



Annual Report 2021

**For a sustainable
future**



Ali Metin Kazancı
Kazancı Holding
Chairman

Esteemed Stakeholders,

It has been almost two years since concepts such as Covid-19, variants and social distance entered our lives. As we leave 2021 behind, the panic and uncertainty in the earlier periods gave way to the new normality of our lives, even though these concepts still continue to affect us. Both the global economy and the Turkish economy started growing after a balancing period. Despite the fluctuation in currency rates and the inflation pressure Turkey experienced since the second half of the last year, it is very important that the Turkish economy is one of the fastest-growing economies in the world since it demonstrates our potential in the new era of the world.

This year was an unforgettable year for Kazancı Holding as we demonstrated our agility, dynamism and adaptability. With our digitalization efforts and our agile structure, which we have strengthened during the pandemic, we maintained and consolidated our competitive capacity.

Risks affecting life on our planet were at the top of last year's most important agenda items in addition to the pandemic. Issues caused by climate change are no longer just environmental; they are now economic and social issues. We experienced the natural disasters caused by climate change in our country. We feel its social effects in our lives every day. The business world is as responsible as the lawmakers in the prevention of factors that cause climate change.

We need the business world to accept approaches in terms of environmental, social and corporate governance. Sustainability, practices focusing on human resources and of course respect for all beings should be embedded in the culture of every institution and company in Turkey.

As Kazancı Holding, we have been operating for more than half a century in areas that are becoming even more important day by day such as energy, agriculture, tourism and animal husbandry. During this period, we strived to make every decision in the favor of our country, our nation and all humanity. We adopted and internalized the approaches, whose names are being heard nowadays, decades ago. In the future, we will continue to find and implement what is best for all of us.

I would like to express my gratitude to everyone who contributed and supported Kazancı Group and wish everyone healthy and peaceful days.

Best regards,



Şaban Cemil Kazancı
Kazancı Holding CEO and
Vice-Chairman

Esteemed Stakeholders,

We leave behind a year in which the uncertainty of the previous year came to an end, but the effect of the pandemic still continued. In my opinion, the most important thing this year has taught us is to be prepared and adapt to potential risks.

Kazancı Holding, the largest player in Turkey's energy sector since the 1950s, demonstrated great success in 2021 and continued to support not only its stakeholders but also its country and the lives of millions of people around the world. For decades, we learned from our experiences, prepared for future risks and tried to adapt by being agile.

Although 2020 was a year full of uncertainties, 2021 was a year in which we identified these uncertainties, adapted to the new normal and started to plan for the new world processes. At Aksa Doğalgaz, we set our growth goals higher every year. We ranked 51st in the Fortune 500's "Turkey's Top Companies List."

Our Company aims to increase the number of districts and towns served to 344 and the network length to 61,200 kilometers in 5 years. These investments will cost TL 6 billion with unit prices for 2021. We expect our number of subscribers to reach 4.9 million as of end-2026.

Successfully operating Turkey's largest natural gas distribution network, Aksa Doğalgaz will continue to add value to the lives of its subscribers and support the infrastructure of our country in 2022.

I would like to take this opportunity to extend my sincere thanks to each member of the Aksa Doğalgaz Family and our stakeholders for their support and contribution.

Best regards,

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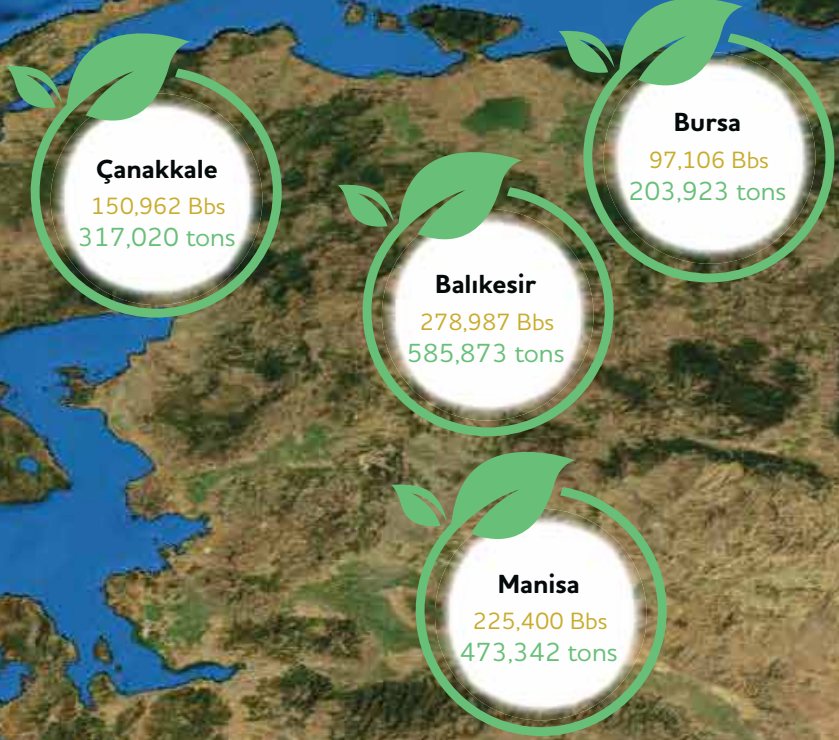
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Please scan the QR Code to view
our corporate promotional video.

Aksa Doğalgaz Distribution of Carbon Reduction by Provinces



- Number of Subscribers in 2021 (bbs)
- Carbon Emission Savings in 2021 (tons)

In 2021, the carbon emission reduction of our environmentally friendly subscribers, who preferred to use natural gas instead of coal for heating were calculated approximately.

Zonguldak

60,713 Bbs
127,497 tons

Düzce

114,203 Bbs
239,826 tons

Bolu

84,037 Bbs
176,478 tons

Bilecik

78,490 Bbs
164,829 tons

Eskişehir

2,860 Bbs
6,006 tons

Afyon

122,534 Bbs
257,321 tons

Mersin

171,248 Bbs
359,621 tons



abzon

769 Bbs
115 tons

Rize

58,226 Bbs
122,275 tons

Bayburt

16,975 Bbs
35,648 tons

Ağrı

27,490 Bbs
57,729 tons

Van

120,913 Bbs
253,917 tons

Siirt

37,183 Bbs
78,084 tons

Batman

73,060 Bbs
153,426 tons



We increase the quality of life in 7 regions of Turkey

As the largest private natural gas company with the largest service coverage in Turkey, we constantly work to deliver eco-friendly natural gas to 4 million subscribers.

Acting with the awareness of keeping the air of our country clean, we consider protecting our nature as one of our most important duties. In this context, we play a major role in accomplishing the targets set for carbon reduction.

We have been selected as the “Low Carbon Hero”* for the last three years thanks to our sustainability activities to fulfill our environmental responsibilities and our carbon reduction activities to achieve zero carbon footprint.

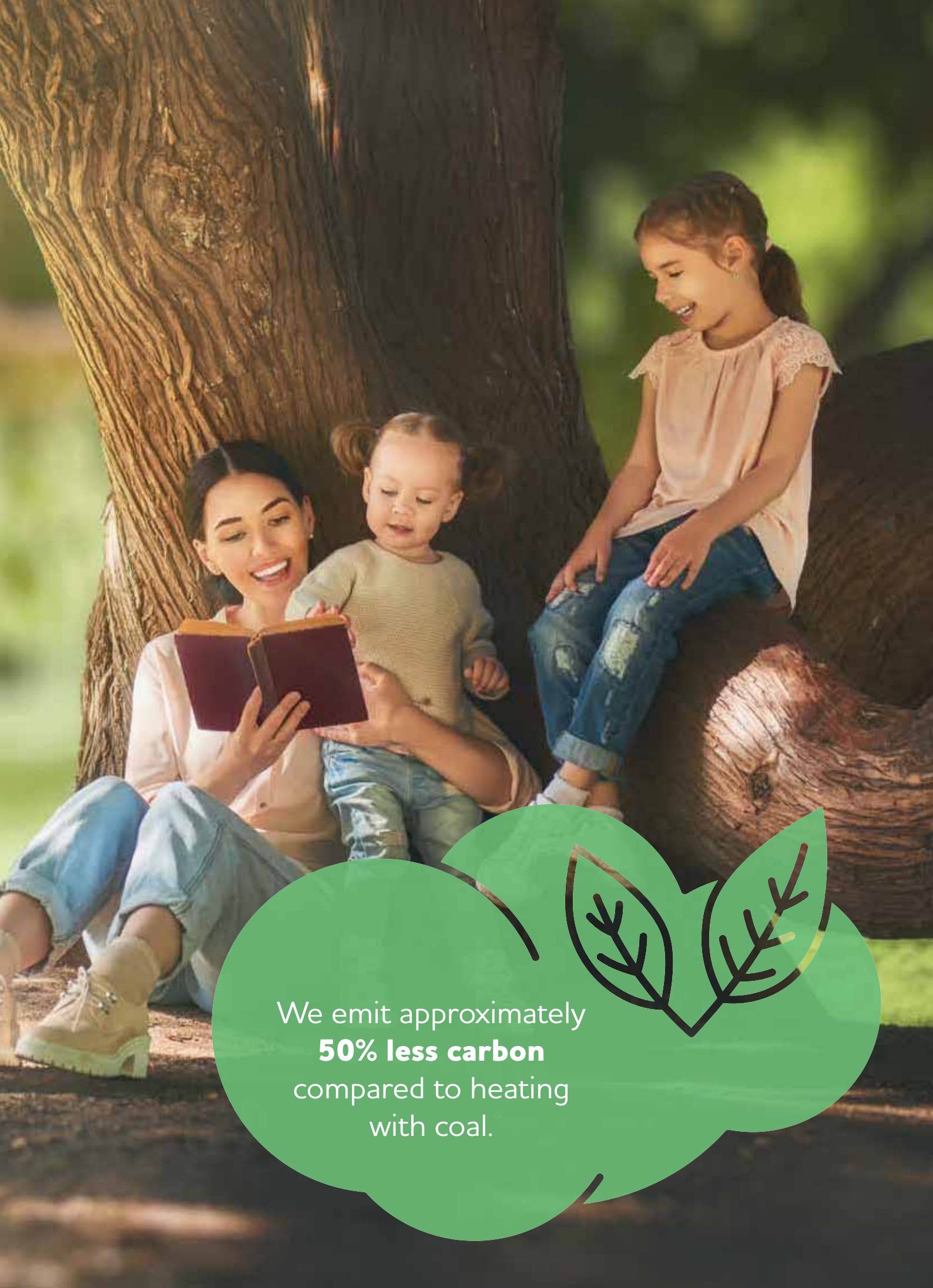
“The “Low Carbon Hero” Award is given to the institutions that puts an exemplary fight against climate change, as part of the annual Istanbul Carbon Summit by the Sustainable Production and Consumption Association (SÜT-D).

**Annual carbon emission reduction
in distribution regions**

7.4 million tons

Big responsibility, big success

Thanks to the investments we made, millions of people living in our distribution regions breathe cleaner air. Because there are lower carbon emissions in Aksa Doğalgaz distribution regions by using petroleum derivatives such as LPG, fuel oil or natural gas instead of coal.




We emit approximately
50% less carbon
compared to heating
with coal.



For a sustainable future

In 27 provinces and 221 districts and towns we operate, we support the measurable and perceptible reduction of air pollution for all living things. A house using coal for heating emits an average of 4.5 tons of carbon while a house using natural gas for heating emits on average, 2.1 tons less carbon.

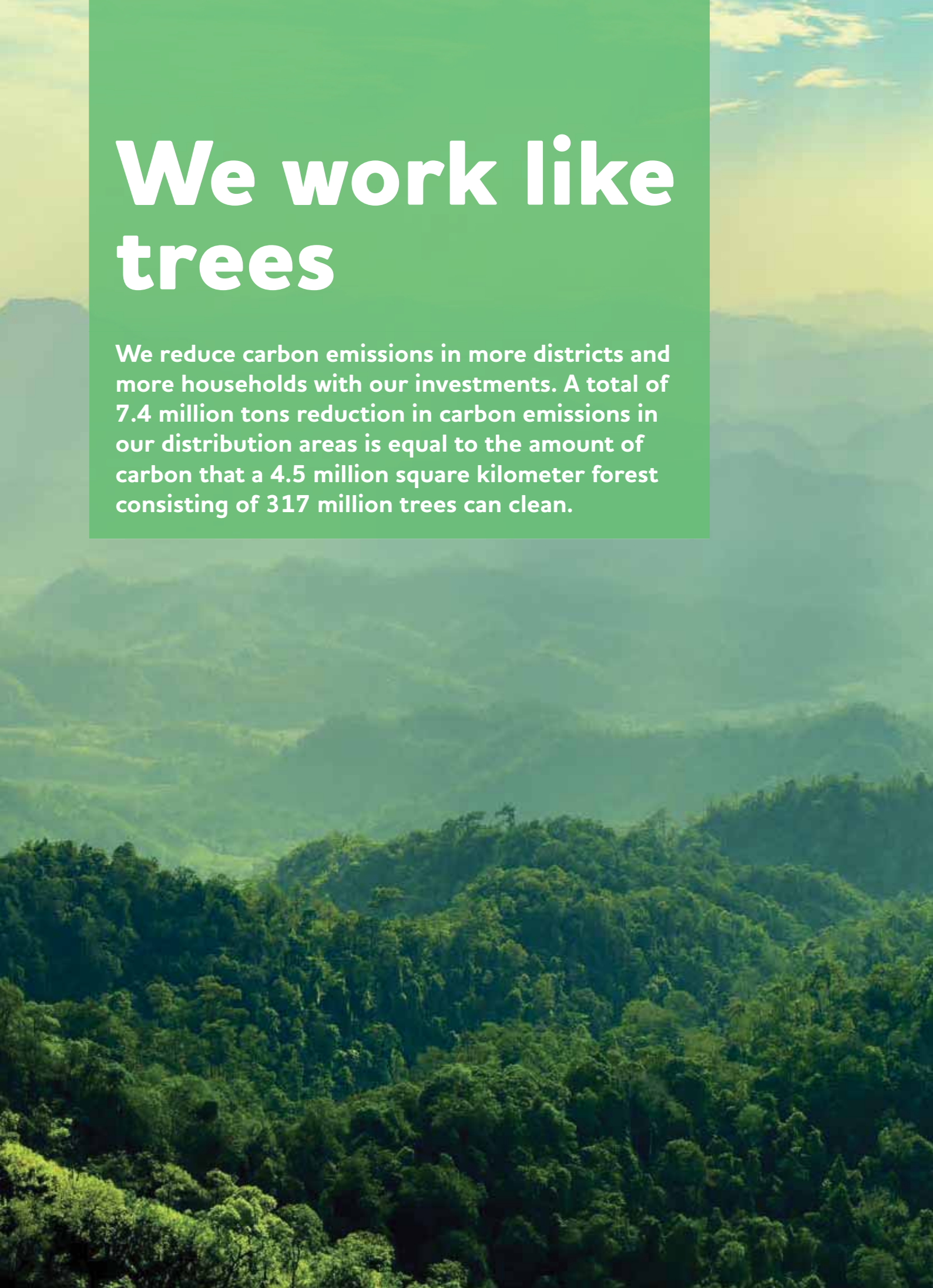


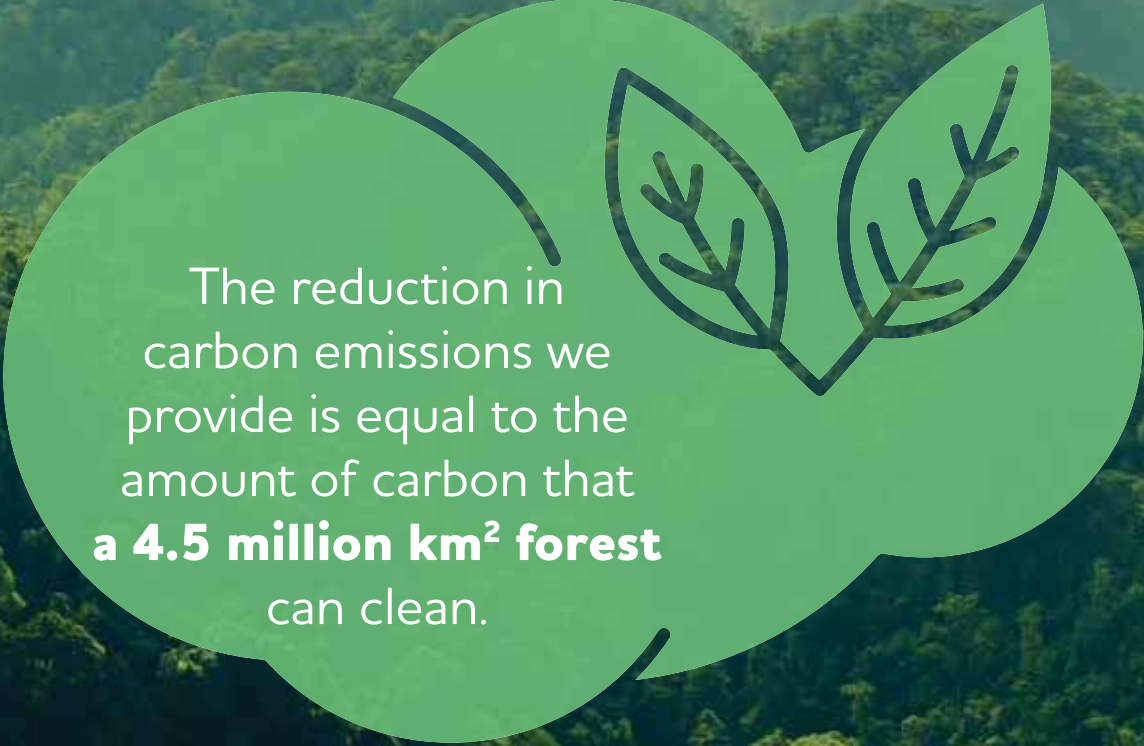
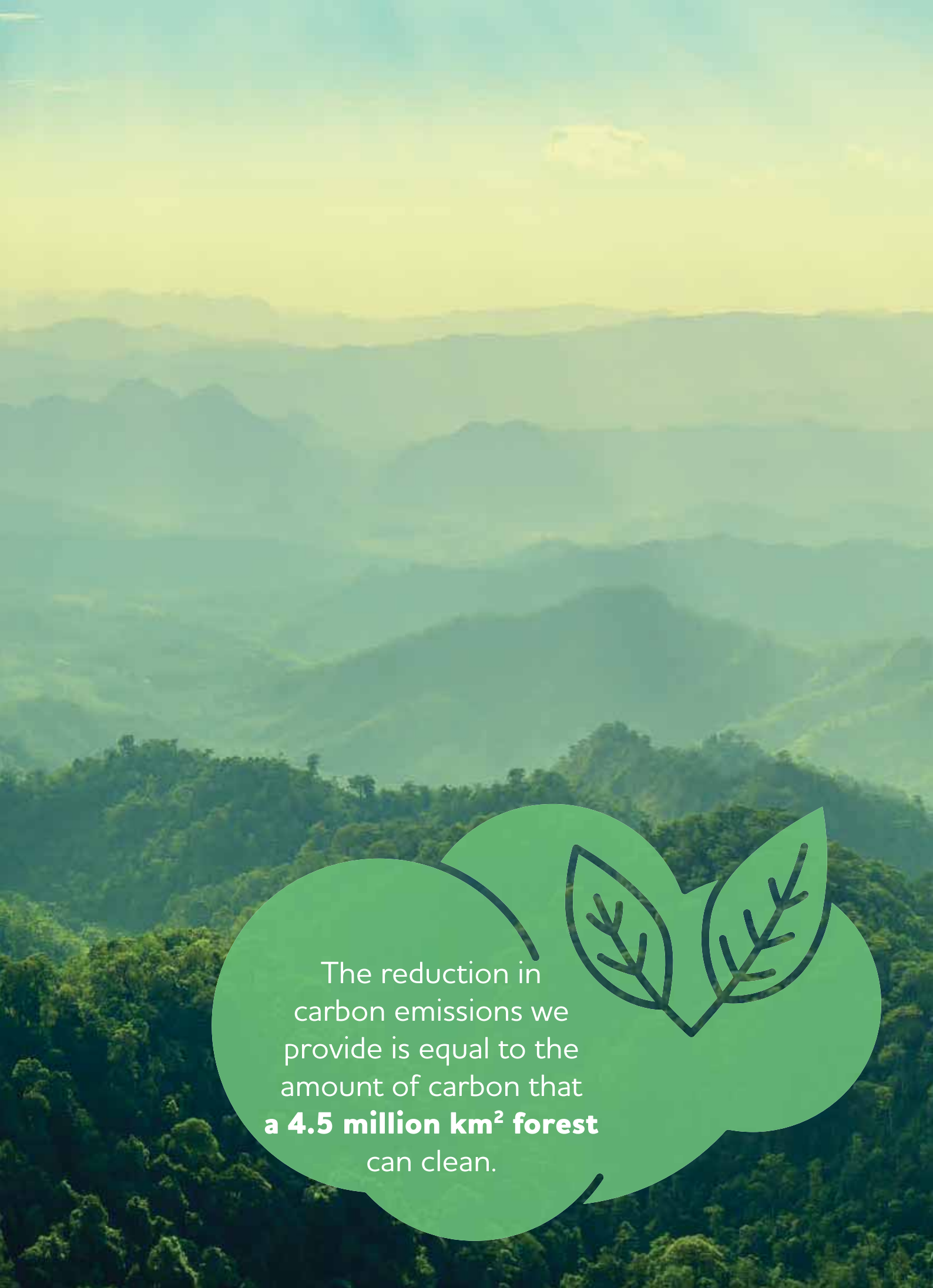
The reduction
in carbon emissions we
provide is equal to the
amount of carbon that
317 million trees
can clean.



We work like trees

We reduce carbon emissions in more districts and more households with our investments. A total of 7.4 million tons reduction in carbon emissions in our distribution areas is equal to the amount of carbon that a 4.5 million square kilometer forest consisting of 317 million trees can clean.





The reduction in
carbon emissions we
provide is equal to the
amount of carbon that
a 4.5 million km² forest
can clean.

We create awareness

We monitor and implement all environmentally friendly technologies and share them with our subscribers. We continue our efforts to spread the use of natural gas throughout Turkey and to raise awareness among citizens about the environmental effects of carbon-intensive fuels.






With the reduction
in carbon emissions we
achieve, we neutralize the
annual average carbon
production of approximately
1 million people.



We develop special projects

We fulfill our responsibility not only with natural gas distribution but with special projects as well. Furthermore, we contributed to the reduction of carbon emissions with recyclable bags we give to our subscribers and through projects such as “Paper Free Office, Carbon-Free Green Accounting”.





The reduction in carbon emissions we achieve is equal to the carbon savings of approximately **4.5 million electric vehicles.**

Efforts on Corporate Carbon Footprint

To assess the sustainability of our current business processes, we began by calculating the direct and indirect greenhouse gas emissions that result from our activities, using 2021 as the base year.



Carbon Emission Savings

2.1

Tons/Subscribers

As Aksa Doğalgaz, we believe that environmental protection is a prerequisite for sustainable growth. We direct our efforts to reduce the environmental impacts of our activities and contribute to environmental protection.

As the Aksa Doğalgaz Group Presidency, we have started to assess our current business processes in terms of sustainability and calculate the greenhouse gas emissions that occur directly and indirectly throughout our activities, using 2021 as the base year. In this context, we have started our Carbon

Monitoring Project journey this year, intending to reduce the greenhouse gas amount emitted by our institution and operations.

In the final quarter of 2022, we intend to conclude our effort on carbon footprint reporting and receive approval from the verification body for 2021 operations. We consider it one of our key priorities to build a livable environment for future generations by adhering to all necessary legal regulations. Based on this vision, we commit to publicly sharing our greenhouse gas emissions from our operations with the public.

PROVINCE	Number of Subscribers in 2021 (BBS)	Carbon Emission Savings in 2021
TOTAL	3,512,833	7,376,949
AFYON	122,534	257,321
AĞRI	27,490	57,729
ADANA	213,351	448,037
HATAY	145,837	306,258
MERSİN	171,248	359,621
OSMANİYE	56,693	119,055
BALIKESİR	278,987	585,873
BİLECİK	78,490	164,829
BOLU	84,037	176,478
ESKİŞEHİR	2,860	6,006
ÇANAKKALE	150,962	317,020
BAYBURT	16,975	35,648
GÜMÜŞHANE	22,258	46,742
DÜZCE	114,203	239,826
ZONGULDAK	60,713	127,497
ELAZIĞ	200,213	420,447
GİRESUN	55,793	117,165
ORDU	136,076	285,760
SAMSUN	24,241	50,906
BURSA	97,106	203,923
RİZE	58,226	122,275
TRABZON	145,769	306,115
MALATYA	224,520	471,492
MANİSA	225,401	473,342
BATMAN	73,060	153,426
SİİRT	37,183	78,084
SİVAS	178,044	373,892
AMASYA	95,987	201,573
TOKAT	128,264	269,354
ŞANLIURFA	165,399	347,338
VAN	120,913	253,917

In 2021, the carbon emission reduction of our environmentally friendly subscribers, who preferred to use natural gas instead of coal for heating were calculated approximately.

Message from the Chairman

As Aksa Doğalgaz, we fulfill our responsibility to leave a more livable world for future generations, and our sustainability efforts contribute 7.4 million tons per year to our country's carbon emission reduction objectives.

Network Length

34,181
km

Natural Gas Distribution Market Share

21.5%

Esteemed Stakeholders,

Although the pandemic's impacts persisted in 2021, with the spread of vaccination in the world and our country, social life was partly restored within the context of the "new normal." The markets started to recover with the favorable influence of the new normal on the global and Turkish economies. With our government's assistance to practically all industries, 2021 has been recorded as the year of recovery.

Measures to halt the spread of the disease slowed economic activity in 2020, and the demand for energy, which is our primary business, contracted in an unprecedented way. Meanwhile, the recession ended in 2021, and we were able to achieve more optimistic results.

Despite a slowdown in global economic activity in the third quarter of 2021, owing to new variations, the global economy increased by 4.6% on an annual basis, more moderately compared to the same quarter of the previous year. The Turkish economy grew by 7.4% in the third quarter of 2021, showing that the recovery continues. According to the International Monetary Fund's (IMF) World Economic Outlook Report, the global economy will rise by 4.9% in 2022.

The pace of global recovery continues to vary per country. The inequalities in vaccination access and economic assistance are at the root of this disparity. Due to output constraints in many industries and inflationary pressures induced by rising commodity prices, governments chose actions that would have the minimum impact on their economy.

54 New Settlements Met Natural Gas

The natural gas sector continued to invest as in the previous year, achieving the previous period's growth numbers. Natural gas distribution network expanded by 9% in 2021, reaching 171 thousand kilometers. Turkey has the 6th-longest natural gas distribution network in Europe. Natural gas is used in 644 settlements in 81 provinces, 595 districts, and 49 towns as of the end of 2021. In 2021, natural gas supply was provided in 54 new settlements.

In 2021, just as in previous years, roughly 1 million new subscribers began to utilize natural gas in every aspect of their lives, while the population served by natural gas distribution companies in our nation increased to 68.5 million. The number of subscribers in Turkey, which ranks first in Europe's active natural gas consumer population with 57.8 million, surpassed 18.4 million.

Turkey's natural gas demand increased by 27% compared to the previous year due to increasing power plant use, drought, and a rise in the number of subscribers, reaching 61 billion m³. In the event similar seasonal conditions are experienced in 2022, the natural gas demand is expected to reach the record consumption levels in 2021.

In 2016, 54% of the Turkish population used natural gas actively. As of today, this rate is 67%. The amount of natural gas imported as of the first half of 2021 reached 30.3 billion m³, with a significant increase of 35% on a year-over-year basis. The amount of natural gas consumed in January-June 2021 reached 31.1 billion m³, with an increase of 27% compared to the previous year.



Yaşar ARSLAN
Chairman

Message from the Chairman

As Aksa Doğalgaz, we took action once again this year to accelerate our sustainable growth and improve profitability. We focused on fulfilling our liabilities toward our stakeholders and contributing to the national economy.

Total Investments

4.9
TL billion

In the same period, natural gas usage for electricity generation increased by 97%, industrial consumption increased by 29.5%, and residential consumption increased by 23% compared to the previous year.

in the natural gas sector to gain momentum in the future.

The upward trend also seen in global natural gas markets slightly affected the natural gas prices in Turkey. As of September 2021, the sales price of natural gas to residential users rose 18.9% on an annual basis. Despite this increase, Ankara became the capital with the lowest natural gas price in the second quarter of the year. With spot natural gas prices getting ahead of oil-indexed natural gas prices, residential natural gas prices in Central and Western European capitals such as London, Amsterdam and Vienna increased by 10-20% and by 50% in Eastern and Southern Europe capitals.

Equity

1.4
TL billion

We prioritize sustainable growth and people-centered endeavors, and we work with the understanding that our actual capital is human capital. We increase the number of our employees every year and provide direct employment to 17.9% of the total human resource in our sector and provide indirect employment to more than 27 thousand people. We have prioritized high-quality human resources since the beginning of our operations. As Aksa Doğalgaz, we have carried out all the necessary activities under the Occupational Health and Safety Law No. 6331 with great care, we provided a total of 68,223 hours of occupational safety training (3,150 person*hour).

The strong structure of the distribution sector that will not be easily affected by the shocks in the market is noteworthy and important for the Turkish economy and economic administration parties in terms of its impact on stability. Considering that a more stable structure can be maintained even in economic and financial atmospheres and it will be less affected in terms of economic activities, the natural gas distribution sector will meet a very important need for investors who want to invest in public offerings. With the IPO of the Başkent Doğalgaz Dağıtım company in 2021, which we consider a successful public offering, it was proven that our sector is not only strong in service and investment areas but in financial areas as well. We expect the public offerings

We Collaborate with Universities for Renewable Energy

At Aksa Doğalgaz, we move forward in the light of technological developments and innovations. In this context, an R&D project on Renewable Gas Production was developed to help secure Turkey's energy supply and reset natural gas' potential impact on the environment. The Company aims to produce natural gas via processes that ensure supply security as well as energy efficiency. This involves the use of composite gas, obtained by blending the hydrogen obtained using renewable energy sources with natural gas, thereby reducing dependence on imports as well as carbon emissions. In 2021, with our project carried out by GAZBİR GAZMER in collaboration with Yıldız Technical University and closely monitored by the Ministry of Energy and Natural Resources and EMRA, we successfully completed the process of mixing 20% hydrogen into natural gas, which was our target value.

As Aksa Doğalgaz, we took actions once again this year to accelerate our sustainable growth and improve profitability. We focused on fulfilling our liabilities toward our stakeholders and contributing to the national economy. By adding 2,393 kilometers to our network length during the year, we reached a total network of 34,181 kilometers. With an investment of 891 million, our total investment amount rose to TL 4.9 billion. In 2021, our turnover increased by 48% year-over-year, reaching TL 10.56 billion, while our shareholders' equity totaled TL 1.4 billion with a 13% increase. We aim to reach 6.1 million subscribers as of the end of 2022 with the inclusion of new districts.

Within the scope of the credit rating process carried out by JCR Eurasia Rating, our credit rating was affirmed with the highest-level investment grade. The Long-Term National Rating is "A+ (Trk)/(Stable Outlook)." Our Company is in a very strong position in terms of equity and credibility.

We Rose 5 Places on the Fortune 500 List

We ranked 51st in the prestigious Fortune 500 list of "Turkey's Top Companies" in terms of net sales, rising 5 places compared to the previous year. We pride ourselves on crowning our financial and operational performance with significant success. The Company ranked 52nd in terms of EBITDA and 63rd in terms of total assets in the same survey.

In 2021, when the effects of the pandemic relatively decreased, we continued to move forward with firm steps, without compromising the measures taken by our effective crisis management. Being aware of the fact that mask, distance and hygiene rules are still very important, we keep all our operations up-to-date to ensure the health of all our stakeholders and not disrupt our services. In all our service points, we attach great importance to social distance, mask usage and hygiene while providing all our employees with the necessary equipment.

In this context, we started using our "online transactions" channel more actively. Recommending our subscribers who want to perform various transactions such as subscription applications, subscription termination and bill payments to use the "online transactions" channel, we minimized physical contact.

Our efforts to prevent carbon emissions and fight the destructive natural events brought about by climate change are only possible by using clean energy sources with the least environmental impact. This has become a necessity, rather than a choice. Natural gas stands out as a highly important and widely available source of energy that is high quality, safe and clean since it provides advantages in sustainable energy policies and carbon economy management. In this context, according to calculations assuming that households without access to natural gas actually utilize coal and other fuels, the use of natural gas in 17.8 million households prevented 37.5 million tons of carbon emissions in 2021. The average carbon emission of a household using natural gas in 2021 is 2.1 tons. In 2021, the total carbon emission of households using natural gas was around 35.5 million tons, while the carbon emission of households using coal and other fuels was around 45.5 million tons. Again, in 2021, the carbon emission of households due to fuel use for heating and other uses was around 81 million tons. The total amount of emission saved in the last 3 years was 105.5 million tons.

Social Responsibility and Contributing to Society

Initiated in 2019 by Aksa companies under Kazancı Holding, our social responsibility project "Energy for Tomorrow" continues to travel around Turkey. The project team, also including our volunteering employees, traveled more than 8,500 km and gave comprehensive training on energy to approximately 2,500 students in 25 village schools in 23 cities. Although we had to put the "Energy for Tomorrow" project on hold last year due to the pandemic, we continue our training through the enerjimizyarinlara.com website, which was opened on April 23. The website features the Energy Encyclopedia and the Energy Cartoon, both prepared specially for the project.

Furthermore, within the scope of our "Life Companion" project, the number of registered subscribers rose to 5,197. With our sponsorship for the Paralympic National Tennis Team, Aksa Doğalgaz continues its drive to remove impediments. Our national team athletes Uğur Altınel and Emirhan Toper gave tremendous pleasure to us and our country this year by earning three silver medals in the two international events they competed in at the International Tennis Federation (ITF) Wheelchair Tennis Tournament in Antalya. Two of our athletes won two gold medals, three silver medals, and one bronze medal for our country in three international events conducted in Antalya again in April.

Our Goals and Future Plans

As Aksa Doğalgaz, we are entering a new 5-year period for the natural gas distribution sector, starting with the year 2022. We have completed our plans for this new period in line with our National Energy Policies. We are very ambitious regarding our investment plans that we will implement with the approval of the Ministry of Energy and Natural Resources and EMRA. In this 5-year period, we will introduce 123 more districts with the comfort of natural gas and we plan to reach a total network length of 61,200 km by building an average of 5,300 km of new distribution networks every year. These investments will cost TL 6 billion with unit prices for 2021. With the new districts, the number of our potential subscribers will reach 6.1 million. We expect our number of subscribers to reach 4.9 million as of the end-2026.

I would like to thank our colleagues, subscribers and all our stakeholders who have always supported us on the path we take with firm steps towards our goals.

Best regards,

Yaşar ARSLAN
Chairman

About Kazancı Holding

Kazancı Holding's goal is to grow and maintain its leading position with a long-term strategic focus.



22

**Number of Countries
We Operate In**

With the Aksa brand, Kazancı Holding has built one of Turkey's most valuable worldwide brands, operating in 22 countries across 4 continents.

176

**Number of Countries
We Sell Generators**

Kazancı Holding, which manufactures power generators on 3 continents, rapidly increases its sales power in the global arena.

Kazancı Holding, whose foundations have laid in the 1950s, is one of the leading companies in the energy sector. Shaping its activities always based on the principles of customer satisfaction and trust during its journey exceeding half a century, the Group has become a global powerhouse through investments made all over the world with its visionary identity and innovative mindset.

Kazancı Holding started the journey, which laid the foundation for the Group Companies, with Watt Electric Motor Factory in 1968. The Group commenced generator manufacturing in the 1980s, power plant construction and electricity generation in the 1990s, natural gas distribution in the early 2000s, and electricity distribution and sales in 2010. As a result, Kazancı Holding gradually built its vertical and horizontal structure in the energy sector and reached a unique position in the industry.

Positioned ahead of its competitors, thanks to its expertise and integrated service competence in the energy industry, the Group aims to grow within the sector through a long-term strategic focus and retain its leading position. The Group continuously increases the lasting added value it creates for the Turkish economy with its investments in agriculture and tourism sectors in addition to energy, as well as foreign currency cash flow and employment opportunities it creates.

Today, Kazancı Holding is a global power with production facilities on 4 continents, more than 9,000 employees and operations in 22 countries and exports to 176 countries around the world.

The subsidiaries of the Kazancı Holding are among the leading companies in their respective fields due to their achievements. Of the companies operating under the brand Aksa;

Aksa Doğalgaz provides natural gas distribution services to a population of about 16 million and more than 4 million subscribers. The Company safely operates a 34,181 km network infrastructure in 27 provinces, 221 districts and towns with 147 offices and under 21 distribution licenses. Serving Turkey's widest geographical distribution area, Aksa Doğalgaz is the country's largest private natural gas distribution company, distributing 11.6 billion m³ of natural gas and boasting a 21.5% market share.

Building and operating power plants in Turkey and abroad, Aksa Energy is Turkey's largest independent power producer listed on the stock exchange.

Taking firm steps towards globalization since 2015, Aksa Energy has operations in 7 countries with power plants located in Turkey, Northern Cyprus, Ghana, Madagascar, Mali, Congo and Uzbekistan. Aksa Energy's shares are traded with the ticker "AKSEN" on BIST 50, BIST Electricity, BIST Sustainability, BIST Corporate Governance and MSCI Turkey Indices.

Aksa Power Generation, the leader of the Turkish power generator market, is among Turkey's largest exporters, selling power generators to 176 countries. With 19 sales offices in Turkey as well as 25 overseas offices across Asia, Europe, Africa and America, it is one of the top 5 power generator manufacturers in the world.

Aksa Electricity is one of the strongest brands in the Turkish energy sector with its customer-oriented and innovative approach. It offers electricity sales and consultancy services throughout Turkey and is the authorized power supplier in 9 cities in the Fırat and Çoruh license regions. Aksa Electricity sells electricity in around 81 cities and distributes it to more than 2.2 million subscribers and a population of about 4 million in the Çoruh/Fırat license regions. Aksa Electricity is an integrated retail company that is committed to delivering its customers innovative, environmentally-friendly and alternative energy solutions.

Çoruh and Fırat electricity distribution companies are committed to continuously boosting customer satisfaction with an uninterrupted distribution approach without compromising on quality standards. These companies meet the electricity needs of a population of 4 million located in their service regions by distributing 6.8 billion kWh of energy annually.

Aksa Agriculture entered the agricultural industry in 2005, introducing a corporate approach to this key sector. Since that time, it has become a leading company in stockbreeding, dairy farming, orcharding and field plants. The Company operates its two farms in Samsun and Tekirdağ at EU standards.

Aksa Tourism conducts summer and congress tourism operations at the five-star Mirada Del Mar Hotel located in Göynük, Antalya, and runs winter tourism operations at the four-star Mirada Del Lago Hotel and three-star Mirada Del Monte Hotel, located on Erciyes Mountain.

Aksa Doğalgaz

4 million subscribers
11.6 billion m³ of natural gas distribution



■ Aksa Doğalgaz Head Office
■ Aksa Doğalgaz Distribution Regions

www.aksadogalgaz.com.tr

Aksa Energy

Energy generation on 3 continents and in 6 countries
Turkey's largest publicly-traded independent power producer

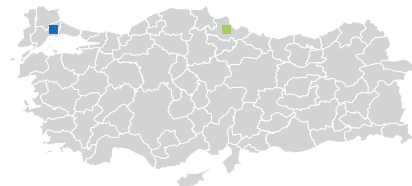


■ Aksa Energy Power Plants

www.aksaaenerji.com.tr

Aksa Agriculture

15,300 tons of milk production
20,805 tons of silage corn



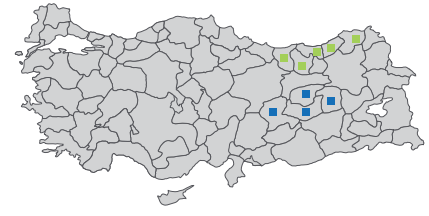
■ Tekirdağ - İnanlı Agricultural Enterprise
■ Samsun - Gelemen Agricultural Enterprise

www.aksatarim.com

Aksa Electricity

About 11.38 TWh of electricity sales across Turkey, and electricity supply to 101 districts in 9 cities across the Çoruh and Fırat regions

6.2 billion kWh of electricity distributed to a population of 4 million through Çoruh and Fırat electricity distribution companies



■ Çoruh Electricity Distribution Regions/Çoruh Electricity Retail Sales Regions
■ Fırat Electricity Distribution Regions/Fırat Electricity Retail Sales Regions
■ Aksa Electricity Sales Regions

www.aksaelektrik.com.tr
www.coruhaksa.com
www.firataksa.com

Aksa Power Generation

One of the world's top 5 generator manufacturers
25 overseas sales points



■ Aksa Power Generation Sales Offices
■ Aksa Power Generation Production Facilities and Sales Offices
■ Representation Offices

www.aksa.com.tr

Aksa Tourism

697 room capacity
1,450 bed capacity



■ Antalya - Mirada Del Mar Hotel
■ Kayseri - Mirada Del Lago Hotel and Mirada Del Monte Hotel

www.miradahotels.com

About Kazancı Holding

With a high-quality and reliable service approach, Kazancı Holding operates at home and abroad with its brands; Aksa Energy, Aksa Doğalgaz, Aksa Electricity, Aksa Power Generation, Aksa Tourism and Aksa Agriculture.

ENERGY COMPANIES

AKSA ENERGY



30+

Power Plants

5,000+ MW

Total Number of Power Plants
Operated and Installed Capacity

Region of Operation

- Power plant investments in Turkey, Northern Cyprus, Uzbekistan, Ghana, Madagascar, Mali and Congo

Competitive Advantages

- Geographical diversity provided by power generation activities in 7 countries
- Fast, flexible and sustainable power generation solutions
- Power plant installations with internal resources
- Over 20 years of experience in power plant installation, operation and relocation

AKSA DOĞALGAZ



4 Million subscribers

Number of Subscribers

Region of Operation

- Natural gas distribution in 27 provinces and 221 districts and towns across Turkey

Competitive Advantages

- Turkey's largest private natural gas distribution company
- Turkey's largest natural gas distribution region
- Distribution operations in 21 license regions out of a total of 72 in Turkey
- 21.5% market share

AKSA ELECTRICITY



11 TWh

Total Electricity Sales Volume

6.77 TWh

Total Electricity Distribution
Volume

Region of Operation

- Electricity sales across Turkey, electricity distribution and supply in 9 provinces in Çoruh and Fırat regions

Competitive Advantages

- Electricity sales and consultancy service in 81 provinces
- Electricity supply and distribution in 9 provinces, 99 districts, and 3,483 villages
- License regions with lower loss/theft ratios than the targets set by EMRA
- 89 Customer Service Centers
- A broad service network across Turkey
- Innovative, environmentally friendly and alternative energy solutions
- 6.65% market share with Aksa Electricity sales companies

OTHER GROUP COMPANIES

AKSA POWER GENERATION



176 Countries

Sales Network

Region of Operation

- Manufacturing on 3 continents, sales to 176 countries

Competitive Advantages

- Power generator manufacturing facility with the world's largest production capacity
- Leader of the Turkish generator market and among the world's top five power generation companies
- The first and only Turkish generator company to manufacture in the USA
- The only generator company with the accolade of the Turquality brand
- Turkey's first generator manufacturer with sales on its own e-commerce website
- Generator sets suitable for data center use approved by the Uptime Institute

AKSA TOURISM



1,450 Beds

Total Bed Capacity

Region of Operation

- Antalya and Kayseri

Competitive Advantages

- A wide seasonal presence with summer, winter and congress tourism
- Serving a broad customer base with five and three-star hotels
- A high number of overnight stays with a capacity of 1,450 beds

AKSA AGRICULTURE



15,000

Cattle Capacity

Region of Operation

- Tekirdağ and Samsun

Competitive Advantages

- One of the top 10 farms in Turkey in cattle breeding and milk production
- EU-compliant production

Aksa Doğalgaz Operations Map

Aksa Doğalgaz commenced natural gas distribution operations in the Balıkesir region, and as of 31 December 2021, it provides services to 4 million subscribers in 21 out of 72 license regions in Turkey.

EBITDA

1.3

TL billion

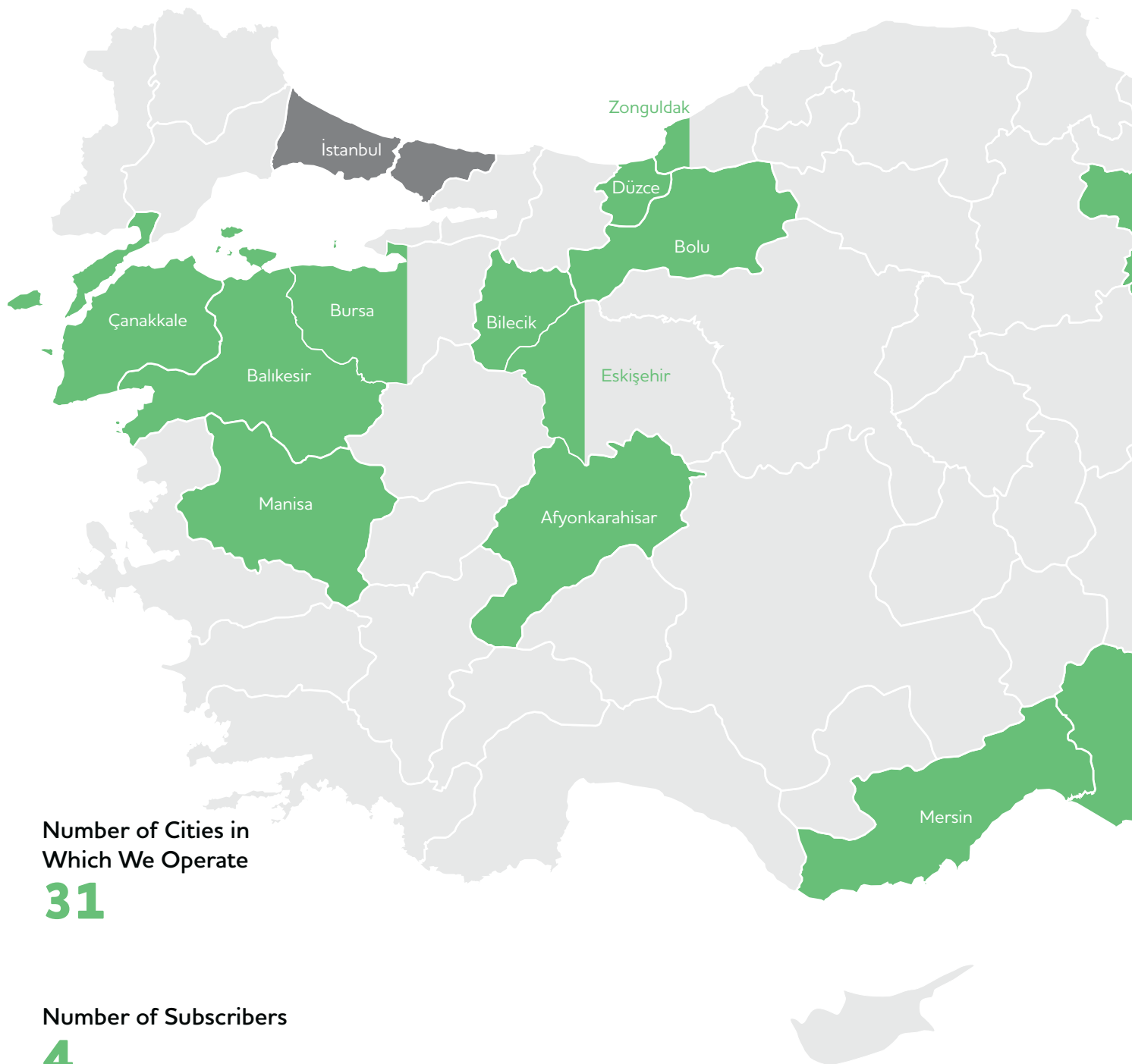
Net Profit

623

TL million

Aksa Doğalgaz started its first natural gas distribution operation in the Balıkesir region. As of December 31, 2021, we provide services to 4 million subscribers in 21 out of 72 license regions in Turkey. With the natural gas supply to new districts in 2021, our Company continued to introduce our citizens to natural gas, which is an environmentally friendly, secure and clean energy resource.





Number of Cities in
Which We Operate

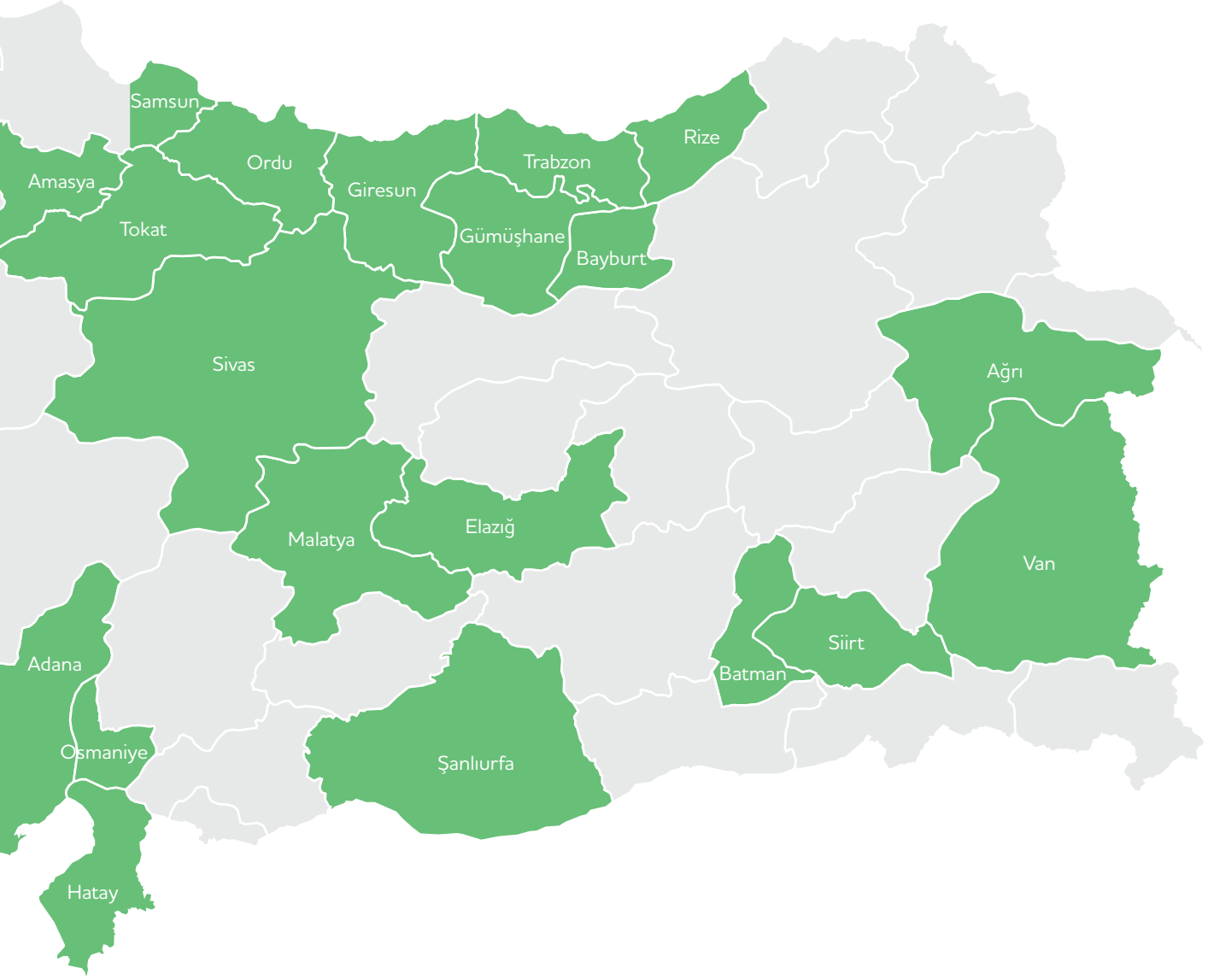
31

Number of Subscribers

4

million

Headquarters
Rüzgarlı Bahçe Mahallesi,
Özalp Çıkmaşı No: 10
Kavacık Beykoz – İstanbul-Türkey
T: +90 216 681 00 00



As a natural gas distribution company that provides services to the widest geographic area in the sector with 27 city centers and 221 districts and towns located within the boundaries of 31 cities covered by its license, Akso Doğalgaz aims to offer quality services in its license regions.

Provinces and Districts Served as of 31.12.2021

Aksa Afyon Doğalgaz Dağıtım A.Ş.

- Afyonkarahisar
- Bolvadin
- Çay
- Çobanlar
- Dazkırı
- Dinar
- Emirdağ
- Erkmən
- Evciler
- İscehisar
- Sandıklı
- Susuz
- Şuhut

Aksa Ağrı Doğalgaz Dağıtım A.Ş.

- Ağrı
- Doğubayazıt
- Eleşkirt
- Patnos
- Taşlıçay

Aksa Balıkesir Doğalgaz Dağıtım A.Ş.

- Balıkesir
- Ayvalık
- Altıeylül
- Bigadiç
- Burhaniye
- Dursunbey
- Edremit
- Gömeç
- Havran
- İvrindi
- Karası
- Kepsut
- Savaştepe

Aksa Bandırma Doğalgaz Dağıtım A.Ş.

- Bandırma
- Erdek

Aksa Bilecik Bolu Doğalgaz Dağıtım A.Ş.

- Bilecik
- Bolu
- Bayırköy
- Bozüyük
- Çukurhisar
- Dodurga
- Dörtdivan
- Gölpaazarı
- Inhisar
- İnönü
- Karacasu
- Mengen
- Osmaniye
- Pazaryeri
- Söğüt
- Vezirhan
- Yeniçağa
- Yenipazar

Aksa Çanakkale Doğalgaz Dağıtım A.Ş.

- Çanakkale
- Ayvacık
- Bayramiç
- Biga
- Çan
- Çardak
- Dardanos
- Ezine
- Gelibolu

- Geyikli
- Gönen
- Gümüşçay
- Güzelyalı
- Karabiga
- Kepez
- Lapseki
- Yenice

Aksa Çukurova Doğalgaz Dağıtım A.Ş.

- Adana
- Mersin
- Hatay
- Osmaniye
- Akdeniz
- Antakya
- Arsuz
- Bahçe
- Belen
- Ceyhan
- Çukurova
- Defne
- Dörtöy
- Düziçi
- Erdemli
- Erzin
- Hassa
- İmamoğlu
- İskenderun
- Kadirli
- Kırıkhan
- Kozan
- Mezitli
- Mut
- Payas
- Reyhanlı
- Sarıçam
- Seyhan
- Silifke
- Tarsus
- Toprakkale
- Toroslar
- Yenisehir
- Yumurtalık
- Yüreğir

Aksa Düzce Ereğli Doğalgaz Dağıtım A.Ş.

- Düzce
- Akçakoca
- Alaplı
- Beyköy
- Boğaziçi
- Cumayeri
- Çilimli
- Gölyaka
- Güllüç
- Gümüşova
- Karadeniz Ereğli
- Kaynaşlı
- Konuralp
- Yığılca

Aksa Elazığ Doğalgaz Dağıtım A.Ş.

- Elazığ
- Akçakiraz
- Hankendi
- Karakoçan
- Kovancılar
- Palu
- Sanıcan
- Sivrice
- Yazıkönak
- Yurtbaşı

Aksa Gemlik Doğalgaz Dağıtım A.Ş.

- Gemlik

Aksa Gümüşhane Bayburt Doğalgaz Dağıtım A.Ş.

- Bayburt
- Gümüşhane
- Kelkit
- Şiran

Aksa Karadeniz Doğalgaz Dağıtım A.Ş.

- Rize
- Trabzon
- Akçaabat
- Araklı
- Ardeşen
- Arsin
- Beşikdüzü
- Çayeli
- Derrepazarı
- Fındıklı
- Güneysu
- Hayrat
- İyidere
- Kendirli
- Maçka
- Kalkandere
- Of
- Ortahisar
- Pazar
- Sürmene
- Vakfıkebir
- Yomra

Aksa Malatya Doğalgaz Dağıtım A.Ş.

- Malatya
- Akçadağ
- Battalgazi
- Darende
- Doğanşehir
- Hekimhan
- Kuluncak
- Yazıhan
- Yeşilyurt

Aksa Manisa Doğalgaz Dağıtım A.Ş.

- Manisa
- Akhisar
- Ahmetli
- Alaşehir
- Gölarmara
- Gördes
- Kırkağaç
- Kula
- Muradiye
- Salihli
- Saruhanlı
- Soma
- Şehzadeler
- Turgutlu
- Yunussemre

Aksa Mustafakemalpaşa Susurluk Karacabey Doğalgaz Dağıtım A.Ş.

- Karacabey
- Mustafakemalpaşa
- Ovaazatlı
- Susurluk
- Tatlıavaklı
- Yalıntaş

Aksa Ordu Giresun Doğalgaz Dağıtım A.Ş.

- Giresun
- Ordu
- Altınordu
- Bulancak
- Çarşamba
- Dereli
- Doğanşehir
- Espiye
- Fatsa
- Keşap
- Piraziz
- Terme
- Ünye

Aksa Siirt Batman Doğalgaz Dağıtım A.Ş.

- Batman
- Siirt
- Beşiri
- Kayabağlar
- Kurtalan
- Tillo
- Tozluk

Aksa Sivas Doğalgaz Dağıtım A.Ş.

- Sivas
- Cemel
- Divriği
- Gemerek
- Gürçayır
- Gürün
- Kangal
- Şarkışla
- Suşehri
- Yıldızeli
- Zara

Aksa Şanlıurfa Doğalgaz Dağıtım A.Ş.

- Şanlıurfa
- Birecik
- Eyübiye
- Haliliye
- Hilvan
- Karaköprü
- Onbirsınan
- Siverek
- Suruç
- Viranşehir

Aksa Tokat Amasya Doğalgaz Dağıtım A.Ş.

- Amasya
- Tokat
- Almus
- Başçiftlik
- Erbaa
- Gümüşhacıköy
- Merzifon
- Niksar
- Pazar
- Reşadiye
- Suluova
- Taşova
- Turhal
- Zile
- Ziyaret

Aksa Van Doğalgaz Dağıtım A.Ş.

- Van
- Çaldıran
- Edremit
- Erciş
- Gevaş
- İpekyolu
- Muradiye
- Tuşpa

Aksa Doğalgaz Distribution

Boasting the most specialized staff in the sector, Aksa Doğalgaz is committed to keeping customer satisfaction at the highest level and continuously improving its service quality.

Total Number of Employees

3,216

Total Amount of Natural Gas Distributed

11.6

billion m³

In Turkey, it has been determined as a national policy that natural gas, which is a secure and clean fuel, should be offered by the private sector as an economical alternative to the increasing air pollution as a result of urbanization. In this context, Aksa Doğalgaz provides services as the umbrella company of Kazancı Holding since 2002. Commencing natural gas distribution operations in the Balıkesir region, Aksa Doğalgaz currently operates in 21 regions for which it has acquired the necessary licenses from the Energy Market Regulatory Authority.

Largest Private Natural Gas Distribution Company

Providing services in 27 provinces, 221 districts and towns through its subsidiaries with operations in these regions, Aksa Doğalgaz is the largest private natural gas distribution company and has the broadest distribution network with:

- 4 million subscribers,
- 11.6 bcm (billion cubic meters) of gas distributed,
- 34,181 km network,
- 21.5% market share.

The Company serves 5.6 million potential subscribers and a population of 16 million in its license regions. As the number of subscribers, which was 1.2 million in 2012, exceeded 4 million as of the end of 2021. The company also increased its total natural gas distribution from 5.2 bcm in 2012 to 11.6 bcm as of the end of the year.

TL 891 Million Investment

With an investment amount of 891 million, our total investments rose to TL 4.91 billion. The total network length of the company, which was 11,769 km in 2012, reached 34,181 km as of the end of 2021.

Specialized Human Capital

We contribute significantly to the development of the country by creating employment. In 2012, our Company had 911 employees. That number reached 3,216 as of the end of 2021. We are proud to have the most specialized staff in our sector.

High-Quality Service Approach

We improve our activities around the principle of high-quality service. We rapidly implement our investments in every region where we distribute natural gas. In this regard, our Company completed the majority of its necessary distribution region investments ahead of schedule and provided natural gas comfort to our subscribers under license.

Around the Clock Solutions

We are committed to keeping customer satisfaction at the highest level and improving our service quality continuously. In line with this vision, the Company responds to subscribers' demands around the clock via its 187 Natural Gas Emergency Line and 444 4 187 Solution Center. Our Aksa Solution Center is seen as a pioneer and model in the sector thanks to its internationally recognized advanced technology and software infrastructure, the state-of-the-art physical environment and high-quality service. The Company quickly adapted to the new conditions brought about by the Covid-19 pandemic, prioritized the health of its employees and customers, and redirected its customers to Online Transaction channels through which they could perform all transactions related to their natural gas subscription.



Aksa Doğalgaz Distribution

Designing its activities with the mission to leave a more livable world for future generations, Aksa Doğalgaz brings environmentally-friendly natural gas to millions of people.

Revenue

10.56
TL billion

Rate of Resolved Calls

82%

Despite the increased volume of calls throughout the pandemic, the Solution Center (444 4 187) maintained its consistent and high-quality service strategy. The Solution Center answered 86% of 946,355 calls received in 2021 within the first 20 seconds and resolved 82% of these issues. Within the first 15 seconds, 93% of 814,673 calls to 187 Natural Gas Emergency Lines were answered. In 2021, our line resolved 82% of incoming calls with an average call response time of 3 seconds.

A More Livable Environment for Future Generations

We design our activities with the mission to leave a more livable world for future generations by bringing environmentally-friendly natural gas to millions of people.

Proven Achievements

In 2021, Aksa Doğalgaz distributed a total of 11.6 billion m³ of natural gas in the regions where it operates, amassing revenues of TL 10.56 billion. In 2020, the Company ranked 51st in Fortune 500's "Turkey's Top Companies" list in terms of net sales by moving up by 5 positions in the list compared to the previous year. The Company ranked 52nd in terms of EBITDA and 63rd in terms of total assets. In 2021, we aim to deliver a total of 11.8 billion m³ of natural gas with the new production facilities added to its license regions and new investments.



KEY INDICATORS OF DISTRIBUTION COMPANIES

Distribution Company	Total Number of Subscribers (BBS)	Total Number of Subscribers	Net Profit (TL Million)	Consumption	Number of Personnel	Network Length (km)
Aksa Afyon Doğalgaz Dağıtım A.Ş.	141,543	120,037	340.28	154,127,084	116	1,557
Aksa Ağrı Doğalgaz Dağıtım A.Ş.	36,253	28,119	114.99	51,198,397	36	493
Aksa Çukurova Doğal Gaz Dağıtım A.Ş.	662,969	558,701	1,929.47	2,831,395,418	448	6,208
Aksa Bandırma Doğalgaz Dağıtım A.Ş.	76,504	68,801	226.91	1,925,032,395	56	487
Aksa Balıkesir Doğalgaz Dağıtım A.Ş.	198,285	167,642	411.74	222,647,471	133	1,682
Aksa Bilecik Bolu Doğalgaz Dağıtım A.Ş.	193,018	160,467	1,557.99	983,905,464	175	1,926
Aksa Çanakkale Doğalgaz Dağıtım A.Ş.	192,097	163,045	570.31	305,982,291	136	1,390
Aksa Gümüşhane, Bayburt Doğalgaz Dağıtım A.Ş.	54,614	40,791	111.07	54,489,206	66	540
Aksa Düzce Ereğli Doğalgaz Dağıtım A.Ş.	185,994	169,903	683.91	850,291,620	116	2,576
Aksa Elazığ Doğalgaz Dağıtım A.Ş.	217,429	188,992	400.72	206,739,040	100	1,525
Aksa Ordu Giresun Doğalgaz Dağıtım A.Ş.	249,830	213,341	469.62	1,101,261,331	166	1,656
Aksa Gemlik Doğalgaz Dağıtım A.Ş.	52,065	45,346	203.15	524,443,177	39	355
Aksa Karadeniz Doğalgaz Dağıtım A.Ş.	242,437	197,816	481.87	233,061,666	201	1,488
Aksa Malatya Doğalgaz Dağıtım A.Ş.	250,116	201,768	566.77	323,379,716	114	1,800
Aksa Manisa Doğalgaz Dağıtım A.Ş.	244,804	214,722	451.62	680,899,027	198	1,869
Aksa Mustafakemalpaşa Susurluk Karacabey Doğalgaz Dağıtım A.Ş.	63,086	58,613	221.61	129,640,461	56	634
Aksa Siirt-Batman Doğalgaz Dağıtım A.Ş.	129,864	111,443	192.57	124,303,669	85	1,008
Aksa Sivas Doğalgaz Dağıtım A.Ş.	203,823	166,113	394.99	238,870,107	136	1,825
Aksa Tokat, Amasya Doğalgaz Dağıtım A.Ş.	254,571	216,705	473.17	284,979,515	184	2,389
Aksa Şanlıurfa Doğalgaz Dağıtım A.Ş.	191,703	147,968	382.06	179,712,929	122	1,269
Aksa Van Doğalgaz Dağıtım A.Ş.	155,054	123,131	325.36	159,591,592	85	1,503
TOTAL	3,996,059	3,363,464	10,510	11,565,951,577	2,768	34,181

Apart from our distribution companies, 448 personnel work in other companies within our Group.

Board of Directors



Yaşar ARSLAN

Chairman

Yaşar Arslan graduated from Istanbul Technical University Metallurgical Engineering Department and worked as Operations Manager at EMAŞ A.Ş. for three years between 1985-1987. Subsequently, he held managerial positions at Al-Fahd Company, Saudi Arabia, for five years and held various managerial positions at the Istanbul Natural Gas Project at İGDAŞ for five years. He began working as a Project Manager at Vinsan in 1996 and took part in İzmit Natural Gas Project, İzmit Environment Integration Project and Marmaris Environment Integration Project. He later worked as a Project Manager at Yapısal as a Coordinator in 2003. Following these positions, he began working as General Coordinator and Vice-Chairman at Aksa Doğalgaz in 2004 and was appointed as the Head of Aksa Doğalgaz Distribution and Trade Group in 2010. Mr. Arslan currently serves as Chairman of 21 natural gas distributors and natural gas wholesalers operating under the roof of Kazancı Holding. In addition, he is the Vice-Chairman of two electricity distribution companies. Mr. Arslan is one of the founders of the Natural Gas Distributors' Association of Turkey (GAZBİR), where he also served as Secretary-General and as Chairman, each for four terms. As well, Mr. Arslan serves as Vice-Chairman at the Turkish Union of Chambers and Stock Exchanges (TOBB) and Deputy Chairman at the Association for Energy Efficiency.



Ömer Muzaffer BAKTIR

Vice-Chairman

Ömer Muzaffer Baktır graduated from Istanbul Technical University, Department of Mining Engineering in 1986. He started his professional career at Pamukbank. He went on to serve in various management roles in the banking sector, including Assistant General Manager in charge of Credits and Marketing at Halkbank; CFO and Executive Board Member of Electricity Distribution Companies at Cengiz Holding; and Assistant General Manager in charge of Marketing and Transformation at Ziraat Bank. He took part in the supervisory and management boards of various foreign companies of the same institution. Mr. Baktır, who has been serving as the Vice-Chairman of the Board of Directors of Kazancı Holding since February 5, 2018, also serves as the Executive Board Chairman at Aksa Jeneratör, Board Member at Aksa Energy, and Executive Board Member at Aksa Energy and Kazancı Holding.



Necati BAYKAL

Vice-Chairman

Necati Baykal graduated from Istanbul Technical University. Having started his career at Watt Electric Motor Factory as Production Planning Manager, Necati Baykal became Imports Manager in 1984 at Aksa Makine Sanayi A.Ş. After serving in various executive positions at Kazancı Holding A.Ş. Group companies, he was appointed as the Chairman of the Board of Directors at Aksa Jeneratör Sanayi A.Ş. Currently, Mr. Baykal serves as Chairman of the Board at Aksa Satış ve Pazarlama A.Ş., Aksa Anadolu Yakası Makine Satış A.Ş., Aksa Ankara Makine Satış ve Servis A.Ş., Fırat ve Çoruh Aksa Elektrik Dağıtım. He is also a Board Member at Aksa Group Natural Gas Distribution companies. Necati Baykal also serves as an Executive Board Member at Kazancı Holding and Aksa Power Generation.

Our Vision, Mission and Values



Our Vision

- To maintain our leading position in the Turkish natural gas sector,
- To play an active role in formulating and executing national sector-specific strategies, and to support the development and advancement of the sector,
- To extend our sector know-how and experience to international projects.



Our Mission

- Aksa Doğalgaz provides a safe, economical and uninterrupted supply of natural gas, which is an environmentally friendly, clean and convenient fuel, to its subscribers in the distribution areas where it holds a license.
- The Company builds confidence among customers by closely monitoring and adopting advanced technology developments in line with its high-quality service approach.
- With the responsibility of being a pioneering and deeply rooted company driven by the experience of Kazancı Holding in the energy sector, we grows in parallel with the increasing pace of urbanization thanks to our efficient management approach.
- Shaping the sector with its know-how and experience, Aksa Doğalgaz invests in the development of its young, dynamic and creative employees who embrace the team spirit, and make them feel that they are a valuable part of the Company.
- The Company protects the environment and natural resources with its core business activities and social responsibility efforts, upholds ethical values, and contributes to social and economic development.



Our Values

Passion for Quality

Under current market and competitive conditions, offering high-quality services to boost customer satisfaction is the main motivation underlying our constant self-renewal, and ever-growing passion for quality.

Scientific and People-Centered Expertise

Our expertise is based on closely monitoring every relevant technical and technological innovation, implementing improvements in response to our hardware and training requirements, and expanding these rapidly to all our departments. Our basic corporate policy is to embrace every advancement that is centered on science and people.

Solution-Focused

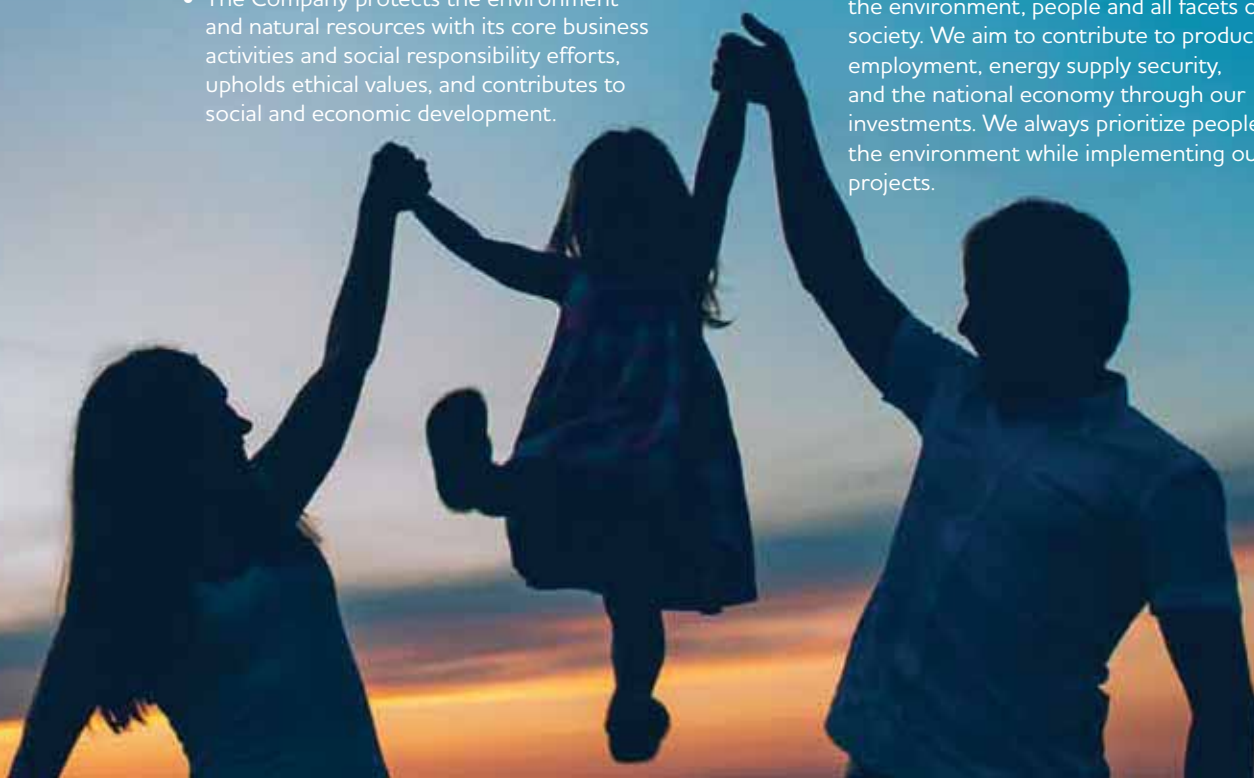
Our approach is to serve the common good and formulate swift solutions for our customers, country and environment.

Creativity

Even under unchangeable conditions, our corporate philosophy is to always aim for the best in line with our pioneering and creative approach, believe in the power of innovation, and translate change into development.

Respect for People, Nature and Society

In all our business operations, we strive to strike an inclusive balance beginning from the moment the investment decision is made in order to create value that benefits the environment, people and all facets of society. We aim to contribute to production, employment, energy supply security, and the national economy through our investments. We always prioritize people and the environment while implementing our projects.



Senior Management



Alper KONYALI
Vice President
1st and 2nd Group

Alper Konyalı graduated from Istanbul Technical University, Faculty of Electrical and Electronic Engineering, Department of Energy. He started his professional career in 1986 at VM Engineering as a Worksite Manager. In 1989, he joined İGDAŞ Istanbul Gas Distribution Company as Construction Control Manager, later serving as Head of Construction Control, and Advisor to the General Manager at the same company. At İGDAŞ, Mr. Konyalı's work focused mainly on improving and reorganizing investment processes, preparing corporate strategic plans, and establishing the materials management system. In 2007, Mr. Konyalı joined Aksa Doğalgaz as General Manager. He chaired the GAZBİR Occupational Standard Designation Commissions under the Occupational Proficiency Agency. Mr. Konyalı currently serves as Vice President at Aksa Doğalgaz, as well as Group General Manager and Board Member in charge of the 20 natural gas distribution companies that report to him.



Yücel YAZICI
Vice President
Technical Operations

Yücel Yazıcı graduated from Istanbul Technical University, Faculty of Mechanical Engineering and received his Master's degree in Energy from the same university. He started his professional career in 1990 at İGDAŞ as a Worksite Manager. Later, he worked as Worksite Director at the İzmit Natural Gas Distribution project from 1996 to 2000, as Budget and Planning Officer at Alsim Alarko from 2000 to 2002, and as Investments Manager at İZGAZ from 2002 to 2004. In 2004, Mr. Yazıcı joined Aksa Doğalgaz as General Manager. He currently serves as Vice President and Board Member in charge of the Technical Operations at Aksa Doğalgaz.



Şinasi GÖLBAŞI
Sales, Marketing and Customer
Relations Director

Şinasi Gölbaşı obtained his Master's degree at Istanbul Technical University, Department of Chemical Engineering. Mr. Gölbaşı started his professional career in 2004 as a Measurement Engineer at Aksa Doğalgaz, before becoming Gas Control Manager, Gas Control Director and, subsequently, Wholesales Operations Director. Between 2016 and 2021, he served as Gas Dispatch and Trade Director, with responsibilities including management of supply and retail sales operations of natural gas distribution companies; management of customer operations; management of measurements, automation and dispatch control operations, and management of supply and sales operations in the wholesale line of business. Serving as the Sales, Marketing and Customer Relations Director as of 2022, Mr. Gölbaşı has been serving as President of Dispatch Control and the EBT Commission at the Natural Gas Distributors' Association of Turkey (GAZBİR) since 2013, in addition to his role at Aksa Doğalgaz.



Seçkin ODABAŞI

Distribution Tariffs and Planning Director

Seçkin Odabaşı graduated from Selçuk University, Department of Geodesy and Photogrammetry Engineering. He obtained his MBA from FMV Işık University. Mr. Odabaşı started his professional career at STFA Holding Energy Group's subsidiary, Enerya Gas Distribution, where he served as Project Specialist, Project Manager and Project Director, respectively. In 2010, he joined Aksa Doğalgaz as Strategical Planning and Distribution Tariffs Manager, and was later appointed as Distribution Tariffs and Planning Director in 2016, which includes supervision of planning, management, tariffs, budgeting and reporting operations. In addition to his role at Aksa Doğalgaz, Mr. Odabaşı has also been serving as President of the Tariffs Commission at the Natural Gas Distributors' Association of Turkey (GAZBİR) since 2014.



Banu GÜREL

Financial Director

Banu Gürel graduated from Marmara University, Faculty of Economics and started her professional career in 1989 in the banking sector, working as Assistant Manager at Akbank Foreign Exchange Fund Management and, subsequently, at Tekfenbank Fund Management and Securities. In 1996, she transitioned from finance to the real economy, serving as Finance Director at Merko Food Industry and Trade. In 2004, she joined Aksa Doğalgaz as Financial Director.

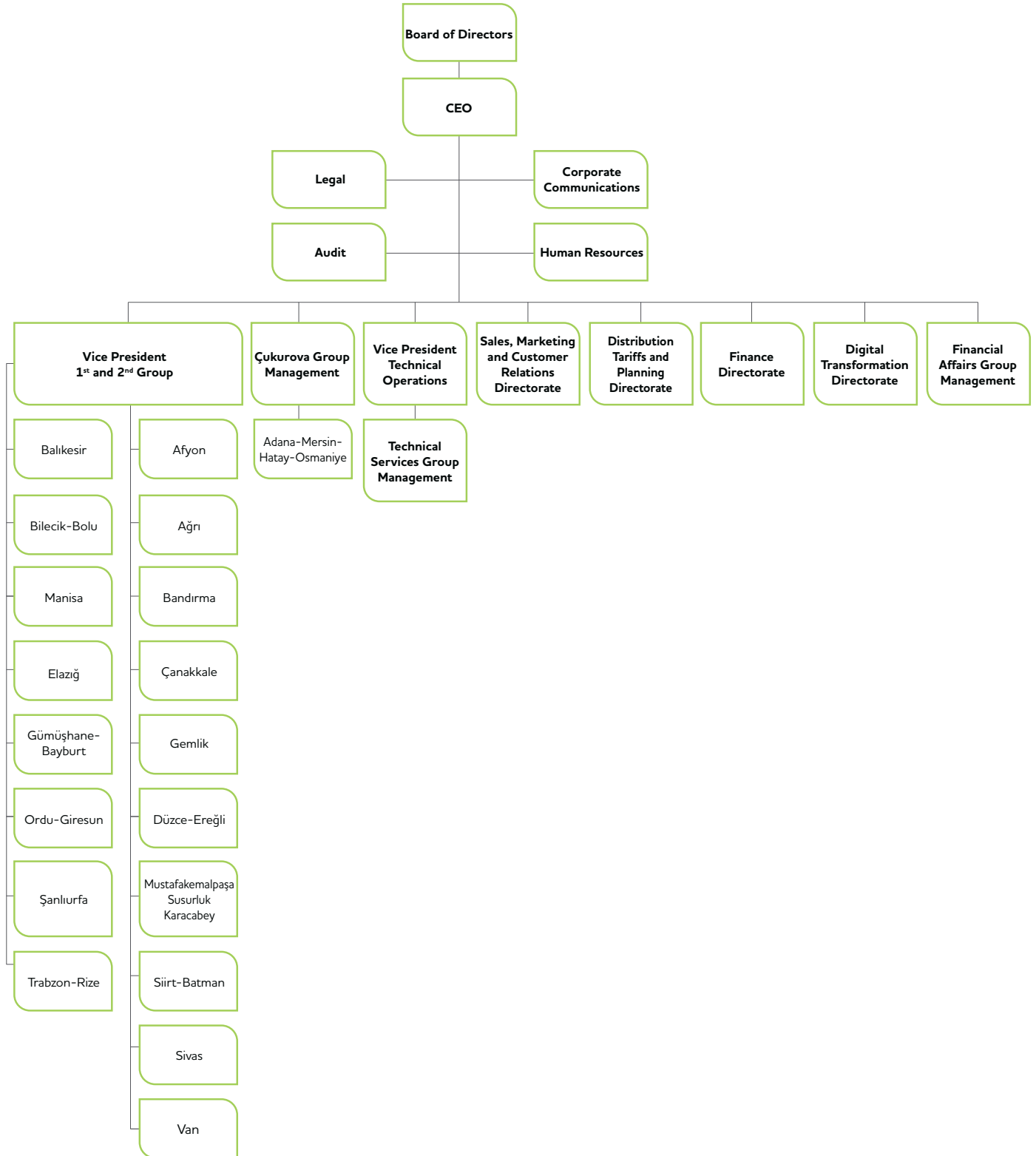


Çağrı ATA

Digital Transformation Director

Following his graduation from Süleyman Demirel University, Computer Programming Department and Anadolu University, Labor Economics and Industrial Relations Department, Çağrı Ata started his career in the software sector. After joining Aksa Doğalgaz in 2005, he worked as a System Support Officer, Chief of Customer Operations, Chief of Subscriber Information Management and the Head of Subscriber Management. Serving as a Sector Leader in the SAP CRM/IS-U project and taking part in the end-to-end transfer of all subscriber and field processes in natural gas distribution areas to the SAP environment, Çağrı Ata contributed significantly to the first meter reading project via GPS and the integration of the subscriber system to SAP Finance, Inventory, E-Government and UYAP platforms. He has been serving at Aksa Doğalgaz as Digital Transformation Director.

Organizational Chart



Group Managers



Rıza Aktepe

Technical Services Group Manager

Rıza Aktepe graduated from Istanbul Technical University, Faculty of Civil Engineering, Department of Geodesy and Photogrammetry Engineering and started his professional career in 1990 at İGDAŞ (Istanbul Natural Gas Project). Later, he worked at SAE-VİNSAN (İzmit Natural Gas Project), İZGAZ-VİNSAN (Environmental Integration and Dam Project), AGDAŞ (Adapazarı Natural Gas Project) and ENY companies. Mr. Aktepe is serving Aksa Doğalgaz Dağıtım A.Ş. since 2005 as the Technical Services Group Manager.



Çelik Karlıbahar

Financial Affairs Group Manager

Çelik Karlıbahar graduated from Niğde University, Faculty of Administrative Sciences, Department of Business Administration and started his professional career in the corrugated cardboard and paper manufacturing industry. He worked as an Accounting Specialist between 2001 and 2009 and as an Financial Affairs Manager - HR Manager for seven years at Omas Özeltin A.Ş. Serving as a Financial Affairs Manager at Aksa Çukurova Doğal Gaz Dağıtım A.Ş. between 2009 and 2017, Çelik Karlıbahar is currently working at Aksa Doğalgaz Dağıtım A.Ş. as the Financial Affairs Group Manager since 2018. Çelik Karlıbahar holds a Certified Public Accountant certificate from TÜRMOB and an Independent Auditor certificate from the Public Oversight Agency.



Sertaç Uraz

Aksa Çukurova Doğal Gaz Dağıtım A.Ş. Group Manager

Graduated from Mustafa Kemal University, Department of Mechanical Engineering, Mr. Uraz started his career at Kent Mühendislik in 2004 as a Natural Gas Pipeline Project Chief. Working as a Mechanical Engineer and Company Owner between 2006 and 2009 at Vizyon Mühendislik, Mr. Uraz joined Aksa Doğalgaz Dağıtım A.Ş. in 2010. Mr. Uraz worked as the Company Manager of Aksa Malatya Doğalgaz Dağıtım A.Ş. between 2012 and 2019. As of 2019, Uraz still serves Aksa Çukurova Doğal Gaz Dağıtım A.Ş. as a Group Manager.

Company Managers



Çağdaş Adıbelli

Aksa Çanakkale Doğalgaz Dağıtım A.Ş.
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Doğan Gürler

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Ender Onur

Aksa Düzce Ereğli Doğalgaz Dağıtım A.Ş.
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Erol Yavuz

Aksa Gümüşhane Bayburt Doğalgaz Dağıtım A.Ş.
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Evren Karyagdi

Aksa Ağrı Doğalgaz Dağıtım A.Ş.
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Evren Tepelioğlu

Aksa Sivas Doğalgaz Dağıtım A.Ş.
Commencement Date: 2007
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Ferhat Öztürk

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Güngör Ateş

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Hikmet Turan Güler

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İbrahim Başaran

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Mehmet Salih Ayaydın

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Metin Ceyhan

Aksa Bilecik Bolu Doğalgaz Dağıtım A.Ş.
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Muhammet Nezih Ural

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Mustafa Karabacak

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Resul Korkmaz

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Serdar Delibalta

Aksa Mustafakemalpaşa Susurluk Karacabey
Doğalgaz Dağıtım A.Ş.
Aksa Bandırma Doğalgaz Dağıtım A.Ş.
Aksa Gemlik Doğalgaz Dağıtım A.Ş.
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Tuncay Gezer

Aksa Afyon Doğalgaz Dağıtım A.Ş.
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Yusuf Demirtaş

Aksa Siirt Batman Doğalgaz Dağıtım A.Ş.
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Head Office Department Managers



Ayhan Çakmak

Dispatch Control and Measurements
Manager

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Ece Bilir Sarioğlu

Gas Trade and Operations Managerü

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Efdal Doğantimur

Interior Installation Manager

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Ela Demirtaş

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Ertunc Eriçok

Financial Control and Planning Manager

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Hasan Levent Serpil

Business Development Manager

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Ömer Gümüş

Supply Chain Manager

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Özgür Özkan

Marketing and Corporate Communications
Manager

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Selahattin Alioğlu

Cartography and Expropriation Manager

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Tarkan Doğan

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Manager

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Taylan Gök

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Business Process Manager

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Tevfik Alibey

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Manager

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Ufuk Sağlam

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Volkan Dalakçı

Automation Manager

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Developments in 2021

2021 has been a year focused on sustainability for Aksa Doğalgaz. Throughout the year, the Company performed major projects in the fields of environment, social and governance.

Savings Achieved as of the end-2021

75

TL billion

Natural Gas Market Generated with Investments

51.8

TL billion

- Our natural gas distribution network at 31,787 km at the end of 2020, grew to 34,181 km as of 31 December 2021. In 2021, the Company distributed 11.6 billion m³ of gas. Our number of subscribers reach 4 million.
- We were ranked 51st in Fortune 500 "Turkey's Top Companies" list in terms of net sales. The Company ranked 52nd in terms of EBITDA and 63rd in terms of total assets.
- With our investments to date, we created a natural gas conversion market of TL 51.8 billion, TL 38 billion of which has been physically completed.
- Since the day we were founded, the savings we have provided to our country's economy and our subscribers in the field of energy reached 75 billion TL by the end of 2021.
- During the pandemic, Aksa Doğalgaz prioritized the health and safety of our employees and subscribers, and we rapidly implemented all essential precautions. In order to avoid any negative consequences, we maintained our work in the field without interruption and took all necessary precautions at our branches, which are our physical contact points. Throughout the year, we directed our clients to the Online Transactions channel, which we just built as part of our digitization investments, and to the Solution Center at 444 4 187.



- We initiated the R&D project titled "Renewable Natural Gas Production-Power to Gas" with other natural gas distribution companies to ensure the use of hydrogen derived from renewable energy resources as an alternative fuel for heating purposes. This significant project, led under the supervision of GAZBİR-GAZMER in collaboration with Yıldız Technical University, aims to secure energy supply, improve energy efficiency and reduce carbon emissions.
- We revised all our business processes in phases L2-L3-L4. We reached 27 digital processes, 13 integration and 2 million digital logs with paperwork, an effective process and document management platform, as part of our digital transformation efforts to manage all these business processes on end-to-end digital platforms.
- Within the scope of our "Life Companion" project, developed in 2015 to ease processes for subscribers with disabilities, the number of registered subscribers rose to 5,197 as of the end of 2021. Within the scope of our "Life Companion" project, developed in 2015 to ease processes for subscribers with disabilities, the number of registered subscribers rose to 5,197 as of the end of 2021. In 2021, 571 calls were answered, with an average response time of 3 seconds; solutions were provided for issues experienced by 51 disabled subscribers in collaboration with emergency teams.
- We once again demonstrated our commitment to eliminating barriers by contributing to the success of the National Wheelchair Tennis Team in 2021 under the sponsorship provided in 2018.
- The "Energy for Tomorrow" social responsibility project initiated in 2019 by all Akso companies of Kazancı Energy Group traveled throughout Turkey until the outbreak of the pandemic. The project team, also including our volunteering employees, traveled more than 8,500 km and gave comprehensive training on energy to approximately 2,500 students in 25 village schools in 23 cities. Although training cannot be continued this year due to the pandemic, children are having a good time with the Energy Encyclopedia and the Energy for Tomorrow Cartoon, available on energymizyarinlara.com, which was opened on April 23.



Since its founding, Akso Doğalgaz has helped the domestic economy and its subscribers save TL 75 billion as of the end of 2021.

- As Akso Doğalgaz, we were awarded the "Respect for Human" award by Kariyer.net – an award given to companies that respond to job applications within the shortest time, respond to most job applications, receive the highest number of applications and create the most employment opportunities.

R&D Activities

As Akso Doğalgaz, we completed a total of six R&D projects. In 2021, we initiated a new R&D project named "Economic and Technical Feasibility Project of Biomethane Injection."

Renewable Gas Production R&D Project

The Renewable Gas Production R&D Project was developed to diversify Turkey's energy supply security and mitigate the potential consequences of natural gas, the most environmentally friendly alternative fuel. The composite mixture created by combining hydrogen from renewable energy sources with natural gas is intended to minimize foreign dependency by providing supply security and energy efficiency, as well as to initiate the process of reducing carbon emissions. Hydrogen is predicted to play a major role in the future due to the reduction of fossil fuels in energy production and changing supply dynamics as Europe takes efforts to limit greenhouse gas emissions.

Developments in 2021

An R&D project on Renewable Gas Production was developed to help secure Turkey's energy supply and reset natural gas' potential impact on the environment.

Number of "Life Companion" Subscribers

5,197

2021 Gas Distribution

11.6
billion m³

Hydrogen is much more than just a means for decarbonization. It can also be used as a medium for storing and transitioning renewable energy during excess energy supply. Integration of hydrogen with natural gas enables cost-efficient transport of large amounts of energy over long distances. Injection of hydrogen into natural gas networks not only reduces greenhouse gas emissions but also offers more environment-friendly alternative options to meet the energy demand of end-users.

In accordance with the established purpose, electricity generation at the Natural Gas-Hydrogen Station using solar and wind-based renewable energy methods; hydrogen and oxygen will be obtained from such electricity by using the electrolysis of water method and stored in cylinders and fuel cells; derived

hydrogen will be injected into the natural gas pipelines, and a composite fuel will be created and used as fuel in burners such as natural gas boilers and ovens in pilot regions. Test and feasibility results obtained in the pilot regions will lay the foundation for the required regulations. The facility to be built under this project is intended to serve as an R&D center for long-term studies in this field throughout Turkey.

During activities performed in 2020, blending 20% hydrogen with natural gas, which was the project's objective, was successfully completed. Continued at full speed in 2021, this project carried out by GAZBIR GAZMER in collaboration with Yıldız Technical University and closely monitored by the Ministry of Energy and Natural Resources and EMRA, attracted great interest from the general public.

Economic and Technical Feasibility Project of the Addition of Biomethane Injection to Hydrogen in a Natural Gas Network

The primary goal of the project is to examine the use of gas obtained by blending the biomethane derived from waste materials (organic waste, animal waste, etc.) with a natural gas-hydrogen mixture in terms of economic and energy efficiency. Additionally, a 3-way gas mixer will be designed for the mixture of 3 gases (natural gas-hydrogen-biomethane) for the first time. With the feasibility effort to be made, it is aimed to determine the economic and technical aspects to be encountered in the establishment of the technical infrastructure of the system in detail. The project was completed on March 18, 2022, and its final report was presented.





Remote Reading of Meters and Manipulation Detection System

The previously designed manipulation detection module, utilizing the magnetic field detection method, has been successfully developed. Phase II study has been initiated as it was determined that a remote reading and control system offering capabilities to read indexes and send remote commands needed to be integrated into the same system for more efficient and effective use of the solution.

This project aims to reduce unauthorized gas use to zero, quickly identify points of unauthorized gas use and prevent any unauthorized use, measure real-time consumption, and send remote commands, including commands to remotely turn off/on meters by detecting magnetic effects through methods such as magnets that can be easily accessed and applied to the natural gas meters.

Natural Gas Technical Product/ Material Technical Principles and Supply Management System (SMS) Project

With the Natural Gas Technical Product/ Material Technical Principles and Supply Management System, we aim to establish a system that can uphold the quality standards in the sector and is used as a reference by both suppliers and distribution companies.

This project is intended to create a Supply Management System that will include manufacturers/importers meeting the criteria of the technical principles to be determined by evaluating the adequacy of technical products/ materials to be used under field conditions, supply products/materials that are continuously checked for fitness for use to the national natural

gas market and thus contribute to the safety of installations and natural gas lines. When the system becomes functional, firms will be encouraged to supply high-quality products to the natural gas market and to manufacture products with domestic and national resources, and the market share of those firms will increase with the right national competitive conditions. The project also aims to contribute to the national economy by minimizing the manufacturing, transportation and storage costs of products that are not suited to field conditions.

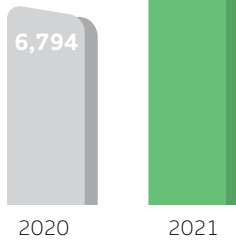
Financial and Operational Indicators

Leaving a productive year behind in 2021, Aksa Doğalgaz maintained its financial and operational success by increasing its net sales to TL 10.6 billion and its EBITDA to TL 1.3 billion.

Financial Indicators

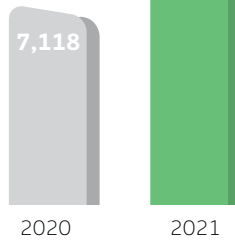
Total Assets
TL million

+47.7%
Growth



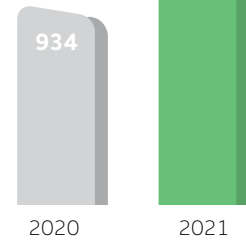
Net Sales
TL million

+48.4%
Growth



EBITDA
TL million

+42.3%
Growth



Financial Indicators (T Million)	2020	2021	Change %
Net Sales	7,118	10,561	48.4%
Total Assets	6,794	10,035	47.7%
Total Equity	1,210	1,369	13.2%
Total Investments	573	891	55.3%
Gross Profit for the Period	779	1,151	47.8%
Operating Costs	543	602	11.0%
EBITDA	934	1,328	42.3%
Net Profit for the Period	474	623	31.5%

As the leading private natural gas distribution company in Turkey, Aksa Doğalgaz distributed a total of 11.6 billion m³ of natural gas to 4 million subscribers, with a network length of 34,181 kilometers as of the end of 2021.

Operational Indicators

Total Number of Subscribers
(million)

Change (2020->2021)

+10.2%

Growth



2020 2021

Consumption
(bcm)

Change (2020->2021)

+20.6%

Growth



2020 2021

Network Length
(km)

Change (2020->2021)

+7.5%

Growth



2020 2021

Operational Indicators	2020	2021	Change %
Natural Gas Distribution Licenses	21	21	0.0%
Total Number of Subscribers (BBS)	3,625,127	3,996,059	10.2%
Total Number of Residential Subscribers	3,042,196	3,363,464	10.6%
Potential Number of Residential Subscribers	5,534,568	5,635,319	1.8%
Network Length (Km)	31,787	34,181	7.5%
Total Consumption Volume (Sm³)	9,591,351,541	11,565,951,577	20.6%

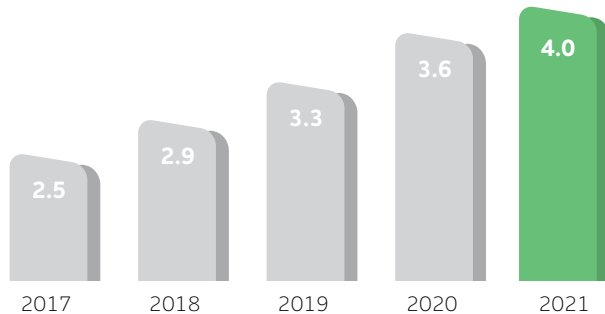
Financial and Operational Indicators

Continuing to expand its natural gas distribution network, Aksa Doğalgaz increased its subscriber base to 4.0 million band as of end-2021.

Number of Subscribers (million)

+57.6%

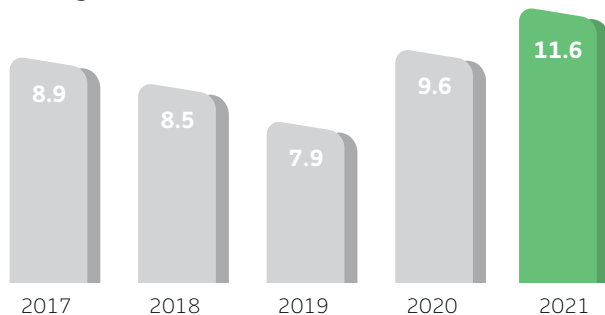
Change (2017->2021)



Consumption (bcm)

+29.6%

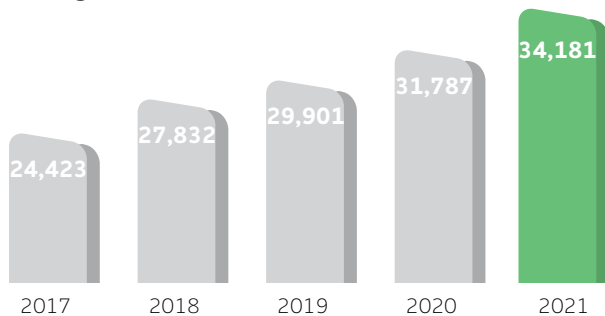
Change (2017->2021)



Aksa Doğalgaz's natural gas distribution that was 9.6 billion m³ last year increased to 11.6 billion m³ as of end-2021.

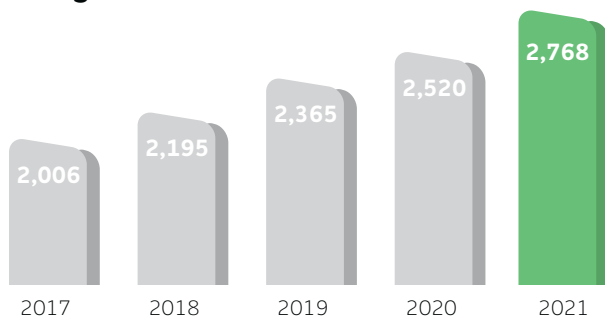
Network Length (km)

40.0%
Change (2017->2021)



Distribution Company Employees

+38.0%
Change (2017->2021)



Capital and Shareholding Structure

No.	Commercial Title	Registered Capital	KAZANCI HOLDİNG A.Ş.	AKSA DOĞALGAZ DAĞITIM A.Ş.	MUNICIPALITIES	KAZANCI FAMILY AND OTHERS
1	AKSA DOĞALGAZ DAĞITIM A.Ş.	186,524,750	99.96%			0.04%
2	AKSA BANDIRMA DOĞALGAZ DAĞITIM A.Ş.	1,000,000		86.97%	10.00%	3.03%
3	AKSA BALIKESİR DOĞALGAZ DAĞITIM A.Ş.	21,000,000		89.20%	10.00%	0.80%
4	AKSA SİVAS DOĞALGAZ DAĞITIM A.Ş.	1,000,000		86.97%	10.00%	3.03%
5	AKSA GEMLİK DOĞALGAZ DAĞITIM A.Ş.	1,000,000		86.97%	10.00%	3.03%
6	AKSA MANİSA DOĞALGAZ DAĞITIM A.Ş.	15,000,000		89.20%	10.00%	0.80%
7	AKSA BİLECİK BOLU DOĞALGAZ DAĞITIM A.Ş.	18,000,000		89.20%	10.00%	0.80%
8	AKSA MALATYA DOĞALGAZ DAĞITIM A.Ş.	1,000,000		89.78%	10.00%	0.22%
9	AKSA ŞANLIURFA DOĞALGAZ DAĞITIM A.Ş.	5,000,000		75.00%	10.00%	15.00%
10	AKSA DÜZCE EREĞLİ DOĞALGAZ DAĞITIM A.Ş.	26,000,000		89.20%	10.00%	0.80%
11	AKSA ÇANAKKALE DOĞALGAZ DAĞITIM A.Ş.	21,000,000		89.20%	10.00%	0.80%
12	AKSA AFYON DOĞALGAZ DAĞITIM A.Ş.	45,000,000		86.97%	10.00%	3.03%
13	AKSA MUSTAFAKEMALPAŞA SUSURLUK KARACABEY DOĞALGAZ DAĞITIM A.Ş.	2,000,000		86.97%	10.00%	3.03%
14	AKSA ELAZIĞ DOĞALGAZ DAĞITIM A.Ş.	5,500,000		87.00%	10.00%	3.00%
15	AKSA GÜMÜŞHANE BAYBURT DOĞALGAZ DAĞITIM A.Ş.	1,000,000		86.97%	10.00%	3.03%
16	AKSA ORDU GİRESUN DOĞALGAZ DAĞITIM A.Ş.	1,000,000		89.20%	10.00%	0.80%
17	AKSA KARADENİZ DOĞALGAZ DAĞITIM A.Ş.	1,000,000		91.55%	7.65%	0.80%
18	AKSA TOKAT AMASYA DOĞALGAZ DAĞITIM A.Ş.	1,000,000		86.97%	10.00%	3.03%
19	AKSA VAN DOĞALGAZ DAĞITIM A.Ş.	1,000,000		89.20%	10.00%	0.80%
20	AKSA ÇUKUROVA DOĞALGAZ DAĞITIM A.Ş. ⁽¹⁾	160,000,000		89.44%	9.91%	0.65%
21	AKSA AĞRI DOĞALGAZ DAĞITIM A.Ş.	1,000,000		90.00%	10.00%	0.00%
22	AKSA SİİRT BATMAN DOĞALGAZ DAĞITIM A.Ş.	1,000,000		97.00%		3.00%
23	KONİ TEKNİK MÜHENDİSLİK A.Ş.	14,900,000		94.50%		5.50%

⁽¹⁾As of 28.02.2021, KONİ TEKNİK MÜHENDİSLİK A.Ş. is consolidated with the Aksa Doğalgaz Distribution Group through share transfer.



Changes Occurring from the Period-End to the Issuance of the Report



Higher quality services with Horizon21

Within the scope of the Horizon21 project, carried out by Aksa Doğalgaz with the aim to provide better quality service to its customers by renewing its subscriber management system, many changes were made in the office, field and web applications.

Renewing its subscriber management system to provide higher quality services to its customers, Aksa Doğalgaz launched the Horizon21 project in September 2019. Within the scope of the project, the Company started to change its office, site and web applications and to increase the points of integration.

Within the scope of the Horizon21 project, the conceptual design of which was completed in 2020, we actively implemented 1 natural gas distribution and 1 commercial company in the enterprise resource planning component S/4 HANA system to record, classify,

summarize, analyze and report the data of Aksa Doğalgaz companies. Intensive efforts commenced to improve customer services, financial affairs, logistics, and operational processes. The project went live after the completion of the tests in 2021. With our project, we plan to complete the integration of 20 natural gas distribution and 2 commercial companies within 2022. After the completion of the project, solutions at global standards will be achieved in terms of data entry, data processing, reporting and analysis.



In keeping with these planned expansion efforts, we aim to deliver natural gas to 27 provinces and 296 districts and neighborhoods within the boundaries of 31 provinces in 2022, with 21 natural gas distribution licenses we own. This expansion enables Aksa Doğalgaz to extend its potential customer reach to 6.1 million.

Within the scope of the credit rating process carried out by JCR Eurasia Rating Inc., our credit rating was affirmed with the highest-level investment grade.

The Long-Term National Rating is "A+ (Trk)/(Stable Outlook)" and the Short-Term National Rating is "A-1 (Trk)/(Stable Outlook)."

The entire documentation structure in the Quality Management System managed by our headquarters and 21 distribution companies was transferred to the QDMS program, which is a digital platform, and commissioned as of January 2022.

Aksa Doğalgaz aims to deliver natural gas to 27 provinces and 296 districts and neighborhoods within the boundaries of 31 provinces in 2022, with its 21 natural gas distribution licenses.

Technology Management and Investments

Focusing on the correct identification of technology needs and the production of suitable solutions, Aksa Doğalgaz prefers advanced technology products to improve its processes and to achieve a wide range of services.

Number of New Installations

268

Bank Accounts Tracked via EHÖ

1,500

Aksa Doğalgaz focuses on the correct identification of technology needs and the production of suitable solutions. We base on the integration of our systems and the principle of information security in all our product selection and design stages. In order to improve processes and diversify services provided to subscribers, we determine our needs by using advanced technology products based on cost-benefit optimization results.

We employ SAP in our basic enterprise resource planning (ERP) systems, which include accounting, finance, maintenance, stock management and procurement. With our Fiori project, launched three years ago, we are able to conduct maintenance management and reporting in a more efficient manner. Our senior management is able to analyze and manage the field with a continuous data flow.

With the ever-increasing number of mobile devices, data on field operations is recorded in data systems in real-time. This data is reported via the PowerBI reporting platform, and users are able to access the reports from any device. Through the use of the same applications and CBS integration, Aksa Doğalgaz achieved up-to-date and uniform records of assets for the maintenance and repair activities of all distribution companies. When carrying out operations, related instructions and supplementary procedure images can be accessed to minimize human error.

In the SAP - Horizon21 Project which was initiated in 2019, we completed the Conceptual Design report in 2020 and user tests in the first half of 2021.

In the second half of 2021, 1 natural gas distribution company and 1 commercial company went live. The efforts regarding other companies in the project continue without any interruption. In the first half of 2021, we will carry out activities to ensure the widespread use of the project.

The Company acquired and began using the IBM Cognos TM1 software to analyze budget and planning processes according to new scenarios, and enhance predictability and reliability for consolidation of the Group, which has a large number of distribution companies. Thus, our distribution companies are now able to enter their budget forecasts into the system, calculate financial data automatically and plan their budgets easily. The distribution companies can report budget and actualized figures in any format and detail through the same system and publish the reports instantly on the internal web portal.

We Use Microsoft Dynamics as our Company's Call Center Management System

The Dispatch Control Center's software and equipment have been validated via audits conducted by EMRA and are used in the distribution regions with full capabilities. Iconics Genesis 64 is used as SCADA software. The SCADA project is also a crucial component of the Company's digital transformation process. The 3D-supported drawing platform – the first of its kind in the sector – coupled with IoT support, data analysis, advanced report structure, effective alarm status management, trend support for practical data visualization, and other such developable additional modules have allowed for the creation of a robust systems infrastructure.

Mobile platforms are the most critical agenda items within the scope of the Dispatch Control Center. With the new software, we have released apps that can run on all types of mobile devices, and that can be simply customized based on one's own needs.

We collaborated with Turkcell related to the disaster recovery center which will ensure the system's continuity in case of a disaster. We also completed work on satellite communication solutions to ensure communication backup in regions that lack terrestrial lines.

We installed special leak detection devices on four monitoring vehicles that run along with the steel and PE natural gas distribution lines and at all A, B, and C-type pressure reduction and measurement stations of our 21 natural gas distribution companies. We also use handheld detection devices that use optical sensor technology to check for leakage gas. These efforts cover a total distance of 100 thousand km, twice a year, to check for any leakage gas. All findings are reported in detail. Providing an uninterrupted and secure gas supply in service regions is a top priority. Therefore, existing vehicles were replaced with new ones, two new vehicles were added to the fleet, and the total number of natural gas leak detection vehicles increased to six as of the end of the year. In addition to vehicle investment, all of the natural gas leak detectors that had been actively used for more than 10 years were replaced with highly-sensitive, modern devices.

As Aksa Doğalgaz we evaluate user experience input regarding all operational steps of the maintenance management system that need improvement and through which we collect data from the field in real-time. We also evaluate new technological features of the SAP S/4HANA project. In this context, the Company continues to work on version upgrades for the Maintenance Management System, which is integrated with all other units and processes and offers the ability to work online/offline from anywhere on any device.

In today's world where the IoT technology transforms traditional production methods, Aksa Doğalgaz has accelerated the adoption of such new technologies. In addition to ERP



Aksa Doğalgaz has reached an agreement with Turkcell related to the disaster recovery center which will ensure the system's continuity in case of a disaster.

and other technological solutions, we consolidate all equipment with end-to-end data exchange, perform maintenance and control operations in a synchronized manner and aim to minimize the number of faults. Data analyses are conducted to determine the root cause of faults. Furthermore, based on the results of these analyses, we took key steps to minimize human error, ensure proper management of processes, create a working environment that can anticipate other potential faults, and select the most efficient and reliable equipment and incorporate them into the system. As a result of these activities, the Company aims to establish a "Smart Network Management" structure.

We are aware that the energy sector involves hazardous and highly risky operations. Therefore, we continue to offer field trainings as well as hold online interactive training organizations and develop related documentation due to the increased number of employees working remotely as a result of the pandemic. Thus, we support newly recruited personnel to shorten their technical adaptation period.

Technology Management and Investments

Continuing its digitalization investments without interruption, Aksa Doğalgaz commissioned state-of-the-art applications in operation continuity, process management, logistics and analysis. In this context, it raises its service quality above world standards.

The Most Extensive GIS Projects of Turkey

Aksa Doğalgaz carries out some of Turkey's most extensive GIS projects in terms of scale, setting an example for many other countries.

Developments in 2021

Further accelerating digital transformation efforts across all processes, we successfully completed an innovative project on subscriber management in 2019. Commencing in September 2019, the Horizon21 project segment – Customer Service, Invoicing and Site Workforce Management Application – features a new set of systems, to be deployed in place of the ATOS ABYS system, as the Subscriber Management System. With the Horizon21 project, we aim to manage big data in a quick, effective and transparent manner, and unify all its end-to-end operational processes – mainly customer services in our wide distribution area – on a single system.

Within the scope of the project, migration from the existing SAP ERP to S/4 HANA started with Aksa Doğalgaz

Dağıtım A.Ş. and Aksa Gemlik Doğalgaz Dağıtım A.Ş. as of November 2021. The efforts for Aksa Balıkesir Doğalgaz Dağıtım A.Ş. was completed as of the end of 2021. In 2022, all our natural gas distribution companies will have completed the S4 HANA migration. The conceptual design stage of the corporate resource planning component S/4 HANA system was reached; this facilitates saving, classifying, summarizing, analyzing and reporting the data of 21 natural gas distribution and three commercial companies. Intensive efforts have been commenced to improve customer services, financial affairs, logistics, and operational processes. The project is expected to be finalized in 2022, achieving the best solutions in line with global standards in terms of data entry, data processing, reporting and analysis.



The Electronic Account Statement (EHÖ) system developed in 2020 was integrated into the S/4 HANA system in 2021. With EHÖ, approximately 1,500 bank accounts under 20 banks are able to be tracked on a real-time basis and their financial records are created by the system. EHÖ system creates significant added value in terms of productivity.

In 2021, we added the cross-check module to our software development projects. The module allows findings obtained by OHS Experts during field audits to be instantly reported and added to the performance monitoring system by uploading documents such as audio, video and pictures. The Environmental Management Module incorporated into the software is also used to monitor hazardous and non-hazardous waste under the Environmental Management System.

In addition, we hold ISO 9001:2015 Quality Management System and ISO 14001:2015 Environmental Management System certifications. We carry out some of Turkey's most extensive GIS projects in terms of scale, setting an example for many other countries. Through the CBS project developed with ESRI products, the entire network of the Company is more easily monitored and updated through ArcGis desktop applications and the web application. In 2019, we improved our Company's data quality and began to perform network analyses. Thus, in the event of natural gas supply interruptions,

subscribers who are affected by the interruption can be notified, and the specific gas valves can be accessed and closed.

Through granular data fields under CBS, including province, district, neighborhood, avenue, street and building fields, address updates are tracked dynamically and the data is provided to peripheral applications via CBS.

In 2019, the progress payment report application went live, shortening the progress payment preparation process; the application allows the receipt of the as-built data subject to the progress payment entered into the CBS system in a template suitable for an Excel file.

Developments in the WEB (MVYS) system, verbal, locational and statistical data query features based on the map selection, as well as free building search tools (i.e. Google) were included.

Map support is provided for the Fiori application, for leakage search activities, and the screened line details regarding leakage search screening are shared within the scope of integration. This development allows the viewing of scanned lines, the call periods and the regions in which a leakage search was conducted.

Developments made to the desktop system make it possible to obtain the information of the equipment on the

line from the line they are on in an orderly fashion; some equipment is now automatically removed by the system according to line construction and the type of the line. Furthermore, the lines without gas supply and service box components, determined with network analysis, can now be displayed via web and mobile with the model.

Version Updates of Call Center Applications

With the updated versions of our CRM developed on the MS Dynamics 365 platform and our switchboard applications developed with Avaya, we improved our call center process and completed our customer satisfaction-oriented projects successfully.

Customer Satisfaction Survey

We complied with the regulative procedures by adding a Satisfaction Survey to our call center applications pursuant to the EMRA regulation.

Network and Security Management

We completed the installation of 268 locations within the scope of the network infrastructure change project initiated in 2021.

Campaign Process

We performed the PW integration regarding pre-subscriptions to be obtained from the Akso Doğalgaz website. We ensured that pre-subscriptions received on a region basis are sent to our customer services in PW process flows as work orders.



Effect of Natural Gas on Reducing Carbon Emission

With the awareness that natural gas is a cleaner fuel compared to other fuel types, Aksa Doğalgaz continues to implement successful projects to minimize its carbon emission.

123 tons+
of waste

Climate change and natural disasters, which have been effective both in the world and in our country in recent years, have revealed the need for urgent global action in this sense. One of the most important factors causing climate change is carbon emission... Uncontrolled growth of population, industrialization, increase in global energy demand, increasing urbanization needs, decrease in green areas and uncontrolled release of greenhouse gases into nature are among the factors that cause carbon emission.

There are hardly any sulfur and organic sulfur compounds in natural gas, which is a cleaner fuel compared to other types of fuel. Therefore, sulfurous gases do not pollute the atmosphere due to combustion. Thanks to its low carbon content, its carbon dioxide emission, which creates a greenhouse effect in the atmosphere and is toxic to human health, is half compared to solid fuels. In other words, use of natural gas reduces carbon emissions significantly.



Fatal accident rate

0%

Rate of women employees

13%

Carbon emission reduction
per household

2.1 tons

2021 carbon emission
reduction (All regions)

7.4 million tons

**126 (-72% Compared
to the Previous Year)
Lost Time Injury
Frequency Rate (LTIFR)**

**Average 40 Hours per
Employee, 114,280
Hours in Total Average
employee training hours
(annual)**

Management System Certificates

- ISO 9001:2015 Quality Management System
- ISO 14001:2015 Environmental Management System
- ISO 45001:2018 Occupational Safety Management System
- ISO 10002:2018 Customer Satisfaction Management System



Human Resources

Acting with the belief that its actual capital is its human resource, Aksa Doğalgaz strives to take the best out of its employees and keep their happiness at the highest level.

Rate of Women Employees

13%

Rate of Employees Aged 26-34

54%

Human Resources Policy of Aksa Doğalgaz

As Aksa Doğalgaz, we believe that our actual capital is our human resources. Our Company built its human resources policies based on the values of Kazancı Group.

In order to deliver high-quality services to our customers, we continuously provide our employees with opportunities to improve their professional, intellectual and behavioral skills, thus boosting their productivity. We strive to add to the Aksa family those team members in harmony with our corporate culture, who possess the competence, knowledge and development potential to carry the Company forward into the future.

As Aksa Doğalgaz, we strive to make the best out of our employees and keep their happiness at the highest level. We aim to reach our corporate objectives driven by

a strong sense of team spirit that is based on the power of solidarity, thanks to our dedicated staff, and the importance we place on employees' families.

The main axis of our Human Resources Policy is to build the organizational structure of all the companies under the Aksa Doğalgaz Group with teamwork-oriented, open-minded, productive individuals. We focus on those persons who uphold our corporate values, help them to constantly develop themselves in line with the culture of excellence. The objective is to become a company that inspires pride in all employees.

As Aksa Doğalgaz, we strive to create a work environment based on amiability, respect, diversity and equal opportunity. We believe that success will be achieved once these principles are implemented in a transparent and equitable manner.



Male
87%

Female
13%

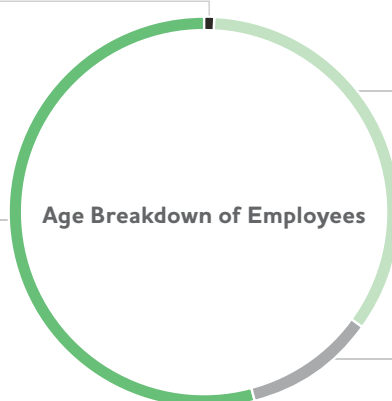


51-60
1%

35-50
32%

26-34
54%

18-25
13%



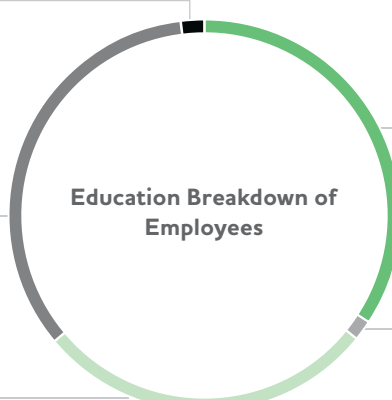
Post Graduate
2%

High School
39%

Associate Degree
32%

Elementary School
2%

Bachelor's Degree
25%



Human Resources

Aksa Doğalgaz provides its staff with various training and development opportunities in line with their professional and personal development needs.

Job applications received are assessed by the Human Resources Department based on candidate competence.

Selection and Placement

Our main goal is to attract those candidates needed to achieve the Company's strategic planning objectives and long-term targets. The Company conducts the selection process in line with the principles of equal opportunity and non-discrimination. Aksa Doğalgaz recruits those individuals who possess the experience and competence demanded by the position. In addition, the Company develops and manages the staff in a systematic fashion.

Employment applications received are assessed by the Human Resources Department based on candidate competence. We hold competency-based interviews with our candidates and look for managerial competencies such as leadership, management by objectives, openness to change and innovation, and strategic planning in addition to core competencies such as self-development, relationship management, cooperation, process-

orientation and result-orientation. In addition to competency-based interviews, we make use of various assessment center inventories during the recruitment process. First, our Human Resources Department makes a preliminary assessment of the candidates. In the second stage, the relevant department managers evaluate their technical proficiency. Selection is made among those candidates who are customer-oriented; open to learning and change, adaptable to multicultural environments, in step with technology and innovations, and who embrace teamwork. After these assessments, outstanding candidates are asked whether they remain interested in the relevant position, provided preliminary information about the job, made an offer, and recruited if they accept. In addition to the list of documents, candidates whose recruitment process was clarified are presented with information and documents that will facilitate the orientation process about our Company. We aim to carry out the job adaptation process of the candidate in a healthy way before starting work.

Training and Development

As required by its corporate vision, Aksa Doğalgaz competently equips its personnel with the knowledge and experience required by the times, aims them to acquire an infrastructure already prepared for the future by creating values that go beyond the current age; and accordingly, supports its employees with training programs designed to help them adapt proactively to change and developments so as to contribute both to their own personal development as well as to their companies. We aim to continuously improve its organization, and ensure that everyone embraces the culture of learning. To these ends, the Company provides the staff with various training and development opportunities in keeping with their professional and personal development needs.



To these ends, Akso Doğalgaz provides the staff with various training and development opportunities in keeping with their professional and personal development needs. Akso Doğalgaz supports each employee with planned and continuous work from the first day. The training process starts with an Orientation program, so that employees can adapt to the Company and their job, and receive all the information they need.

Under this program, employees receive basic information on:

- The Company's various policies, visions, missions and values,
- Human resources practices,
- The relevant function, position and department.

Throughout their tenure at the Company, employees are offered training programs to help them develop the individual competence demanded by their post in line with their overall career plans. As part of employee career planning, priority is given to that person who have been promoted to a higher position or who have assumed new tasks after shifting to a new position at the Company, so that they can work in a more productive manner.

Akso Doğalgaz's training programs include:

- On-the-Job Training,
- In-House career training,
- Training outside the company,
- Online training.

These programs help employees transform the potential they possess into maximum occupational performance.

Our online training platform Akso Academy was launched in 2020 and is accessible to all our employees at any time of the day, anywhere. In addition, Akso Academy employees can gain information on various subjects, collect points and win surprise gifts with every training they participate in and every article they read.

Performance Management

To ensure that all our companies achieve the corporate strategies and high-quality standards, both corporate and individual efforts and success are monitored and measured with the "Performance Management" system. Performance assessments are conducted on an annual basis. Each year, staff members who demonstrate high performance are identified and rewarded.



Akso Doğalgaz was awarded the "Respect for Human" award by Kariyer.net – an award given to companies that receive the highest number of applications and create the most employment opportunities.

Remuneration Policy

In shaping its remuneration policy, Akso Doğalgaz Group takes into account the national economic conditions, striving to be fair within the Group and competitive within the sector. The Human Resources Department's market surveys, performance assessment results and business analysis methodology are used to determine the salary scale and pay rises. We reward our employees according to their performance to strive to keep their motivation at a high level.

Pandemic Management

During the pandemic, we quickly adapted to new working methods and switched to working from home. Employees who are required to work at the office underwent Covid-19 tests on a regular basis. An employee loyalty survey was conducted to measure employee satisfaction, and feedback was received.

We continued to support the professional and personal development of our employees during this period as well face-to-face training programs held at Akso Academy were turned into online classroom training programs.

In 2021, we continued recruitment according to our permanent staff limit as planned. As Akso Doğalgaz, we were awarded the "Respect for Human" award by Kariyer.net – an award given to companies that respond to job applications within the shortest time, respond to most job applications, and receive the highest number of applications and create the most employment opportunities.

Under the Kazancı Holding young talent recruitment program "EnerjiMAXa," many new graduates were given the opportunity to start their careers.

Even though the pandemic conditions continue in 2022, Akso Doğalgaz will continue to nurture strong cooperation and team spirit within our Company with its valuable human resources that have increased in parallel with the expanding license regions.

Occupational Health and Safety

Within the scope of its Occupational Health and Safety activities, Aksa Doğalgaz focuses on ensuring that employees return home safe and sound every night and that occupational safety awareness is shared by every staff member.

Safety first

Along with its 21 distribution companies, Aksa Doğalgaz implements the “ISO 45001:2018 Occupational Health and Safety Management System.”

In every province and district where it holds a license, Aksa Doğalgaz aims to deliver uninterrupted natural gas distribution. In accordance with Law No. 6331 on Occupational Health and Safety, the Company fully meets all occupational health and safety requirements related to its employees and stakeholders.

To ensure that employees return home safe and sound every night, Aksa Doğalgaz is committed to fostering an OHS culture and ensuring that occupational safety awareness is shared by every staff member. To this end, the Company attaches great importance to the “ISO 45001:2018 Occupational Health and Safety Management System.” With a view to establishing the continuity of the Occupational Health and Safety Management System, the Company launched a central Occupational Health and Safety project in March 2015 across Turkey, featuring the country’s top doctors and specialists.

Occupational health and safety efforts, which are among our most important core activities, are based on the “AKSA OHS Software” specially designed for Aksa Doğalgaz in response to specific corporate requirements. Programmed in accordance with the Law No. 6331 on Occupational Health and Safety and the ISO 45001:2018 Management System, AKSA OHS software dynamically monitors and checks all activities carried out by 3,150 employees within 21 distribution companies. AKSA’s OHS software centrally controls and reports all occupational health and safety activities related to an employee from the moment of recruitment onwards. The software also measures the occupational health and safety performance of the 21 distribution companies.

In 2021, we added the cross-check module to our software development projects. The module allows findings obtained by OHS Experts during field audits to be instantly reported and added to the performance monitoring system by uploading documents such as audio, video and pictures. The Environmental Management Module incorporated into the software is also used to monitor hazardous and non-hazardous waste under the Environmental Management System.

To identify and prevent any external hazard, annual risk assessments are conducted in all distribution companies; the findings of these studies are eradicated in the most expeditious manner with the participation of employees. Disabled, pregnant and breastfeeding staff members are given priority in risk assessments.

Aksa Doğalgaz collaborated with 21 distribution companies to develop an Emergency Handbook (EH) against natural disasters such as earthquake, flood, landslide, explosion and fire as well as risk factors such as electricity, line faults, sabotage. In 2021, the Emergency Handbook was updated pursuant to the revisions under the “Regulation on the Amendment of the Regulation on Workplace Emergencies” on 01.10.2021. The Plan covers all emergency response instructions to ensure the safety of subscribers, the public, and Company employees.



Occupational Health and Safety

Focusing on continuous training and raising awareness, Aksa Doğalgaz is committed to the ultimate goal of “Zero Work Accident” and its motto, “People First.” With this goal, it takes firm steps to become the “most reliable organization” in the industry.

Accident Severity Rate Reduction

72%

Occupational Safety Training

68,223 hours

As Aksa Doğalgaz, we conscientiously carried out all required activities falling under Law No. 6331 on Occupational Health and Safety during the year. Some 68,223 hours of occupational safety training were delivered (3,150 person*hours). Furthermore, the following efforts were undertaken during the year:

- Annual study and annual evaluation reports,
- Employee representative meetings,
- MYK Training Programs,
- Planned OHS training programs,
- OHS training for new employees,
- Planned-Periodic health screenings,
- Health examinations for new employees,
- Field OHS audits,
- Maintenance and checking of equipment that requires periodic controls,

- Grounding measurements, electrical installation checks,
- Environment measurements (noise, dust, hygiene) for new locations,
- Lightning rod measurements and checks,
- Emergency team training,
- Emergency evacuation drills,
- First aid training.

To proactively reduce any possible damage from work accidents and occupational diseases, special occupational health and safety funds have been allocated within the budgets of distribution companies. Positive results have been obtained in the root cause analyses of the occupational accidents monitored since 2016. The Accident Severity Rate (ASR), which is referenced by the International Labor Organization (ILO), fell 72% compared to the previous year. The KAO value for 2021 was 126.



We are committed to the Company's ultimate goal of “Zero Work Accident” and its motto, “People First.” In this context, under the leadership and guidance of our management team and the participation of our employees, we continuously move toward becoming the “most reliable corporation” in the industry in terms of occupational health and safety. We examined and compared the work accidents and near misses until 2021 and compared them with work accidents in the electricity distribution sector and we analyzed the types of industrial accidents and near misses with Pareto analysis. In the light of the data we hold, we provided internal and external trainings to minimize workplace accidents and near misses and monitored their effectiveness.

Fight Against the Covid-19 Pandemic

The Covid-19 virus originally emerged in China at the beginning of 2020 and rapidly spread to different parts of the world, and on March 11, 2020, the World Health Organization (WHO) declared the outbreak a global pandemic. Upon the emergence of the pandemic, the "Aksa Covid-19 Emergency Plan," which is a part of the Emergency Handbook (EH), was rapidly developed and put in place to protect both the health of employees and the public health. We started to implement the risk plans in our 21 natural gas distribution companies in a short time.

As part of the precautions and responsibilities that needed to be followed by office and field employees against the Covid-19 pandemic, training programs were held by occupational physicians and common sense and behavior rules were developed.

Safe Work Plans were created in March 2020 to be implemented during the Covid-19 pandemic. These plans were then updated on a monthly basis, sent to the regions and checked for effectiveness. The number of cases and the number of people under quarantine, which could vary from region to region, were followed on a weekly basis throughout 2021. Additionally, regulations, rules and announcements published by the Ministry of Health, the Ministry of Family, Labor and Social Services, Provincial Health Directorates and Governors' Offices were followed and reflected in the Covid-19 Safe Work Plan.

The Covid-19 Safe Work Plan contains the following main topics which cover each business process:

- Determining the minimum number of office and field employees and developing weekly and monthly shift work plans,
- Inclusion of office employees to work from home program by providing them with computers, VPN, phone and equipment,
- Disinfection of office and company vehicles at least twice a week,
- Putting employees who pose a risk for infection in 14-day quarantine and monitoring their health,
- Allowing field employees to work along the route from home-work and vice versa with company vehicles to limit physical contact during work,



Aksa Doğalgaz took into account the principles of the Gradual Normalization Measures Circular and the National Covid-19 vaccine application and maintained the safe and controlled operating structure.

- Providing and dispensing PPE and other equipment such as FFP2-FFP3 face masks, gloves, face visors, overalls and hand sanitizers for protection against the virus to all office and field personnel,
- Arranging Customer Services areas so they are not more crowded than 1 person per 4 m² of area,
- Restricting the area in front of the Customer Service counters by securing it with tapes to keep a distance of 1.5 meters and placing a transparent protective plate,
- Requiring both employees and people visiting the Customer Centers to submit their HES (Life Fits into Home) code before entry to the company premises,
- Visiting subscribers above 65 years of age at their locations to perform their transactions.

In our Safe Work Plan which we update every month, we have taken into account the principles of the Gradual Normalization Measures Circular and the National Covid-19 vaccine application sent to 81 governors by the Ministry of Interior of the Republic of Turkey dated 27.06.2021 and maintained the safe and controlled operating structure.

All our employees participated in the Covid-19 vaccination program, which was implemented by the Ministry of Health of the Republic of Turkey in accordance with the order of distribution by industrial priority, age and occupational groups. As of the end of 2021, the rate of employees whose first and second dose vaccination was administered reached 99% except for those under risk groups.

Environment

Aiming to leave a livable environment for future generations, Aksa Doğalgaz acts with the awareness that sustainable growth is parallel to the protection of the environment.



Carbon Emission Reduction in Distribution Regions

7.4
million tons

Carbon Emission Reduction of Households Using Natural Gas (Tons/Subscribers)

2.1
tons

Hazardous and Non-Hazardous Waste Disposal

100+
tons

Environmental Policy

Aksa Doğalgaz sees protection of nature as critical to achieving sustainable growth. The Company shapes its business operations around minimizing its environmental footprint and contributes to efforts for preservation of the environment. Aksa Doğalgaz will continue working toward the goal of leaving a healthy environment for future generations while abiding by all legal and regulatory requirements. With this vision, we formulated an Environmental Policy based on the following principles:

- Safely minimizing the environmental footprint of the Company's operations in harmony with all its stakeholders and leaving a healthy environment for future generations,

- Adding value to the environment and quality of life by ensuring continuous improvement in compliance with applicable environmental legislation, under the scope of ISO 14001:2015 Environmental Management System,
- Using natural resources in an efficient manner to minimize waste and prevent pollution at the source,
- Keeping under control the possible environmental impact of subcontracted companies,
- Supporting all stakeholders deemed relevant in terms of environmental training and practices to actively promote environmental sustainability and development.

Environmental Risk Management

All our operations are designed to fulfill all requirements of environmental regulations. To ensure the sustainability of our operations, we meticulously identify the environmental impact and other related factors and regularly update inputs and outputs of all business processes.

At each company in licensed regions, we review the environmental risks identified by the Environmental Committee on a yearly basis and keep them under control through a proactive approach. We sort such identified risks according to their severity:

- Eliminating risks at the source,
- Replacing high hazards with lesser hazards,
- Implementing engineering measures,
- Making use of ergonomic approaches.

With ISO 14001:2015 Environmental Management System, we aligned our strategic approach with the environmental management system, while also improving the organization's environmental performance. The continuity of the system is confirmed with annual audits performed by accredited firms.

We apply the requirements of the Environmental Management System to all our business operations and we are audited by relevant accredited organizations on a yearly basis to maintain our system certification and validate our compliance with the system.

Waste Management

Waste management and environmental permits are the key components of our environmental management approach. To reduce the waste produced by distribution companies, methods such as reuse, recycling and elimination are used and we comply with all legal and regulatory requirements.

Different types of waste are sorted accurately and kept in storage areas under appropriate conditions. Waste is prevented from contaminating the soil and water during storage. All waste is then delivered to disposal firms that are licensed by the Ministry of Environment and Urbanization within the time frames set out by the Waste Management Regulation. With this method, more than 123 tons of hazardous and non-hazardous wastes were disposed of in 2021.

As part of development of the Aksa OHS Software that is being used across Aksa Doğalgaz distribution companies, an additional module, i.e. Environmental Management Module, was designed and put into service. The Environmental Management Module incorporated into the software is used to monitor hazardous and non-hazardous waste under the Environmental Management System. All hazardous and non-hazardous waste is monitored with unique waste codes, and the current amount of waste is tracked and instantaneously reported upon demand.

We organize trainings on waste management and environmental drills annually for all Company personnel, especially our teams responsible for waste management. By determining



Aksa Doğalgaz conducts annual waste management trainings and environmental drills for all personnel, especially the teams responsible for waste management.

the duties of each of our personnel, we create the awareness that wastes should be collected according to their types.

Waste Management During the Covid-19 Pandemic

With the outbreak of the Covid-19 pandemic, all office and field personnel use PPE and other equipment such as FFP2-FFP3 face masks, gloves, face visors, overalls and hand sanitizers for protection against the virus. Protective equipment waste generated especially in office spaces is handled as medical waste and collected in specially designed waste containers. We disposed of waste generated in offices and fields in a controlled manner according to the rules of hygiene in cooperation with the municipalities of the towns and districts where distribution companies are located.

Natural Resource Management

Understanding that the biggest threat facing natural resources today is uncontrolled consumption, Aksa Doğalgaz is committed to ensure the efficient use of natural resources at all of its distribution companies. Under the "Zero Waste" project launched by the Presidency of the Republic of Turkey in 2019 and supervised by the Ministry of Environment and Urbanization, we continued our efforts at 21 Regional Directorates in 2021. Thanks to the Zero Waste Management System, we fulfilled our corporate responsibility in sustainable resource management and protection of natural resources. Natural resource consumption levels are monitored on a monthly basis and duly minimized. As part of the paper-free office project, people-dependent applications were transferred onto digital platforms; the business processes were rendered swift and measurable; paper, energy and cartridge consumptions were reduced.

Environment

Now everyone knows the importance of turning to clean energy sources for a cleaner future. Aksa Doğalgaz increases the number of its subscribers every day and introduces more people to the comfort and safety of natural gas with the aim to contribute to the protection of the environment.

Low Carbon Solution for Meter Reading

Within the scope of our “Low Carbon Solution for Meter Reading” project, a portion our meter reading teams in our distribution regions started using electric bicycles instead of vehicles as of 2021. 220 tons of carbon emissions were reduced throughout the year with the use of 55 electric bicycles. Based on the findings of the pilot application, it is aimed to expand the implementation of the project.

A Cleaner Future with Natural Gas

Using clean energy resources with the smallest environmental footprint has become not simply a choice but an obligation for the future of our country and the world. Natural gas stands out as a highly important and widely available source of energy that is high quality, safe and clean, since it provides advantages in sustainable energy policies and carbon economy management. Natural gas accessibility reached all of Turkey's 81 provinces in 2018 thanks to various distribution expansion efforts. According to calculations assuming that households without access to natural gas actually utilize coal and other fuels, the use of natural gas in households prevented 37.5 million tons of carbon emissions in 2021. The average carbon emission of a household using natural gas in 2021 is 2.1 tons. The total amount of emission saved in the last 3 years was 105.5 million tons.

City Air is Cleaner with Aksa Doğalgaz

During our 20 years of activity in the natural gas distribution sector, we introduced a growing number of people to the comfort and convenience of natural gas by extending our license regions and expanding our subscriber base. Moreover, we monitor our environmental footprint in order to leave a more livable planet for future generations. We engage in ongoing efforts to make natural gas use widespread across Turkey and to raise awareness about the environmental impacts of carbon-rich fuels such as coal. With these efforts, we play an active role in reducing air pollution in the cities where we operate. As Aksa Doğalgaz, we operate in 27 provinces and 221 districts. In the Company's distribution regions, carbon emissions decreased by 7.4 million tons in just one year with the use of natural gas instead of coal. This volume is equivalent to the amount that as many as 317 million mature trees in a forest of 4.5 million km² would be needed to process. In Turkey alone, each year, 42,000 people die due to reasons associated with environmental pollution, while 30,000 people die due to reasons associated with air pollution. The number of deaths associated with air pollution is 7 times higher than the number of people dying in road accidents. Reducing air pollution can provide a significant improvement to public health as health issues connected with air pollution are estimated to reduce the life expectancy of infants born today by 20 months, i.e. almost two years.





Corporate Communication Activities

Attaching great importance to maintaining its activities by communicating uninterruptedly with all its stakeholders, especially its subscribers, Aksa Doğalgaz carried out numerous important corporate communication activities once again this year.

Aksa Doğalgaz supported our country and healthcare providers in their fight against the pandemic by performing communication campaigns under the tags “#StayAtHome” and “LifeFitsIntoHome” through various channels, including its social media accounts, corporate website, SMS and e-mail.

As Aksa Doğalgaz, we focus on uninterrupted communication with all our stakeholders, especially our subscribers. Our corporate communication activities play a major role in our sustainable success.

We launched our Online Transactions channel in 2018, thus strengthening the communication channels between us and our subscribers. We finalized integration with the e-Government portal in 2019 and began working on integrating the Online Transactions channel as part of the migration to SAP in 2020. The company integrated its online assets into the SAP system to achieve more effective management of in-house data exchange and operations and offer its subscribers the ability to perform many transactions via a single channel.

Awareness-Raising and Announcement Campaigns During the Pandemic

Aksa Doğalgaz supported our country and healthcare providers in their fight against the pandemic by performing communication campaigns under the tags “#StayAtHome” and “LifeFitsIntoHome” through various channels, including its social media accounts, corporate website, SMS and e-mail. This video which contains a compilation of the messages sent by athletes of the National Wheelchair Tennis Team, which is sponsored by the Company, was the highlight of these communication efforts.

HOW TO TURN OFF YOUR NATURAL GAS SUPPLY WHEN YOU ARE AWAY

To turn it off:

Submit a **Temporary Gas Shutdown Request** via our online transactions channel at least **24 hours** before your departure date.



To turn it on:

To restore your gas flow, submit a **Gas Opening Request** via our online transactions channel at least **24 hours** before your expected return date.



Posters and other materials were used in our offices, in which employees came into physical contact with customers, to display information provided by the Ministry of Health about the use of face masks, social distancing rules and hygiene practices.

A Frequently Asked Questions page was added to our corporate website which contained information about the actions taken by the Company in connection with the pandemic and how the subscribers could perform their transactions. Existing and potential customers were redirected to the Online Transactions channel for their natural gas utility transactions in order to reduce the risk of infection. The website also included a page that provided information about how subscribers could obtain their HES code. Additionally, posters and flyers were designed on this subject for use at offices.

A poster was created to be hand out to subscribers during the delivery of natural gas meters. This poster included information about the measures that needed to be taken by subscribers to protect both their health and the health of employees against the Covid-19 virus during various transactions project and installation controls and starting of natural gas delivery to the subscriber's premises.

Corporate Social Responsibility

As Aksa Doğalgaz, we shape our business operations in awareness of our immense responsibility to society, which is the actual source of our power. We strive to ensure that our social responsibility activities deliver concrete, ongoing contributions to society at large.

Since our founding, the Company has monitored the social and environmental impacts of its activities in the regions where it operates, while guided by the social and environmental values of the Kazancı Group. In addition, Aksa Doğalgaz works to resolve local problems and raise the living standards of local residents. To become an integral member of each community where it operates, the Company engages in open dialogue with the resident population. Similarly, the Company invites all its stakeholders to share the core values of its corporate culture.

We strive to ensure that our social responsibility activities deliver concrete, ongoing contributions to society at large.



The website of the 'Energy for Tomorrow' project, which could not travel around Turkey during the pandemic, was launched on April 23. In addition to training content, the Energy for Tomorrow cartoon and the Energy Encyclopedia can also be accessed via the website.

Rather than investing in short-term projects, we work to execute long-term projects designed to become self-sustaining over time.

Energy for Tomorrow

In 2019, Aksa Doğalgaz teamed up with Aksa Electricity, Aksa Energy and Aksa Power Generation – Kazancı Group companies – for a major social responsibility project. With the project called "Energy for Tomorrow," volunteer employees from group companies have traveled all over the country and started to provide energy trainings in primary schools in villages.

During the training sessions, Energy for Tomorrow team members, consisting of Corporate Communications employees of group companies, provide students with useful information on many

energy-related subjects, including energy resources, energy efficiency, conscious use of energy, clean energy concept and energy production, in addition to their own areas of occupational expertise.

From the beginning of the project in March 2019 until the beginning of the pandemic, we traveled more than 8,500 km and reached approximately 2,500 students in 25 village schools throughout 23 cities. The team visited village schools in Van, Ağrı, Elazığ, Malatya, Balıkesir, Çanakkale, Trabzon, Rize, Amasya, Tokat, Ordu, Giresun, Zonguldak, Düzce, Bolu, İzmir, Manisa, Bursa, Bilecik, Adana, Mersin, Hatay and Osmaniye. Comprehensive instruction and trainings on energy were administered to 5th, 6th, 7th and 8th grade students.

Corporate Communication Activities

Believing that corporate communication activities play a major role in sustainable success, Aksa Doğalgaz contributes to society with its long-term social responsibility activities since the day it was founded.



National Wheelchair Tennis Team Achieved Great Success

We are committed to supporting sports in our operating regions. We unite our corporate vision with this support via the Life Companion project and continue to support athletes with disabilities. Within this scope, Aksa Doğalgaz has sponsored the athletes on the National Wheelchair Tennis Team since 2018. We support our athletes with the necessary equipment and provide them with opportunities to train and participate in tournaments. This year, the International Tennis Federation (ITF), which is considered the highest authority of tennis on the international platform, held the world's most prestigious tournament in Wheelchair Tennis in Antalya, considering the measures taken safe. The tournament had been previously canceled worldwide due to Covid-19. In these world-famous tournaments held with the participation of tennis players from 30 different countries, our national team athletes demonstrated a brilliant performance. Our Wheelchair Tennis athletes, Uğur Altınel and Emirhan Topper earned three silver medals in two international tournaments they participated in. Uğur Altınel and Emirhan Topper earned two gold, three silver and one bronze medal at three international tournaments held in Antalya in April.

Number of Children Reached by the Energy for Tomorrow Project

2,500

Time to Connect to a Customer Representative

3 seconds

Energy for Tomorrow reinforced the information and concepts presented with an entertaining energy-themed math game developed specifically for the initiative as well as various experiments. At the end of the events, Energy Encyclopedia -a specially designed illustrated book on energy-, backpacks and various school supply related-items are given to the student participants as gifts. In 2020, the educational content of the project was turned into a cartoon version.

During the pandemic, we continued training and fun activities on our new website which was specially designed for the project: enerjimizyarinlara.com. In addition to training content, the Energy for Tomorrow cartoon and the Energy Encyclopedia can also be accessed via the website opened on April 23.

“Let It Stay Natural”

As Aksa Doğalgaz, we introduce more than 350 thousand families across Turkey to the comfort and convenience of natural gas. In 2019, we replaced the bags we use when delivering natural gas meters to our new subscribers with recyclable and multi-use non-woven bags. Aksa Doğalgaz stopped using plastic bags in all of its distribution regions, thereby helping to reduce the production of plastic bags by more than one thousand tons.

In order to reduce the use of single-use plastic bags, which are lost between 500 and 1,000 years on average when released into the nature and the majority of which are not recycled, we gave our new subscribers nonwoven bags with the advantage of repeat and long-term use, and ended the annual production of 3,200 kg of plastic bags. Our company also draws attention with the "Let's Leave it Natural" message used on the bag; not only the ones they will use when receiving their meters; It offers an environmentally friendly alternative that will accompany them in their daily lives and that allows more than 100 uses.

Life Companion

Providing uninterrupted and safe natural gas to nearly 4 million subscribers in 27 provinces and 221 towns and districts in Turkey, Aksa Doğalgaz believes that equal opportunities across every segment of society can help ensure the economic and social development of our country. In this spirit, the Company closely monitors the challenges experienced daily by approx. 9 million disabled citizens in Turkey. Aksa Doğalgaz developed the Life Companion project in 2015 to address these issues and make life safer for its disabled subscribers by delivering rapid services in emergency situations.

Through the project, when subscribers with disabilities who are registered in our subscription system call the Natural Gas Emergency Line 187 or the 444 4 187 Solution Center, they are connected to an agent within 3 seconds on average. As well, emergency teams are dispatched immediately to the location of the disabled subscriber, without the need for the subscriber to explain the situation in detail. Aksa Doğalgaz aims to make the lives of subscribers with disabilities easier by delivering emergency services to subscribers who are alone in a hazardous situation. The Company also gives priority to subscribers with disabilities when they connect to an agent and respond to their queries immediately.

With 5,197 disabled subscribers registered in the Life Companion system, we responded to 5,575 calls to date in this regard. We ensured on-site resolution of requests of 736 subscribers with the help of emergency teams.

Citizens with disabilities may register with the Life Companion service by completing the Disability Form and presenting their documents at the Company's offices or via the Online Procedures menu on www.aksadogalgaz.com.tr.



The number of registered subscribers in the “Life Companion” project, organized by Aksa Doğalgaz for subscribers with disabilities, reached 5,197, and the requests of 736 subscribers were resolved by emergency teams.

Other Social Responsibility Activities

Book, Stationery and Clothing Donations to Students: Our employees regularly visit schools in their areas of operation, and provide students in financial need with school supplies, stationery and clothing.

Visits to Retirement Homes and Child Protection Centers on Special Days: Our personnel visit retirement homes and child protection society centers on special days, to support the individuals living in these facilities.

Blood and Stem Cell Donation to the Turkish Red Crescent: At events held periodically, our employees make blood and stem cell donations to the Turkish Red Crescent. Aksa Ağrı Doğalgaz employees supported the #annaumutol campaign started on social media in 2020 by making stem cell donations.

In-House Communication Activities

Our Company ranks among the most youthful companies in the industry, with an average employee age of 33. The Company believes in the importance of establishing solid relations with the younger generation as they enter the workforce. We work to provide a peaceful and pleasant working environment for its staff and develop our in-house communication efforts accordingly. The Company organizes various events during the year and holds celebrations to mark special occasions. Its internal communication efforts position the Company as the “employer of choice” in the sector for both current and also potential employees.

Number of Incoming Calls	1,571
Number of Records for which Work Orders are Created	118
Average Connection Time through 187 Hotline	6 sec

Corporate Communication Activities

Focusing on providing uninterrupted natural gas supply to its subscribers in 2021, when the pandemic conditions continued partially, Aksa Doğalgaz received numerous major awards.



Awards

At the LACP 2020 Vision Awards, held by the San Diego-based LACP (League of American Communications Professionals), which is one of the most prestigious public relations platforms, we were deemed worthy of four awards with our 2020 Annual Report.

We received a Gold award in our sector with our 2020 Annual Report featuring photographs of our dedicated team who worked 24/7 to provide our subscribers with an uninterrupted natural gas supply since the beginning of the pandemic. We were ranked 33rd among 80 reports (Top 80 Reports) in the EMEA (Europe, the Middle East and Africa) region. Furthermore, we received the bronze award in the Best Letter to Shareholders category and the Technical Achievement Award.

At the international competition held within the scope of the LACP Vision Awards, around 1,000 annual reports of the world's leading companies from 20 countries were ranked under "First Impression, Report Cover, Letter to Shareholders, Report Expression, Report Financials, Creativity, Message Clarity and Information Access" categories.

Digital CMO Award to Aksa Doğalgaz

Supplying natural gas, a nature-friendly, safe and economical energy source, to its subscribers in 27 provinces and 221 districts and towns, Aksa Doğalgaz received an award at the Marketing Leaders 21 event organized by Fast Company, where the marketing leaders who successfully implemented digitalization were evaluated.

As a result of the evaluation carried out by the jury led by Sir Martin Sorrell, Turkey's best 50 CMOs in using technology and digital strategy were awarded. Aksa Doğalgaz took its place among the leading companies with the emphasis it gave to digital channels and campaigns during the pandemic. Assuming that it will become even more important for people to have the same temperature and comfort in every room at home since the beginning of the pandemic, we put emphasis on our campaigns, rather than slowing them down and continued uninterrupted communication with our intended population. Thus, despite the pandemic, we demonstrated great performance in terms of campaigns and new subscriptions. As we continue our digitalization efforts in processes and business models, we expanded the scope of transactions available on online channels, thus enabling our subscribers to perform transactions in the convenience of their homes during the lockdowns and took the first precautions toward reduced contact with customers.

Two Awards from International ARC Awards 2021

As the leading private natural gas distribution company in Turkey, we won a silver award in the interior design category and a bronze award in the photography category, at the International ARC Awards 2021, which is considered the "Oscar of Annual Reports." We are proud of our superior success among 1,875 applications from 27 countries in the most prestigious reporting competition in the world held by USA-based MerComm. As Aksa Doğalgaz, we will continue human-oriented efforts without slowing down.



FEWER CARBON EMISSIONS, **MORE HAPPINESS!**

Even as our satisfied subscribers who prefer natural gas enjoy comfort in their living spaces, they are also contributing to the conservation of nature. Our environment breathes a sigh of relief with natural gas, which emits 50% less carbon dioxide compared to carbon-intensive energy sources.
Happy for us.



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