-	
Yıldızlı SPP			-	
Polatlı SPP			-	
Erzurum SPP			-	
Çorum SPP			-	
Erzincan Tercan SPP	-			

CLIMATE CHANGE

In the upcoming period, we will determine our long-term "net zero" goals by measuring our carbon footprint in other regions we operate

Emission Scope	Emission Type	Emission Source	Facility	ton CO ₂ e
Scope 1 - Direct Greenhouse Gas Emissions	Mobile Burning - On Road	Diesel	Istanbul Headquarters	106.13
			Ankara Office	20.98
			Demircili WPP	3.05
			Sarpıncık WPP	8.46
			Adacami HPP	23.25
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
		Çorum SPP	-	
		Erzincan Tercan SPP	-	
		Gasoline	Istanbul Headquarters	14.01
			Ankara Office	-
			Demircili WPP	-
			Sarpıncık WPP	-
			Adacami HPP	-
			Amasya SPP	-
			Yıldızlı SPP	-
	Polatlı SPP		-	
	Erzurum SPP		-	
	Çorum SPP	-		
	Erzincan Tercan SPP	-		
	Leakage Emissions	Refrigerant Gas Leakages	Istanbul Headquarters	61.75
			Ankara Office	0.47
			Demircili WPP	-
			Sarpıncık WPP	-
			Adacami HPP	-
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
Erzurum SPP			-	
Çorum SPP			-	
Erzincan Tercan SPP			-	

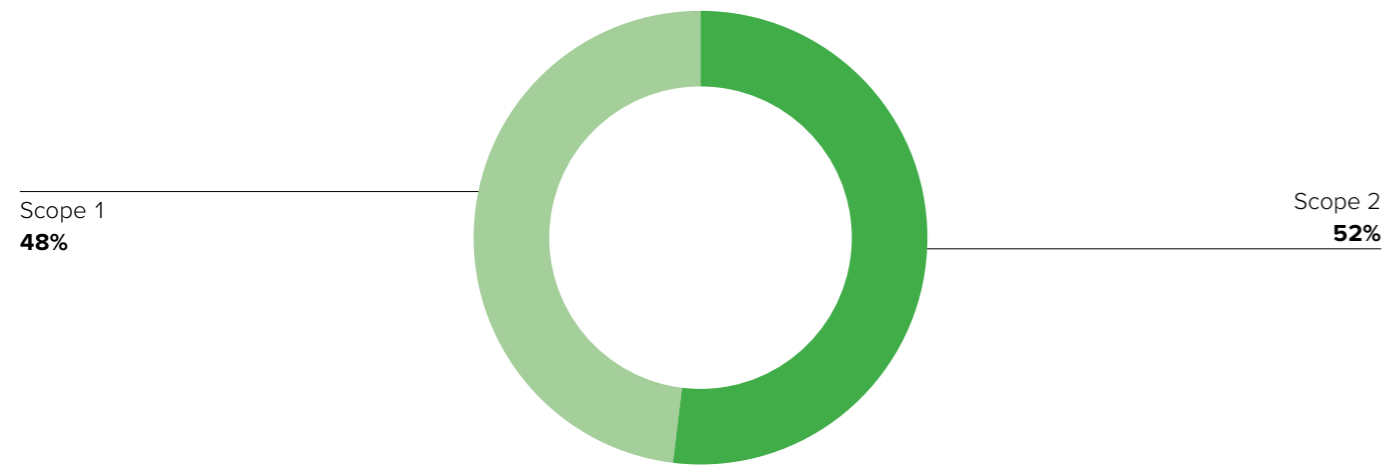
Emission Scope	Emission Type	Emission Source	Facility	ton CO ₂ e
Scope 1 - Direct Greenhouse Gas Emissions	Leakage Emissions	Fire Extinguishers	Istanbul Headquarters	0.01
			Ankara Office	4.71
			Demircili WPP	0.01
			Sarpıncık WPP	0.01
			Adacami HPP	0.01
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
			Çorum SPP	-
			Erzincan Tercan SPP	-
Scope 1				502.76
Scope 2 - Energy Indirect Greenhouse Gas Emissions	Purchased Electricity	Istanbul Headquarters	186.96	
		Ankara Office	16.34	
		Demircili WPP	69.32	
		Sarpıncık WPP	45.97	
		Adacami HPP	10.34	
		Amasya SPP	2.09	
		Yıldızlı SPP	16.79	
		Polatlı SPP	7.96	
		Erzurum SPP	27.25	
		Çorum SPP	61.21	
Erzincan Tercan SPP	26.60			
Scope 2				470.83
TOTAL				973.59

*Calculated in accordance with TS EN ISO 14064-1, the international standard for calculating and reporting greenhouse gas emissions and removals at the enterprise level.

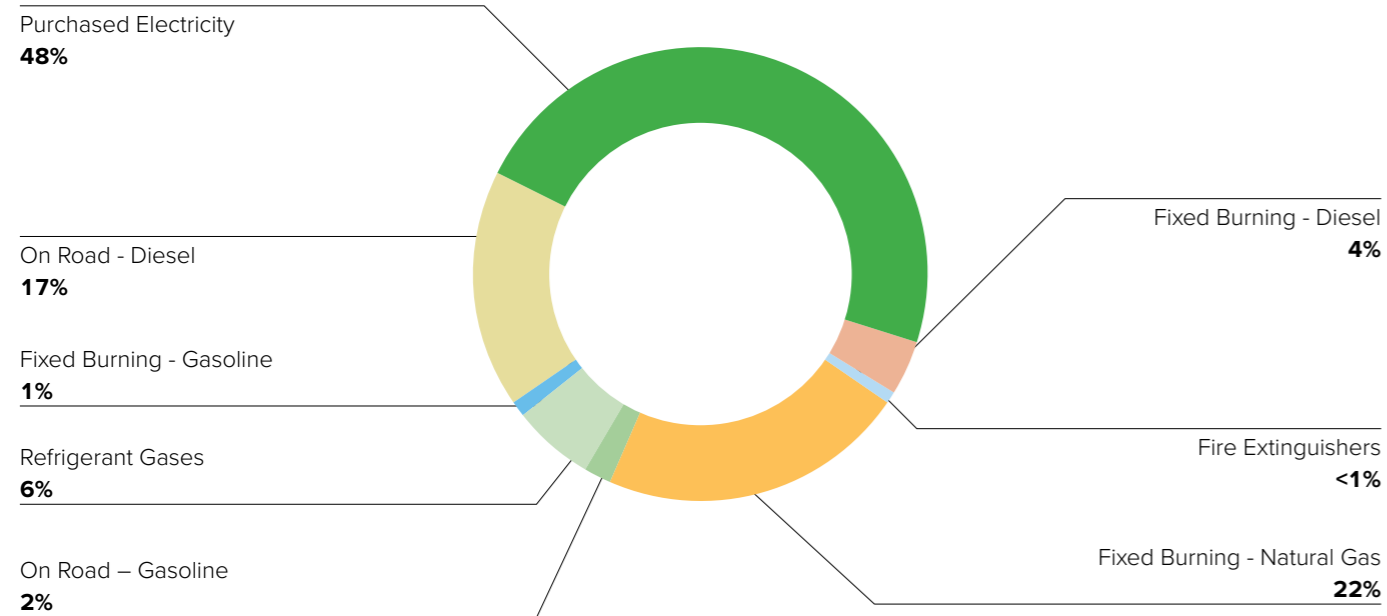
CLIMATE CHANGE

As Çalık Enerji, calculating our carbon footprint is of great importance in terms of our sustainability efforts.

Carbon Footprint by Category - 2021, ton CO₂e



Carbon Footprint by Emission Source - 2021, ton CO₂e



WASTE MANAGEMENT

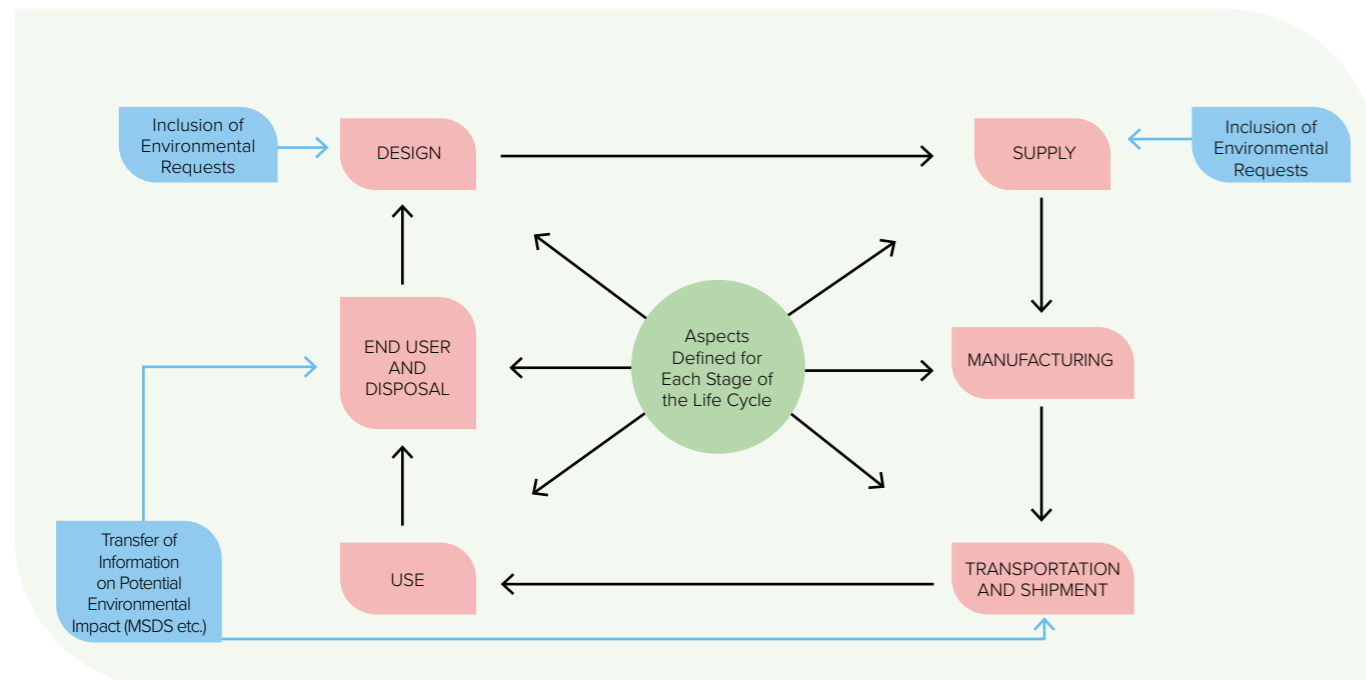
We established a waste management system to ensure full compliance with the Company's Environmental Policy and applicable laws regarding the disposal of waste resulting from our activities.

Different types of waste are collected in different landfills and relevant authorities are informed regarding the wastes. Recycling or disposal processes are initiated based on this information.

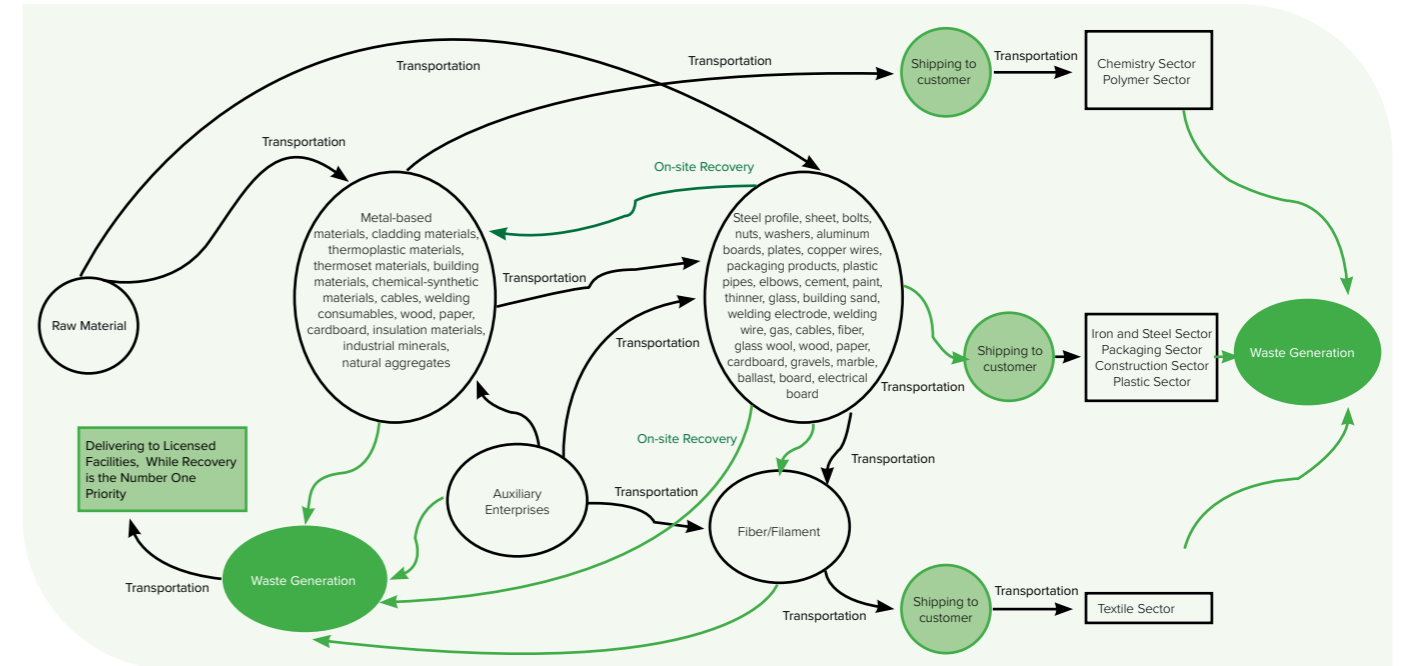
As Çalık Enerji, we established a waste management system to ensure full compliance with the Company's Environmental Policy and applicable laws regarding disposal of the waste resulting from our activities. We plan and realize our waste management efforts within the framework of life cycle analysis for all our current business processes. This analysis determines what type of waste will be generated as a result of which business activities and what type of waste will be recycled or disposed to landfills. Different types of waste are collected in different landfills and relevant authorities are informed regarding the wastes. Recycling or disposal processes are initiated based on this information.

In accordance with our management plans devised as part of the system, we track the waste at all our sites on a weekly basis. We then sort wastes by their applicable class and either recover or dispose of them as set forth in legal provisions. There is no hazardous waste at our power plants.

Life Cycle System



Life Cycle Steps



Çalık Enerji Head Office

Hazardous & Non-Hazardous Waste (kg)	2020	2021
Recycled Hazardous Waste	28	32
Recycled Non-hazardous Waste	1,593	1,345
Total	1,621	1,377

Çalık Enerji Head Office Waste (kg)	2020	2021
Paper	148	1,581
Glass	72	0
Plastic	96	306
Battery	8	10

Çalık Enerji Overseas Construction Sites

Hazardous & Non-Hazardous Waste (tons)	2020	2021
Recycled Non-hazardous Waste	39	203
Total	39	203

Çalık Enerji Overseas Construction Sites Office Waste (kg)	2020	2021
Office Waste	240.75	260

We recover or dispose of the waste that is sorted by their class via the means specified in legal provisions.

WATER MANAGEMENT

We work on water saving methods in all our plants.

Providing the water needed by the local people is one of our priority values in the field of water management.

It is crucial to meet the water needs of local people during the construction and operation phase of hydroelectric power plants, which directly affect the water situation of those regions. Because water is also crucial for the regions to be economically resilient and for continuation of life. We offer solutions in order to meet the needs of local people while being in close communication with them. In addition, we work on water saving methods in our plants.

In renewable energy investments, especially in hydroelectric power plants, water management is as important for the company as it is for the local people who live and do farming around the power plant. Providing the water needed by the local people is one of our priority values in the field of water management.

WATER CONSUMPTION (ÇALIK ENERJİ)

ÇALIK ENERJİ WATER CONSUMPTION	2019	2020	2021
HEAD OFFICE WATER CONSUMPTION (M ³)	-	1,310	4,331
CONSTRUCTION SITES AND BRANCHES WATER CONSUMPTION (M ³)	-	1,270	29,902

AIR QUALITY

We take necessary measures to protect the air quality at our construction sites and their surroundings, to improve the quality of life of local people and not to cause health problems.

Construction processes result in air pollution because they involve demolition, digging and concrete plants. This will create negative impacts on the health and quality of life of local people. For this reason, we take necessary measures to protect the air quality at our construction sites and their surroundings, to improve the quality of life of local people, and not to cause health problems.



BIODIVERSITY AND PROTECTION OF NATURAL HABITAT

We pay attention to protect the environment at construction and operation phases of our power plants.

Our priority is to protect the environment and natural habitat to guarantee business continuity and do business in harmony with our core values.

Protecting biodiversity is crucial for our power plant construction and energy distribution works. We mind and prioritize the protection of the environment and the natural habitat in order to ensure business continuity and comply with our core values.

With environmental activities, we work to go beyond the environmental rules specified in terms of reference for EPC projects. We pay utmost attention to protecting biodiversity at the construction and operation phases of our power plants (hydroelectric, solar, and wind).

A part of our electricity distribution lines passes through forests due to the site characteristics. We perform regular maintenance work in order to prevent fire hazards created by the transformers in forest areas.

On special occasions, we contribute to a greener future by donating seedlings on behalf of our employees through various organizations.



CONNECTIONS WITH SDGs

We have adopted the principle of minimizing environmental impacts during our projects at all locations we operate and use the opportunities that will provide permanent value.

As Çalık Enerji, we adopt the principle of minimizing environmental impacts during our projects at all locations we operate and use the opportunities that will provide permanent value. Adopting our diligent approach in our practices and our sense of sustainability in the environmental balance to our business approaches, we contribute to the goals 6) Clean Water and Sanitation, 7) Affordable and Clean Energy, and 13) Climate Action of UN Sustainable Development Goals (SDG).



ACHIEVEMENTS

We conducted carbon footprint measurements of all our locations in Turkey and also measured the carbon footprint resulting from our business trips as part of Scope 3.

We have created a database for the environmental goals we will set for ourselves in the coming periods.

CARBON EMISSION MEASUREMENT

As Çalık Enerji, calculating our carbon footprint was of great importance in terms of our sustainability efforts. In this context, our first step was to choose a consulting firm that could understand our sustainability goals and adapt to work in accordance with our goals. After completing our negotiations with the bidders in this direction, we started our work quickly by choosing the company that we found to be both technically sufficient and closest to understanding our corporate culture. In order to increase awareness of sustainability; we announced to all our employees that Çalık Enerji has a working system that does not harm the environment and human life and aims to use energy resources in a balanced way while conducting its projects and activities and those projects it will carry out in order to maintain this system, by organizing a general training through a consultancy firm. The interest and intensive participation of our colleagues in training was important for us. While the training organization was being completed, with the support of our Çalık Enerji Budget and Reporting Department, we started to collect quantitative consumption data for electricity, natural gas heat/steam, diesel, gasoline, cooling gas, etc., which affect greenhouse gas

emissions at our offices in Turkey (Istanbul and Ankara) and our renewable energy facilities (Polatlı SPP, Adacami HPP, and Demircili WPP). We forwarded the data collected to a consulting firm and made sure a report was issued on the size of Çalık Enerji's carbon footprint in 2020. Meanwhile, in 2021, we conducted carbon footprint measurements of all our locations in Turkey. Now, we aim, by including our overseas construction sites in this calculation as well, to evaluate our carbon accounting and impact on the life cycle and set new strategic goals, and to minimize the Çalık Enerji's CO₂ emission, which has an impact on climate change, global warming, and natural life.

RECORDING OF EXPENDITURES WITH ENVIRONMENTAL IMPACTS

We created a database for our future environmental goals with this project, which we have implemented in order to record our environmental impact in numerical data by keeping a record of all our expenditures that have a direct impact on the environment with investigations of Head Office and Project Sites and separating them by location.



GOLD STANDARD CERTIFICATION STUDIES

We carried out our studies to obtain the Gold Standard, a certification program that ensures that the renewable energy projects of the wind power plants in our Company's portfolio reduce carbon emissions and that local people benefit from it.

As a result of the devoted work of our Energy Investments, Accounting and Finance Departments, our verification process was approved by Gold Standard. Thus, our WPPs in our business have become recognized by the international carbon market.

RENEWABLE ENERGY PLANTS MANAGEMENT CENTER

We keep working with IQB Solutions, one of our subsidiaries, for our project aimed at monitoring and tracking all our power plants in the business from a single management panel. We have come to the final stages of our efforts to include Adacami HPP in the portal.

INTERNATIONAL CERTIFICATE OF CONFORMITY STUDIES FOR SPP PROJECTS

We completed the certification process for Amasya, Çorum, Erzincan, and Erzurum SPP projects within the scope of the studies we carried out with the aim of certifying that our Solar Power Plants are built to international standards. We are rightfully proud of the fact that our Solar Power Plants are of international standards.

Collaborating with TEMA to raise employees' environmental awareness and consciousness on sustainability efforts, **Çalık Enerji** donated seedlings on behalf of its employees to be planted in the Bademli Forest in İzmir.

The wind power plants we operate have been recognized by the international carbon market.

Economic

We undertake trailblazing practices to respond to emerging trends.

The Company's continuity is important for its own employees as well as the local people and states due to the company's potential economic impact on its project territory.



OUR APPROACH

We prioritize sustainable profitability, customer satisfaction, supply chain management, innovation, and digitalization.

Çalık Enerji prioritizes the following topics to ensure the economic sustainability of the company:

- Sustainable Profitability
- Customer Satisfaction
- Supply Chain Management
- Innovation and Digitalization



SUSTAINABLE PROFITABILITY

For the continuity of our corporate operations and for us to create sustainable value for all our stakeholders, we need to maintain our sustainable profitability.

The Company's continuity is important for its own employees as well as the local people and states due to the company's potential economic impact on the regions it operates. For the continuity of our corporate operations and for us to create sustainable value for all our stakeholders, we need to maintain our sustainable profitability.

We attach great importance to project management for sustainable profitability because we are aware that the completion of the project on time and at the projected costs is only possible with the correct planning of resources and processes. Continuity and sustainable profitability for the company can be achieved by completing the undertaken projects in time, in compliance with applicable standards and within estimated budgets. In EPC and Renewable Energy projects, the project management requires efficient use of time starting from the tendering process to project delivery.

In order to ensure continuity in EPC projects, we pay attention to acting with concrete data and analytical assumptions when undertaking projects, participating in tenders for projects with appropriate profits, planning comprehensively after receiving the job and using the right resources at the right place and time. With the awareness that the continuity of our Company is possible with the profitability of our operations, we examine the profitability of each power plant project in detail in our renewable energy projects starting from the stage of obtaining licenses.

Another key factor in project management is collaborating with the stakeholders to manage the projects in terms of environmental protection and social issues. With this approach, we aim to complete the plants in time and generate favorable results for all our stakeholders.

With the awareness that the continuity of our Company is possible with the profitability of our operations, we examine the profitability of each power plant project in detail for our renewable energy projects starting from the stage of obtaining licenses.

CUSTOMER SATISFACTION

We establish regular communication to ensure customer satisfaction and succeed by prioritizing our projects with the employer.

We are aware that sustainable profitability can be only attained with customer satisfaction.

Main prerequisite of sustainable profitability is business continuity. This can only be achieved by maintaining our projects by ensuring customer satisfaction and undertaking new projects.

Çalık Enerji's business continuity and ability to undertake other EPC projects depend on ensuring customer satisfaction. For this reason, it is important for us to complete projects on time, in compliance with national standards of the employer countries and in good relations with local communities while protecting the environment and contributing to the local economy. We establish a regular communication to ensure customer satisfaction in EPC projects and succeed by prioritizing our projects with the employer.



RESPONSIBILITY IN THE VALUE CHAIN

We strive to guarantee occupational health and safety as well as environmental protection both in the construction and operation phases.

We expect our suppliers, subcontractors, and logistics companies to work in accordance with the rules we established. With this approach, we try to guarantee occupational health and safety as well as environmental protection both in the construction and operation phases. We think that working with this approach allows us to increase corporate trust and protect corporate reputation.

Having our suppliers follow code of ethics and supply goods that are at the required standards is crucial for our reputation and carrying out the projects smoothly and in time.

Our sub-contractors work as service providers on many different sites. It is very important for these sub-contractors to follow occupational health and safety rules and establish good relations with our stakeholders in terms of business continuity and reputation of our company.

Logistics services, especially activities for transporting large materials and equipment to the construction sites during construction and power plant building processes are required to be carried out without damaging the environment. We diligently monitor these processes and try to keep the risks under control.

We pay attention to working with the right suppliers in EPC projects in order to comply with the project plan and ensure that procured materials are in compliance with the set quality standards. On the other hand, we expect our suppliers to work in compliance with our procurement rules. It is important for our suppliers to act in accordance with the procurement rules in terms of establishing and protecting the corporate trust.

It is certainly not possible for the Company to carry out all the work on construction projects. We have to work with some sub-contractors during various phases of a project. Our sub-contractors work at the construction sites. For this reason, we expect them to strictly follow our construction site rules, especially those regarding occupational health and safety. This is crucial both in terms of employee health and business continuity.

Having our suppliers follow the code of ethics and supply goods that are at the required standards is crucial for our reputation and carrying out the projects smoothly and in time.

RESPONSIBILITY IN THE VALUE CHAIN

We expect suppliers to pay attention to anti-corruption, protection of human rights, employee rights and environmental issues.

We expect sensitivity to be shown that the vehicles used for logistics services have the least carbon emissions.

Logistics services are critical for us from three different aspects. First, we pay attention to bringing materials to the project site at the right time with right planning. This contributes to ensuring business continuity, timely completion of the project and sustainable profitability. The second impact is related to environmental protection. Some large materials and equipment must be transported to the construction site with minimum impact on the environment. Finally, we expect sensitivity to be shown that the vehicles used for logistics services have the least carbon emissions. Considering all these factors, it is important for us to work with the right business partner in any given project area. The right business partner is the logistics company that has the highest compatibility with our corporate standards for a given area.

Supply Policy

As Çalık Enerji, we aim to provide the best solutions in terms of cost and quality while conducting our activities. Optimization is essential for our Company's success.

We inspect our suppliers on essential ethical matters before working with them. The supplier is included in the vendor list if the company satisfies the stipulated conditions after these inspections.

We expect suppliers to pay attention to anti-corruption, protection of human rights, employee rights and environmental issues. All reviews and inspections up to now were carried out by our personnel.

We inspect sub-contractors regularly in terms of their compliance with human rights, employee rights and environmental protection rules on project sites.

We shape our operations with our vision that the future of the energy sector will be determined by value-added, innovative, environmentally friendly technologies, which will increase efficiency.



INNOVATION AND DIGITALIZATION

We closely monitor new trends that will set a new direction for the industry such as Industry 4.0, digitalization, storage systems, and smart grids.



We successfully align our business processes with the transformation triggered by new technologies and digitalization. It is thanks to this approach that we improve our competitive power, customer satisfaction, cost-effectiveness, and operational excellence.

As an energy company who constantly increases its investments on renewable energy considered as the future of our world, we closely follow new trends in the sector such as Industry 4.0, digitalization, storage systems, smart grids.

We shape our operations with our vision that the future of the energy sector will be determined by value-added, innovative, environmentally friendly technologies, which will increase efficiency. We pioneer groundbreaking practices by making R&D and innovation investments in the light of emerging trends.

We closely monitor new trends that will shape the sector such as Industry 4.0, digitalization, storage systems, and smart grids and test the use of such technologies in our new projects, striving to create new business models. In this regard, we seek ways to offer distinctive projects to our customers.

The common feature of all our investments is that they adopt a people-oriented approach that puts high technology at the center. We successfully align our business processes with the transformation triggered by new technologies and digitalization. It is thanks to this approach that we improve our competitive power, customer satisfaction, cost-effectiveness, and operational excellence.

Digitalization and technological advancements may cause changes in business processes and working models. As Çalık Enerji, we think that this is important for both the customers and productivity and profitability of the company.

CONNECTIONS WITH SDGs

We primarily develop our infrastructure, finance, and human resources for effective and profitable operation and operate the management systems that will ensure the sustainability of our company.



As Çalık Enerji, we primarily develop our infrastructure, finance, and human resources for effective and profitable operation and operate the management systems that will ensure the sustainability of our company. We strive to create a sustainable growth climate with this trust that we provide to our employees, customers, and all stakeholders with whom we interact. We believe that it is possible to implement the advanced

understanding and technological applications on infrastructure projects by monitoring and adopting the innovations and developments on the field. With this approach, we contribute to the articles 8) Decent Work and Economic Growth, 9) Industry, Innovation and Infrastructure, 11) Sustainable Cities and Communities of the United Nations Social Development Goals (SDG).

We strive to create a sustainable growth climate with this trust that we provide to our employees, customers, and all stakeholders with whom we interact.

ACHIEVEMENTS

Regarding the contracts we have with subcontractors and suppliers, we have updated our additional protocols that contain OHS-related requirements and included matters relating to environmental and social risk management.

Our aim is to guarantee and monitor subcontractors' and suppliers' compliance with environmental and social provisions on global warming, climate change, natural source consumption, and human rights.

SUPPLY CHAIN APPLICATIONS

While comparing supplier prices logistics costs affect the decision making process. As the logistics cost influences our purchasing decisions, we prefer the closest supplier from the most suitable country, which is directly related to fuel consumption and environmental protection.

We enter the following parameters in our evaluation form for evaluating suppliers. We plan to take this into consideration in our supplier evaluations after the pandemic.

- No child labor
- Number of women employees
- Relevant quality certificates related to environmental impact
- Use of filters

SUPPLIER LIFE CYCLE (SLC) MODULE AND SUPPLIER RELATIONSHIP MANAGEMENT (SRM)

With the project, which allows us to manage the purchasing and supply chain more effectively in line with our priority of managing our processes with our suppliers in a fast, reliable, traceable and measurable way, the Supplier Life Cycle (SLC) module and the Supplier Relationship Management (SRM) were made available over the Çalık Supplier Portal. Our suppliers can submit their applications from the relevant links on our website, and our approved suppliers can also log in to the system via the relevant links.

STANDARDIZATION OF ADDITIONAL PROTOCOLS IN SUBCONTRACTOR CONTRACTS

With the project we implemented in order to work with subcontractors and suppliers in accordance with Çalık Enerji environmental sustainability goals, we updated our additional protocols in our projects, which include Occupational Health and Safety requirements in contracts with subcontractors and suppliers, including environmental and social risk management issues. Thus, we aim to ensure and control the compliance with the sustainability strategy of Çalık Enerji in international projects as well as the compliance of subcontractors and suppliers with environmental and social conditions such as global warming, climate change, natural resource consumption and human rights.

In supplier assessments, we pay attention to no child labor, the number of women employees, quality certifications relevant to environmental impact, and the use of filters.



Indicators



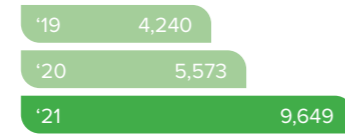
INDICATORS

Economic Performance Indicators

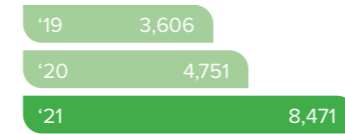
Financial Data

(TL MILLION)	2019	2020	2021
NET SALES	4,381	5,573	9,649
TOTAL EQUITY	3,605	4,751	8,471
TOTAL ASSETS	7,037	8,173	15,101
EBITDA	1,374	2,070	2,356
EBITDA MARGIN (%)	31	37	24

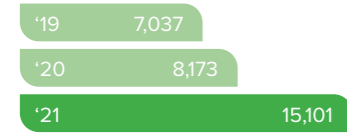
Net Sales (TL Million)



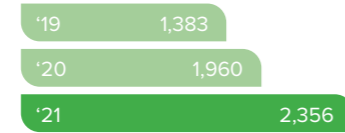
Total Equity (TL Million)



Total Assets (TL Million)



EBITDA (TL Million)



EBITDA MARGIN (%)



Social Performance Indicators

Occupational Health and Safety Statistics (EPC)

Project OHS Statistics	2019	2020	2021
Total Recordable Incident Rate (TRIR)	0.132	0.76	0.03
Fatality Rate	0	0	0
Near Miss Frequency (NMFR)	78	4	61
Rate of Occupational Accidents with Work Stoppage	0.044	0.25	0

Occupational Health and Safety Trainings (EPC)

Total OHS Training Hours	2019	2020	2021
(Direct, indirect person-hour)	14,896,662	3,157	18,793

Employee Profile

Number of Board Members:	5
Total Number of Employees:	578
Number of Disabled Employees	5

Number of Employees by Region

	2019	2020	2021
Çalık Enerji Head Office Istanbul	130	179	221
Çalık Enerji Turkmenistan Office			12
Çalık Enerji EPC	675	151	203
Çalık Enerji Renewable	59	50	46
Distribution and Retail (YEDAŞ)	212	588	11
Çalık EPC Istanbul Head Office			78
Subcontractors	124	1,525	610
Çalık Enerji Subcontractors	124	119	4
TOTAL	1,200	2,612	1,192

INDICATORS

Distribution of Çalık Enerji Employees by Age

	EPC				Renewable				
	2018	2019	2020	2021	2017	2018	2019	2020	2021
b. Employees (TOTAL)	993	266	151	521	52	54	59	50	46
Senior Management	2	2	2	17	1	1	1	1	0
<30	0			0					0
30-50	2	2		14				1	0
50+			2	3		1	1		0
Mid-Level Management	7	6	5	77	9	9	7	6	4
<30				0					0
30-50	7	6	5	71	7	7	6	5	3
50+				6	2	2	1	1	1
White Collar (Excluding Management)	277	152	92	409	42	44	51	43	42
<30	32	27	11	79	8	8	11	9	7
30-50	196	110	67	295	30	33	37	32	33
50+	49	15	14	35	4	3	3	2	2
Blue Collar	707	106	52	18	0	0	0	0	0
<30	73	10	1	1					0
30-50	536	92	46	12					0
50+	98	4	5	5					0

Employees by Seniority

	EPC	Renewable
0-1 Year	257	1
1-5 Years	200	15
5-10 Years	48	29
10-15 Years	13	1
15+	3	-
Total Number of Employees	521	46

Employees by Employment Type

	EPC	Renewable
Indefinite Term	515	46
Fixed Term	6	-
Total Number of Employees	521	46

	2019	2020	2021
New Recruits			
White Collar	114	140	272
Male	107	103	229
Female	7	37	43
Blue Collar	135	561	8
Male	135	561	8
Female	-	-	-
By Age	249	701	280
<30	45	62	59
30-50	184	603	192
>50	20	36	29

Training Hours by Personnel Categories (Employee-Hour)

EPC & RENEWABLE			
Average annual training hours per employee	2019	2020	2021
Senior Management			18.7
Mid-Level Management	0.15		18.7
White Collar (Excluding Management)	0.64		18.7
Blue Collar	68.92		
Average annual training hours per employee			18.7

Distribution of Employees by Gender

	EPC & Renewable Energy & Distribution (YEDAŞ)		
	2019	2020	2021
White Collar	219	394	560
Male	318	341	473
Female	7	54	87
Blue Collar			18
Male			18
Female			0

EPC & Renewable Energy & Distribution (YEDAŞ)

	2019	2020	2021
Senior Management	2	13	17
Male	3	2	15
Female	-	-	2
Mid-Level Management	58	212	82
Male	12	52	73
Female	1	6	9
White Collar (Excluding Management)	203	-	461
Male	51	79	385
Female	1	-	76
Blue Collar	657	-	18
Male		657	18
Female	-	-	-

EPC – Distribution of Local Employees by Country (Person)*

NUMBER OF LOCAL ÇALIK ENERJİ EMPLOYEES BY COUNTRY

COUNTRY	JANUARY 2018	APRIL 2018	JULY 2018	OCTOBER 2018	JANUARY 2019	APRIL 2019	JULY 2019	OCTOBER 2019	DECEMBER 2019	DECEMBER 2020	DECEMBER 2021
Turkmenistan	2,674	2,409	1,521	959	314	220	226	222	192	453	446
Georgia	4	4	4	4	4	4	4	4	4	4	1
Iraq	10	10	10	10	10	10	10	10	10	10	213
Libya	3	3	3	3	3	3	3	3	3	2	4
Romania	-	-	-	-	-	-	-	-	-	-	17
Senegal	-	-	-	-	-	-	-	-	-	-	21
Malawi		71	96	133	137	154	131	141	133	72	0
TOTAL	2,691	2,497	1,634	1,109	468	391	374	380	342	541	702

*Number of local employees depends on the scale of a project. Therefore, number of local employees decreases upon completion of projects. .

INDICATORS

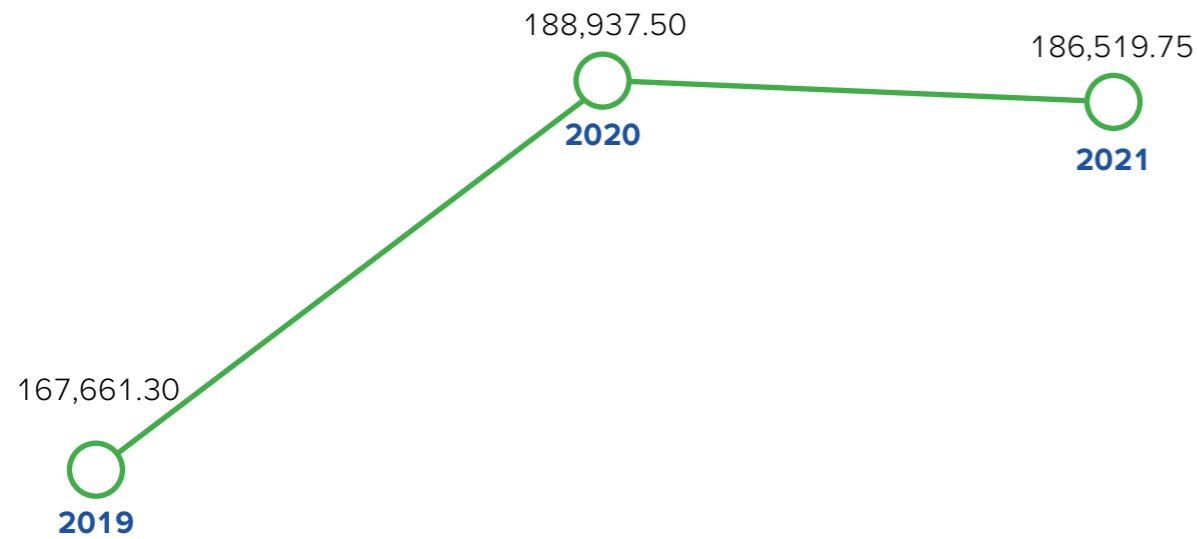
Environmental Performance Indicators

Energy Consumption

ENERGY CONSUMPTION OF POWER PLANTS FOR INTERNAL USE, ÇALIK ENERJİ (kWh)

	2020		2021	
	FROM GENERATED POWER	FROM THE GRID	FROM GENERATED POWER	FROM THE GRID
ADACAMI HPP	63,164	48,790	135,908	68,235
SARPINCİK WPP	1,933,639	107,337	2,111,145	104,464
DEMİRCİLİ WPP	2,474,060	174,633	2,501,785	157,539
POLATLI SPP	2,434	11,750	2,474	11,471
ERZURUM SPP	5,769	70,130	3,990	62,526
ERZİNCAN SPP	3,873	62,590	3,940	60,170
AMASYA SPP	5,046	75,632	2,505	71,666
AMASYA DOĞU SPP	3,873	45,749	2,647	41,614
ÇORUM SPP	7,281	143,873	5,494	136,826
YILDIZLI SPP	4,413	40,478	3,035	28,037
TOTAL	4,503,552.21	780,962.00	4,772,922.66	742,548.00

Emission Reduction with Renewable Energy (ton CO₂-e)



Çalık Enerji Greenhouse Gas Emissions* (ton CO ₂ eq)	2020	2021
Scope 1 - Direct Greenhouse Gas Emissions	408.38	502.76
Scope 2 - Energy Indirect Greenhouse Gas Emissions	358.25	470.83
Scope 3 - Indirect Greenhouse Gas Emissions	-	948.48
Total Emissions	766.63	1,922.07
Carbon Footprint Intensity (ton CO ₂ e/person)	3.50	3.30

Category	Istanbul Headquarters	Ankara Office	Demircili WPP	Sarpincik WPP	Adacami HPP	Amasya SPP	Yıldızlı SPP	Polatlı SPP	Erzurum SPP	Çorum SPP	Erzincan Tercan SPP	Total Emission, ton CO ₂ e
Scope 1	252.15	174.91	4.43	11.99	59.28	0.00	0.00	0.00	0.00	0.00	0.00	502.76
Scope 2	186.96	16.34	69.32	45.97	10.34	2.09	16.79	7.96	27.25	61.21	26.60	470.83
Scope 3	948.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	948.48
TOTAL (ton CO ₂ e):	1,387.59	191.25	73.75	57.96	69.62	2.09	16.79	7.96	27.25	61.21	26.60	1,922.07

Emission Scope	Emission Type	Emission Source	Facility	ton CO ₂ e
Scope 1 - Direct Greenhouse Gas Emissions	Fixed Burning	Natural Gas	Istanbul Headquarters	68.01
			Ankara Office	148.75
			Demircili WPP	-
			Sarpincik WPP	-
			Adacami HPP	-
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
			Çorum SPP	-
			Erzincan Tercan SPP	-
			Istanbul Headquarters	2.24
			Ankara Office	-
	Demircili WPP	1.34		
	Sarpincik WPP	3.52		
	Adacami HPP	36.02		
	Amasya SPP	-		
	Yıldızlı SPP	-		
	Polatlı SPP	-		
	Erzurum SPP	-		
	Çorum SPP	-		
	Erzincan Tercan SPP	-		
	Fixed Burning - General	Gasoline	Istanbul Headquarters	-
			Ankara Office	-
			Demircili WPP	0.03
			Sarpincik WPP	-
			Adacami HPP	-
Amasya SPP			-	
Yıldızlı SPP			-	
Polatlı SPP			-	
Erzurum SPP			-	
Çorum SPP			-	
Erzincan Tercan SPP			-	

INDICATORS

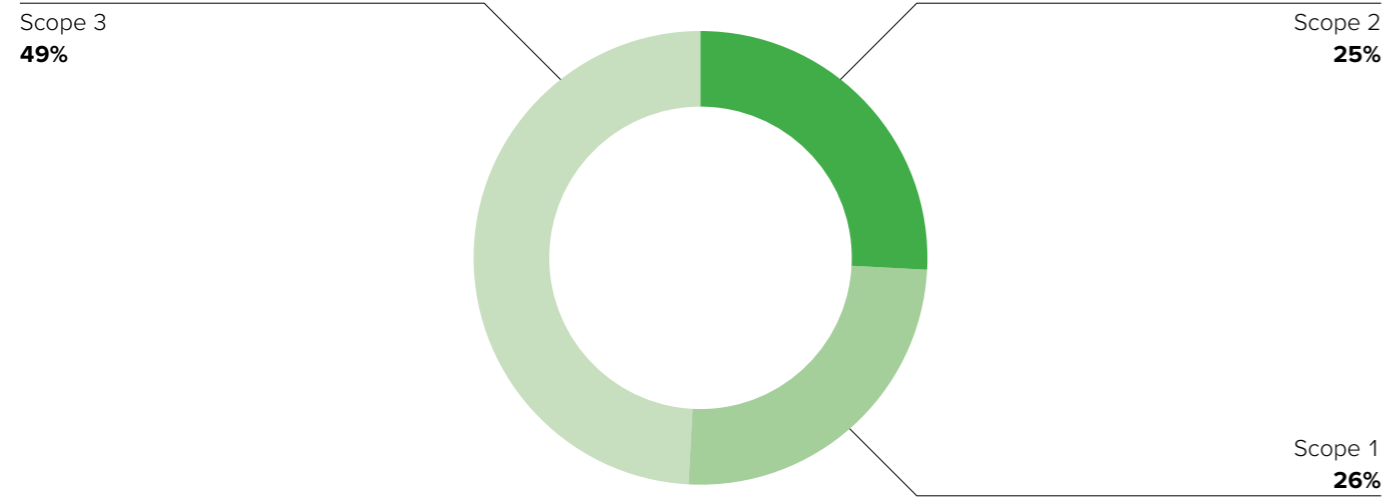
Emission Scope	Emission Type	Emission Source	Facility	ton CO ₂ e
Scope 1 - Direct Greenhouse Gas Emissions	Mobile Burning - On Road	Diesel	Istanbul Headquarters	106.13
			Ankara Office	20.98
			Demircili WPP	3.05
			Sarpıncık WPP	8.46
			Adacami HPP	23.25
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
		Çorum SPP	-	
		Erzincan Tercan SPP	-	
		Gasoline	Istanbul Headquarters	14.01
			Ankara Office	-
			Demircili WPP	-
			Sarpıncık WPP	-
			Adacami HPP	-
			Amasya SPP	-
			Yıldızlı SPP	-
	Polatlı SPP		-	
	Erzurum SPP		-	
	Çorum SPP	-		
	Erzincan Tercan SPP	-		
	Leakage Emissions	Refrigerant Gas Leakages	Istanbul Headquarters	61.75
			Ankara Office	0.47
			Demircili WPP	-
			Sarpıncık WPP	-
			Adacami HPP	-
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
Erzurum SPP			-	
Çorum SPP	-			
Erzincan Tercan SPP	-			

Emission Scope	Emission Type	Emission Source	Facility	ton CO ₂ e
Scope 1 - Direct Greenhouse Gas Emissions	Leakage Emissions	Fire Extinguishers	Istanbul Headquarters	0.01
			Ankara Office	4.71
			Demircili WPP	0.01
			Sarpıncık WPP	0.01
			Adacami HPP	0.01
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
Çorum SPP	-			
Erzincan Tercan SPP	-			
Scope 1				502.76
Scope 2 - Energy Indirect Greenhouse Gas Emissions	Purchased Electricity		Istanbul Headquarters	186.96
			Ankara Office	16.34
			Demircili WPP	69.32
			Sarpıncık WPP	45.97
			Adacami HPP	10.34
			Amasya SPP	2.09
			Yıldızlı SPP	16.79
			Polatlı SPP	7.96
			Erzurum SPP	27.25
			Çorum SPP	61.21
Erzincan Tercan SPP	26.60			
Scope 2				470.83
Scope 3 - Indirect Greenhouse Gas Emissions		Business Trips	Istanbul Headquarters	913.80
			Ankara Office	-
			Demircili WPP	-
			Sarpıncık WPP	-
			Adacami HPP	-
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
			Çorum SPP	-
Erzincan Tercan SPP	-			
Scope 3 - Indirect Greenhouse Gas Emissions		Employee Shuttles	Istanbul Headquarters	34.68
			Ankara Office	-
			Demircili WPP	-
			Sarpıncık WPP	-
			Adacami HPP	-
			Amasya SPP	-
			Yıldızlı SPP	-
			Polatlı SPP	-
			Erzurum SPP	-
			Çorum SPP	-
Erzincan Tercan SPP	-			
Scope 3				948.48
TOTAL				1,922.07

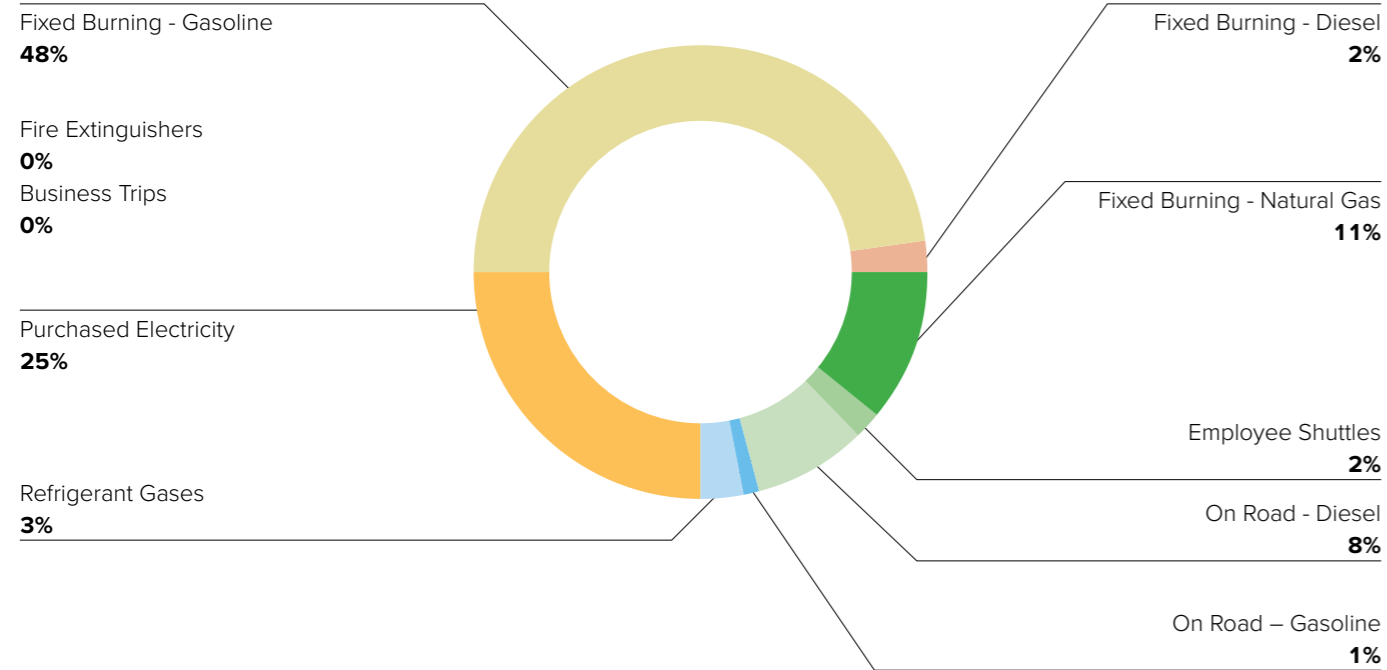
*Calculated in accordance with TS EN ISO 14064-1, the international standard for calculating and reporting greenhouse gas emissions and removals at the enterprise level.

INDICATORS

Carbon Footprint by Category - 2021, ton CO₂e



Carbon Footprint by Emission Source - 2021, ton CO₂e



Çalık Enerji Head Office

Hazardous & Non-Hazardous Waste (kg)	2020	2021
Recycled Hazardous Waste	28	32
Recycled Non-hazardous Waste	1,593	1,345
Total	1,621	1,377

Çalık Enerji Head Office Waste (kg)	2020	2021
Paper	148	1,581
Glass	72	0
Plastic	96	306
Battery	8	10

Çalık Enerji Overseas Construction Sites

Hazardous & Non-Hazardous Waste (tons)	2020	2021
Recycled Non-hazardous Waste	39	203
Total	39	203

Çalık Enerji Overseas Construction Sites Office Waste (kg)	2020	2021
Office Waste	240.75	260

Water Consumption (Çalık Enerji)

	2019	2020	2021
Head Office Water Consumption (m ³)	-	1,310	4,331
Construction Sites and Branches Water Consumption (m ³)	-	1,270	29,902

