

ANNUAL REPORT 2019

THINKING FOR THE FUTURE...



KAZANCI HOLDING

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MILESTONES

...TRANSFORMING FOR THE FUTURE

At the outset of the 20th century, two good friends – Henry Ford and Thomas Edison – made a bet as to which form of energy could power the future. For Henry Ford, internal combustion would replace steam engines, whereas Edison favored electric engines. Although Ford seemed to have won the bet for a century, Edison had the more long-term vision.

Energy resources on the planet are much more diverse today than 100 years ago. However, oil, coal and natural gas still account for a significant share in energy production.

What will happen tomorrow?

At Kazancı Holding, we conduct research on the future of energy – our core business. We closely monitor major trends – such as big data, artificial intelligence, nanotechnology, space travel, and digitalization – that will reshape the future of the business world; and we transform our ways of doing business with an eye on the future across all Group companies.

We know that the future will flourish in the hands of those who build it.

KAZANCI IN THE WORLD

PRODUCTION ON

4

CONTINENTS

OPERATIONS IN

21

COUNTRIES

EXPORTS TO








173

COUNTRIES

MORE THAN

8,000

EMPLOYEES

-  NATURAL GAS DISTRIBUTION
-  ELECTRICITY GENERATION
-  ELECTRICITY DISTRIBUTION AND SALES
-  GENERATOR MANUFACTURING AND SALES
-  GENERATOR SALES
-  AGRICULTURE
-  TOURISM



TURKEY



GHANA



MALI



INDONESIA



KENYA



SINGAPORE



UNITED KINGDOM



CHINA



TRNC



ALGERIA



IRAQ



NETHERLANDS



SOUTH AFRICA



UZBEKISTAN



USA



MADAGASCAR



EGYPT



KAZAKHSTAN



RUSSIA



UAE



VIETNAM



KAZANCI IN TURKEY

WITH A HISTORY DATING BACK TO THE 1950s, KAZANCI HOLDING HAS ALWAYS FOCUSED ON THE CORE PRINCIPLES OF CUSTOMER SATISFACTION AND TRUST DURING ITS JOURNEY SPANNING OVER HALF A CENTURY. THE HOLDING IS ONE OF THE LEADING COMPANIES IN THE ENERGY INDUSTRY WITH MAJOR INVESTMENTS IN ELECTRICITY GENERATION, ELECTRICITY DISTRIBUTION AND SALES, NATURAL GAS DISTRIBUTION AND GENERATOR MANUFACTURING. KAZANCI HOLDING ALSO CREATES ADDED VALUE FOR THE TURKISH ECONOMY WITH ITS OPERATIONS IN THE AGRICULTURE AND TOURISM SECTORS.

18.3

TRY BILLION
REVENUES

3.5

TRY BILLION
EBITDA

913

TRY MILLION
INVESTMENTS



NATURAL GAS DISTRIBUTION

Adana, Afyon, Ağrı, Amasya, Balıkesir, Batman, Bayburt, Bilecik, Bolu, Çanakkale, Düzce, Elazığ, Giresun, Gümüşhane, Hatay, Malatya, Manisa, Mersin, Ordu, Osmaniye, Rize, Siirt, Sivas, Şanlıurfa, Tokat, Trabzon, Van

ELECTRICITY GENERATION

Antalya, Bolu, Şanlıurfa

ELECTRICITY SALES

81 Provinces

ELECTRICITY DISTRIBUTION AND SUPPLY

Artvin, Bingöl, Elazığ, Giresun, Gümüşhane, Malatya, Rize, Trabzon, Tunceli

GENERATOR MANUFACTURING

Istanbul

GENERATOR SALES

Adana, Ankara, Antalya, Bursa, Denizli, Diyarbakır, Eskişehir, Gaziantep, İzmir, İstanbul, Kayseri, Kocaeli, Muğla, Samsun, Şanlıurfa, Trabzon, Tekirdağ

AGRICULTURE

Samsun, Tekirdağ

TOURISM

Antalya, Kayseri



ABOUT KAZANCI HOLDING

A GLOBAL POWER OPERATING WORLDWIDE WITH
A VISIONARY IDENTITY AND INNOVATIVE MINDSET...

8,000+

EMPLOYEES

OPERATIONS IN

21

COUNTRIES

EXPORTS TO

173

COUNTRIES

Founded in the 1950s, Kazancı Holding is one of the leading groups in the energy sector. Shaping its activities always based on the principles of customer satisfaction and trust during its journey of more than 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 its journey, which laid the foundation for the Group companies in the energy sector, 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 8,000 employees and operations in 21 countries, exporting goods to 173 countries around the world.

The subsidiaries of the Holding are among the leading companies in their respective fields due to the achievements they have attained. Amongst those companies operating under the brand Aksa;

Aksa Natural Gas provides natural gas distribution services to a population of about 15.7 million and 3.3 million subscribers. The Company safely operates a 29,901 km network infrastructure in 27 provinces, 181 districts and towns with 117 offices and under 21 distribution licenses. Serving Turkey's widest geographical distribution area, Aksa Natural Gas is the country's largest private natural gas distribution company, distributing 7.9 billion m³ of natural gas and boasting 19.6% market share.

Aksa Energy is a global energy company with business operations in 5 countries across 2 continents, and performs all steps in power plant installation - from project development, procurement and construction to installation - in-house with its own competent technical

teams. Aksa Energy has built and operated over 30 power plants using various energy resources to date. Transferring its know-how overseas through power plant installations in countries in urgent need of energy, Aksa Energy provides fast, flexible and reliable power plant solutions to energy-strapped countries.

Leader of the Turkish generator market, Aksa Power Generation is one of Turkey's biggest exporters, shipping its products to 173 countries. Aksa Power Generation exports more than 65% of the production of its plants located in Turkey, China and the USA; and it is one of the top five power generator manufacturers in the world with 23 sales offices in Turkey, 19 overseas sales points in 17 countries across Asia, Europe, Africa and America, and 4 representative offices.

Aksa Electricity is one of the pioneering electricity enterprises in Turkey with its customer centricity and innovative approach. It is the incumbent supply company providing energy to consumers across Turkey and within its licensed regions of Çoruh and Fırat. Providing electricity sales services in 81 cities, and supplying electricity to 2.4 million subscribers and a population of 4 million in Çoruh and Fırat, Aksa Electricity sold 11.2 billion KWh of electricity across Turkey in 2019.

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 6.1 billion KWh of energy annually.

Introducing a corporate *modus operandi* to the agriculture sector since 2005, Aksa Agriculture has become one of the major companies engaged in cattle breeding, dairy farming, orchards and arboriculture. The Company operates in line with EU standards at its two farms in Samsun and Tekirdağ.

Aksa Tourism is a major player in summer tourism and convention tourism with the 5-star Mirada Del Mar Hotel in Göynük, Antalya, whilst the 4-star Mirada Del Lago Hotel and the 3-star Mirada Del Monte Hotel in Mount Erciyes attract winter tourism.

SHAREHOLDING STRUCTURE	NUMBER OF SHARES	%
Ş. Cemil Kazancı	66,911,492	60.28
Ali Metin Kazancı	32,200,008	29.01
Mehmet Kazancı	6,531,250	5.88
Tülay Kazancı	5,356,250	4.83
Necati Baykal	1,000	0.00
TOTAL	111,000,000	100.00

ABOUT KAZANCI HOLDING

A GLOBAL ENERGY GIANT DRIVEN BY ITS INTERNATIONAL INVESTMENTS, KAZANCI HOLDING OPERATES ON FOUR CONTINENTS WITH ITS GLOBALLY KNOWN BRANDS IN ELECTRICITY GENERATION, ELECTRICITY DISTRIBUTION AND SALES, NATURAL GAS DISTRIBUTION AND GENERATOR MANUFACTURING.

ENERGY

AKSA NATURAL GAS

AKSA ELECTRICITY

AKSA ENERGY

32%

SHARE IN REVENUES

31%

SHARE IN REVENUES

28%

SHARE IN REVENUES

REGION OF OPERATION

- Natural gas distribution in 27 provinces and 181 districts and towns across Turkey

REGION OF OPERATION

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

REGION OF OPERATION

- Power plants in Turkey, TRNC, Ghana, Madagascar, and Mali

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
- 19.6% market share

COMPETITIVE ADVANTAGES

- Electricity sales in 81 provinces
- Electricity distribution in 9 provinces, 101 districts, and 3,499 villages
- License regions with lower loss/theft ratios than the targets set by EMRA
- 81 Customer Service Centers
- A broad service network across Turkey

COMPETITIVE ADVANTAGES

- Generation in 5 countries on 2 continents
- Fast and flexible power generation solutions
- Power plant installations with internal resources
- Over 20 years of experience in power plant installation, operation and relocation
- Strong financial performance

OTHER GROUP COMPANIES

AKSA POWER GENERATION

8%

SHARE IN REVENUES

AKSA AGRICULTURE

AKSA TOURISM

1%

SHARE IN REVENUES

REGION OF OPERATION

- Manufacturing on 3 continents, exports to 173 countries

REGION OF OPERATION

- Tekirdağ and Samsun

REGION OF OPERATION

- Antalya and Kayseri

COMPETITIVE ADVANTAGES

- Power generator factory with the world's largest production capacity
- The one and only Turkish generator company to manufacture in the USA
- Turkey's leading generator brand, exporting more than 65% of its production
- 19 overseas sales points in 17 countries, 4 representative offices
- The only generator company with the accolade of the Turquality brand
- Turkey's only generator manufacturer with sales on its own e-commerce website

COMPETITIVE ADVANTAGES

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

COMPETITIVE ADVANTAGES

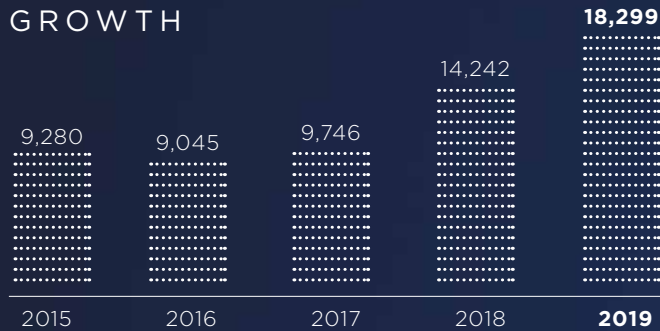
- A wide seasonal presence with summer, winter and congress tourism
- Serving a broad customer base with five, four and three-star hotels
- High number of overnight stays with a capacity of 1,433 beds

KAZANCI HOLDING IN FIGURES

REVENUES (TRY MILLION)

28%

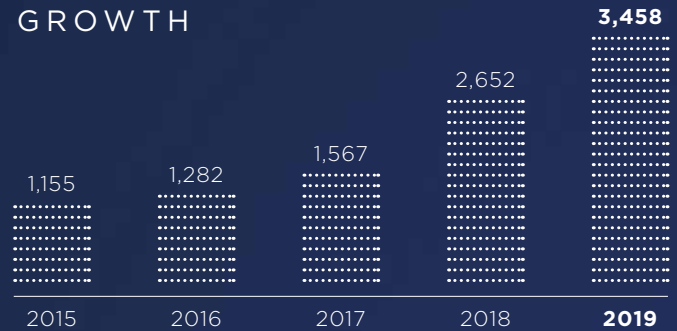
GROWTH



EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA) (TRY MILLION)

30%

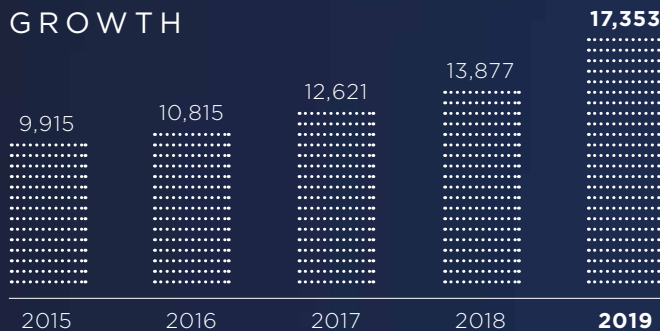
GROWTH



ASSETS (TRY MILLION)

25%

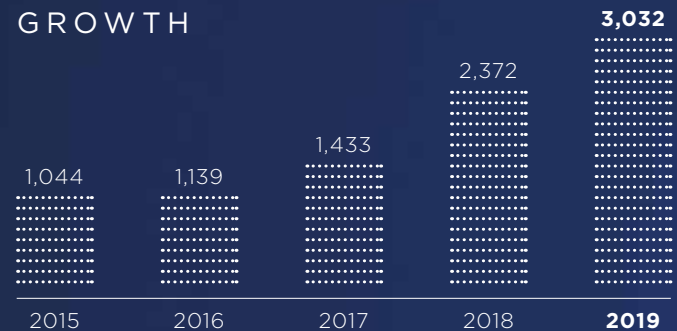
GROWTH



GROSS PROFIT (TRY MILLION)

28%

GROWTH



SUMMARY FINANCIAL STATEMENTS

TRY Million	2018	2019
Total Assets	13,877	17,353
Current Assets	5,212	6,132
Non-Current Assets	8,665	11,221
Total Liabilities	13,999	15,364
Short-Term Liabilities	7,236	8,495
Long-Term Liabilities	6,763	6,870
Total Equity	(122)	1,989

TRY Million	2018	2019
Revenues	14,242	18,299
Gross Profit	2,372	3,032
Operating Profit	1,965	2,595
EBITDA	2,652	3,458
Net Profit	(377)	543



30+

PLANTS

NUMBER OF POWER PLANTS
INSTALLED AND OPERATED
BY AKSA ENERGY TO DATE



11.2

TWh

SALES VOLUME OF
AKSA ELECTRICITY

6.1

TWh

TOTAL ELECTRICITY
DISTRIBUTION VOLUME
OF FIRAT AND ÇORUH
DISTRIBUTION COMPANIES



3.3

MILLION SUBSCRIBERS

NUMBER OF AKSA NATURAL
GAS SUBSCRIBERS



173

COUNTRIES

EXPORT NETWORK
OF AKSA POWER
GENERATION



14,000

HEADS

CATTLE CAPACITY OF
AKSA AGRICULTURE

1,433

BEDS

BED CAPACITY OF
AKSA TOURISM





TODAY IS A GOOD TIME
TO BUILD A BRIGHT
FUTURE.

Ali Metin Kazancı
Chairman

MESSAGE FROM THE CHAIRMAN

THANKS TO ITS SOUND FINANCIAL STRUCTURE AND COMPETITIVE STRATEGIC INVESTMENTS, KAZANCI HOLDING EXCEEDED ITS PERFORMANCE TARGETS IN 2019.

Dear Stakeholders,

We concluded a challenging year marked by the negative impact of uncertainties and economic deceleration both globally and domestically. In the face of a slowing world economy, more countries adopted protectionist trade policies to pursue their political and economic objectives. We witnessed the erosive effect of protectionist policies coupled with political and financial risks on production, trade and economic confidence around the globe.

Turkey entered 2019 with the lingering effects of the currency crisis that started in August 2018 and persisted to a lesser degree in subsequent months. However, the Turkish economy demonstrated readiness for challenging times despite disaster scenarios hovering over it. As a result, Turkey's economic rebound took hold in the second half of the year.

Thanks to its sound financial structure and competitive strategic investments, Kazancı Holding exceeded its performance targets in 2019.

Kazancı Holding has become a highly reputable global player in all its regions of operation with successful investments and initiatives. To achieve sustainable success, we are taking new and courageous steps on our transformation journey, embracing change and pursuing globalization. Our key advantage during this journey is our corporate culture. Kazancı Holding's well-defined corporate culture enables us to adapt our ways of doing business to emerging trends and evolving technologies without compromising our values.

We have made great strides during this transformation process, which started with our management structure. As we make one investment after another in digitalization, we are a pioneer leading the way rather than a follower – a strong market position that we confidently bolstered in 2019. Kazancı Holding plans to further spread its digital transformation efforts to its smaller scale operations in the coming year.

Our sustainability-related projects and initiatives are always focused on children and youth – the inheritors of our future.

When launching “ENERGY FOR TOMORROW” in 2019, we saw raising our children's awareness on energy and this planet's resources as a highly valuable contribution to a sustainable world.

In 2020, Kazancı Holding plans to move further toward achieving its global objectives. We also aim to remain true to our core values of productivity, creativity and innovation during our transformation journey. I am convinced that the successful financial results we achieve will help us generate additional value for, first and foremost, Turkey and all our regions of operation. Our resounding success will also allow us to lead the way for society and our stakeholders in the area of sustainability. With this confidence and positive outlook, I would like to express my gratitude to all our employees for their invaluable efforts and contributions to Kazancı Holding.

Sincerely,



ALİ METİN KAZANCI
CHAIRMAN



Aksa Energy Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant



MAYBE WE CANNOT SEE
THE FUTURE, BUT WE CAN
BUILD THE FUTURE...

Cemil Kazancı
Vice Chairman and CEO

MESSAGE FROM THE VICE CHAIRMAN AND CEO

WE CONTINUE TO BOOST OUR BRAND VALUE AND GROW WITH SUCCESSFUL FINANCIAL RESULTS AS A GLOBAL GROUP OF COMPANIES.

18.3

TRY BILLION
REVENUES

3.5

TRY BILLION
EBITDA

17.4

TRY BILLION
ASSETS

Dear Stakeholders,

In 2019, the global economic and market outlook was marred by downside risks, mainly ongoing trade disputes. While world trade of goods and services declined to record lows of recent years, risk appetite fell, investment receded and economies slowed. On the other hand, Turkey successfully proceeded with its economic rebalancing in terms of growth, inflation and current account balance despite all the negative developments arising from the weak global outlook. Precautionary measures taken by the government helped achieve significant improvements in key indicators. As a result, Turkey concluded 2019 with 0.9% economic growth.

In 2019, a challenging year for the global economy, Kazancı Holding once again recorded strong results; and we further boosted the value of our Aksa brand through our operations in Turkey and abroad. Thanks to our foreign currency revenue-generating operations, Kazancı Holding's EBITDA rose 30% year-on-year to TRY 3.5 billion, while the EBITDA margin amounted to 19%. Total revenues jumped an impressive 28% to TRY 18.3 billion. We increased total assets by 25% year-on-year to TRY 17.4 billion. Despite fluctuating market conditions, Kazancı Holding reported net profit of TRY 543 million thanks to its focus on efficiency and profitability. With these solid results, we demonstrated progress toward achieving our goal of sustainable growth.

We work hand-in-hand with over 8,000 employees in 21 countries on four continents, who put forth all their creativity and efforts, to add value to all the people whose lives we touched. Throughout the year, we invested a total TRY 913 million and conducted numerous successful projects in all our regions of operation. These efforts helped us proudly add further value to Turkey's economy and international reputation.

OUR TRANSFORMATION JOURNEY GAINED MOMENTUM IN 2019

At Kazancı Holding, we are always driven by creativity, innovation and technology. We have taken major steps to enhance our competitive and flexible business model, which quickly adapts to change. We have recorded great progress on our change and transformation journey. This effort aims to further develop Kazancı Holding as an international group of companies capable of achieving profitable and sustainable growth, managing day-to-day operations effectively and efficiently, and designing its future. With a focus on efficiency, lean operations and digitalization, we have renewed all our business processes to boost our added value. In addition, we established an agile and lean organizational structure aligned with our strategic objectives.

Our transition to next-generation SAP S/4HANA ERP software is perhaps the biggest leap forward Kazancı Holding recorded in 2019. This effort will help us conduct in-depth queries and generate comprehensive reports quickly using real-time data. Our enterprise resource planning (ERP) processes are now being restructured

pursuant to our centralization, simplification and singularization strategies in order to ensure integration of all data and processes across the organization – finance and logistics in particular. We have finalized our plans to quickly roll out the transition efforts, which was piloted at Aksa Natural Gas, across all operations under our core energy businesses.

OUR GROUP COMPANIES LEAD THE WAY IN THEIR INDUSTRIES

In 2019, Aksa Energy reported a three-fold increase in consolidated net profit compared to the previous year, demonstrating the success of its globalization strategy. We quickly finalized rehabilitation of a power plant in Madagascar, for which we have undertaken maintenance and operations. We further bolstered our global brand reputation thanks to this power plant, which achieved full capacity in January. Also in 2019, we concluded a Memorandum of Understanding in Cameroon and obtained a preliminary license in Republic of Congo and started negotiations in both countries to develop natural gas-fired projects. Our efforts to pursue sustainable profitability continue at full speed. To that end, we plan to further diversify our investments. Discussions are currently underway in countries that have an urgent demand for energy in Latin America and Asia, besides Africa.

A market leader in Turkey, Aksa Power Generation ranks among the top five generator manufacturers in the world. The Company is committed to climbing further to the upper echelons as a global brand. In 2019, we established an enterprise to manufacture high-tech generators in partnership with Japanese industry leader Mitsubishi. This partnership will give a boost to Aksa Power Generation's global growth momentum while bolstering the international position and reputation of Turkish engineering and industry.

Aksa Power Generation also commenced online sales in 2019, becoming Turkey's first generator manufacturer to sell products on its own e-commerce website. After receiving accreditation from Turkey's brand building-export support program Turquality in 2019, Aksa Power Generation will move forward on its journey to global markets backed by the prestigious Turquality system.

Aksa Natural Gas provides natural gas distribution services to the widest geographic area in Turkey. As at year-end 2019, the Company operated a network of about 30,000 km, a distance equivalent to encircling Turkey three times. Investing TRY 523 million in 2019 alone, Aksa Natural Gas provided natural gas to thousands of new users in its distribution regions across the country, increasing the total number of its subscribers to 3.3 million.

Aksa Electricity took a more active role in the electricity sales industry in 2019 although the sector faced growing competition since the tariff regulations aimed at liberalization were imposed during the year. In this new period, Aksa Electricity not only stepped up sales activities and provided discount electricity to more customers, but it also outmaneuvered the competition with its customer-centric consulting services.

During the year, our electricity distribution companies Çoruh and Fırat EDAŞ undertook major initiatives to deliver the same high quality services for customers in city centers and those residing in remote areas. Keenly aware that digital solutions are critical for energy of the future, Çoruh and Fırat EDAŞ invest in technology and innovation to accelerate their integration with new systems and business models that can interpret big data. In 2019, Çoruh and Fırat EDAŞ conducted significant projects related to smart grids,

energy storage and e-mobility to ensure supply security, supply quality and sustainability.

KAZANCI HOLDING CONTINUES TO INVEST IN THE FUTURE

We strive to guarantee the future, thinking of it in all aspects, not solely for commercial purposes. We place great emphasis on respecting nature and people, minimizing our impact on the environment, and implementing sustainable business processes. Socially responsible activities that will create long-lasting value for future generations remain a number one priority for us. Launching exemplary social responsibility projects in 2019, Kazancı Group companies demonstrated once again that they value the environment and society as much as they value their business. Energy Group companies combined forces to launch "ENERGY FOR TOMORROW," a new initiative under which our Corporate Communications staff visit villages in Turkey to educate children about energy. We attach great importance to "ENERGY FOR TOMORROW" as this forward-looking initiative perfectly reflects the deep-rooted values of Kazancı Holding. Under this effort, we aim to raise awareness about energy and the environment among thousands of children in village schools in the coming year.

At Kazancı Holding, we are firmly committed to investing further, growing, and creating value for our stakeholders in line with our global vision and objectives in 2020. We plan to expand and move the Kazancı brand forward, driven by our technology- and efficiency-focused business model and the selfless and devoted efforts of over 8,000 employees – our most valuable asset.

Sincerely,



Cemil Kazancı
Vice Chairman and CEO

BOARD OF DIRECTORS



ALİ METİN KAZANCI

Chairman

Ali Metin Kazancı's professional life began in 1950. The foundations for what would later become Kazancı Holding were laid during this time. Watt Electric Motor Factory, which is the initial venture that created the Group's companies, was founded in 1968. Thanks to his successful ventures, Ali Metin Kazancı established various companies in the energy sector starting from 1983, and he consolidated these companies under the umbrella of Kazancı Holding in 1994. Ali Metin Kazancı continues his duties as the Chairman of Kazancı Holding's Board of Directors.



CEMİL KAZANCI

Vice Chairman and CEO

Cemil Kazancı began his professional career working in family companies. His first managerial position was in generator manufacturing and sales. He subsequently played an active role in the formation of Aksa Energy, which was set up to expand the Group's operations in the energy industry and to generate electricity starting from 1997. Cemil Kazancı is Kazancı Holding's Vice Chairman and CEO. He also serves as Chairman and CEO at Aksa Energy, and Board Member at various Group companies.



ÖMER MUZAFFER BAKTIR

Vice Chairman

Ömer Muzafer Baktır graduated from Istanbul Technical University Mining Engineering Department in 1986 and began his career in Pamukbank as a manager in the banking sector. He served as the Executive Vice President of Marketing at Halk Bank, CFO and Executive Board Member of electricity distribution companies at Cengiz Holding, Deputy General Manager in charge of Marketing and Transformation at Ziraat Bank and held office at the Surveillance and Management Boards of the various overseas companies of Ziraat Bank. He also served as Chairman at Ereğli Group. On February 5, 2018, Baktır was appointed Board Member at Kazancı Holding, and has served as a Board Member at Aksa Energy since July 30, 2019.

**TÜLAY KAZANCI****Board Member**

Tülay Kazancı is a Member of the Board of Directors at Kazancı Holding as well as at Akxa Havacılık A.Ş., Akxa Turizm İşletmeleri A.Ş. and Akxa Aksan Enerji Ticareti A.Ş. Since April 2010, she is a Board Member at Akxa Energy's Board of Directors.

**BARIŞ ERDENİZ****Board Member**

Barış Erdeniz graduated from Doğu College and went on to study International Trade and Business Management at Yeditepe University. In 2012, he worked as a Business Development Director at TÜRMAK Makina San. ve Tic. A.Ş. In 2013, he founded Turuncu Marketing and assumed the position of General Manager. In 2014, Barış Erdeniz founded Erdeniz Consultancy, an administrative consultancy firm, and the same year he joined the ranks of Kazancı Holding as Executive Advisor. Barış Erdeniz has contributed to the goals of Kazancı Holding by conducting many successful projects in the field of operational efficiency since 2014 and he was appointed as a Board Member in August 2017.

EXECUTIVE BOARD AND SENIOR MANAGEMENT

Boasting over a half-century of experience and know-how in the energy sector, Kazancı Holding is one of Turkey's largest global energy conglomerates thanks to the integrated service capabilities of the Group's companies operating in diverse areas of the industry.

Kazancı Holding aspires to be an international group of forward-looking enterprises that can manage the present effectively and efficiently while designing the future. To this end, the Group has re-structured all its business processes and completed a major corporate transformation.

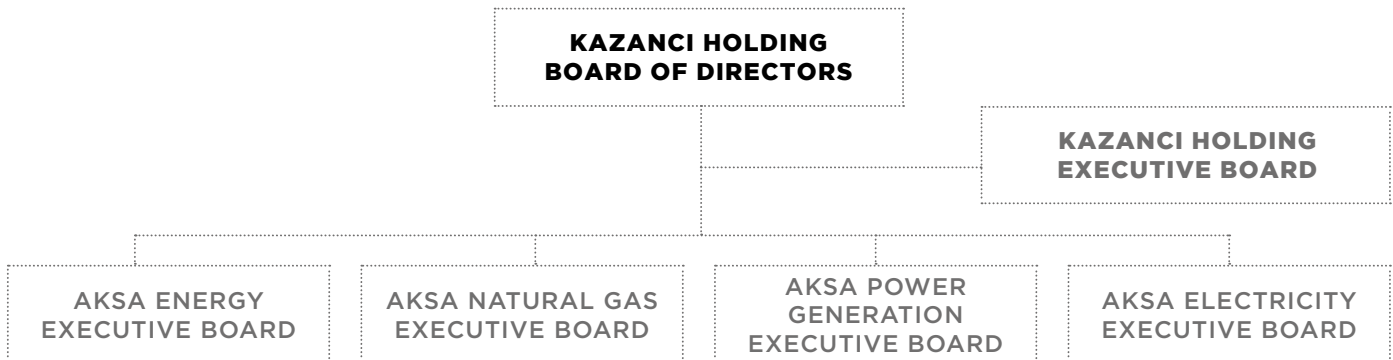
The Group set out on this transformation journey by digitizing all business processes end to end. Corporate governance and decision-making mechanisms were revised in order to manage processes more effectively and efficiently. Executive Boards were formed at all Group companies operating in the energy sector to acquire a more robust and effective management structure.

Persons with extensive experience in the industry were appointed to the affiliates' executive boards, which report to Kazancı Holding's Board of Directors. For each affiliate, a senior management team was set up, composed of experienced executives who are experts in their respective fields. As part of these efforts to implement a stronger corporate governance model, decisions related to the affiliate's management and operations are made and executed more swiftly and efficiently.

Convening weekly, Executive Boards are authorized and responsible to make and implement decisions in areas specified by the Holding's Board of Directors. Executive Boards set the necessary strategic goals and policies to guarantee effective, efficient and adequate use of all resources to ensure continuity of each affiliate's

business operations. They make decisions on new business areas and markets in line with the strategies, goals and plans in place. Executive Boards are also responsible for evaluating the affiliate's operations in terms of performance criteria and implementing necessary improvements and changes. Closely monitoring dynamics within the industry, Executive Boards diligently determine the steps that will contribute to the affiliate's competitive edge.

Kazancı Holding adapts to changes in and outside Turkey while also pioneering change in many diverse areas as part of its transformation journey. The Group aims to give a new direction to the future of the industry. Kazancı Holding takes more agile and confident steps toward its goals thanks to this new management approach that helps it to make right decisions at the right time.



KAZANCI HOLDING EXECUTIVE BOARD

		RESPONSIBILITIES
CEMİL KAZANCI	CHAIRMAN OF EXECUTIVE BOARD	CEO-HOLDING, ENERGY GROUP
NECATİ BAYKAL	EXECUTIVE BOARD MEMBER	POWER GENERATION
ÖMER MUZAFFER BAKTİR	EXECUTIVE BOARD MEMBER	FINANCIAL AFFAIRS, NATURAL GAS
BARIŞ ERDENİZ	EXECUTIVE BOARD MEMBER	JOINT DEPARTMENTS, ELECTRICITY DISTRIBUTION AND SALES

AKSA ENERGY - SENIOR MANAGEMENT

CEMİL KAZANCI	MANAGEMENT	CHAIRMAN AND CEO
SONER YILDIZ	OPERATIONAL MANAGEMENT	CHIEF OPERATING OFFICER (COO)
CEM NURİ TEZEL	FINANCIAL MANAGEMENT	CHIEF FINANCIAL OFFICER (CFO)
MURAT KİRAZLI	ELECTRICITY SALES AND ENERGY TRADE	VICE PRESIDENT, ENERGY TRADE AND SALES

AKSA NATURAL GAS - SENIOR MANAGEMENT

YAŞAR ARSLAN	GROUP PRESIDENCY	GROUP PRESIDENT, CEO
ALPER KONYALI	1 ST REGION	GROUP VICE PRESIDENT
AHMET YÜCEL YAZICI	CENTRAL SERVICES	GROUP VICE PRESIDENT
MUSTAFA DOĞAN	2 ND REGION	GROUP VICE PRESIDENT

AKSA POWER GENERATION - SENIOR MANAGEMENT

NAZMİ ATALAY	OPERATIONAL MANAGEMENT	GENERAL MANAGER, OPERATIONS
RİDVAN ÖZER	SALES AND MARKETING	GENERAL MANAGER, SALES AND MARKETING
HAKAN ÖZGÜLER	FINANCIAL MANAGEMENT	CHIEF FINANCIAL OFFICER (CFO)

AKSA ELECTRICITY DISTRIBUTION & RETAIL SALES - SENIOR MANAGEMENT

MURAT KİRAZLI	ELECTRICITY RETAIL SALES	GROUP VICE PRESIDENT
ÖMER KANDEMİR	DISTRIBUTION OPERATIONS	GROUP VICE PRESIDENT
FIRAT DOĞAN	ELECTRICITY EXECUTIVE BOARD	GROUP VICE PRESIDENT
MEHMET AYDIN	ÇORUH ELECTRICITY DISTRIBUTION	COMPANY MANAGER
FİKRET TÜRKMEN	FIRAT ELECTRICITY DISTRIBUTION	COMPANY MANAGER

KAZANCI HOLDING - JOINT UNIT MANAGERS

SERDAR NİŞLİ	BUSINESS DEVELOPMENT	HEAD OF BUSINESS DEVELOPMENT
CEYHAN BAŞTÜRK	CEO OFFICE	CHIEF FINANCIAL OFFICER (CFO)
AHMET REHA ARGAC	INFORMATION TECHNOLOGIES	INFORMATION TECHNOLOGIES DIRECTOR
ESRA ÜNAL	LEGAL	GENERAL COUNSEL
GÖZEN KASIMAY	INTERNAL AUDIT	AUDIT DIRECTOR
HAKAN ERSEL	ADMINISTRATIVE AFFAIRS AND VEHICLE FLEET	ADMINISTRATIVE AFFAIRS AND VEHICLE FLEET DIRECTOR
MEHMET AKİF ŞAM	CORPORATE RELATIONS	CORPORATE RELATIONS DIRECTOR
MERAL TUNALI	SUPPLY CHAIN	SUPPLY CHAIN DIRECTOR
ÖZLEM McCANN	CORPORATE COMMUNICATIONS	CORPORATE COMMUNICATIONS DIRECTOR
SERDAR PAYLAŞAN	RISK AND CONTROL	RISK AND CONTROL DIRECTOR
SERKAN İLBAN	HUMAN RESOURCES	HUMAN RESOURCES DIRECTOR
YEŞİM AĞAÇKESEN	CORPORATE ARCHITECTURE	CORPORATE ARCHITECTURE DIRECTOR

“WILL ROBOTS INHERIT
THE EARTH? YES, BUT
THEY WILL BE OUR
CHILDREN.”

Marvin Lee Minsky

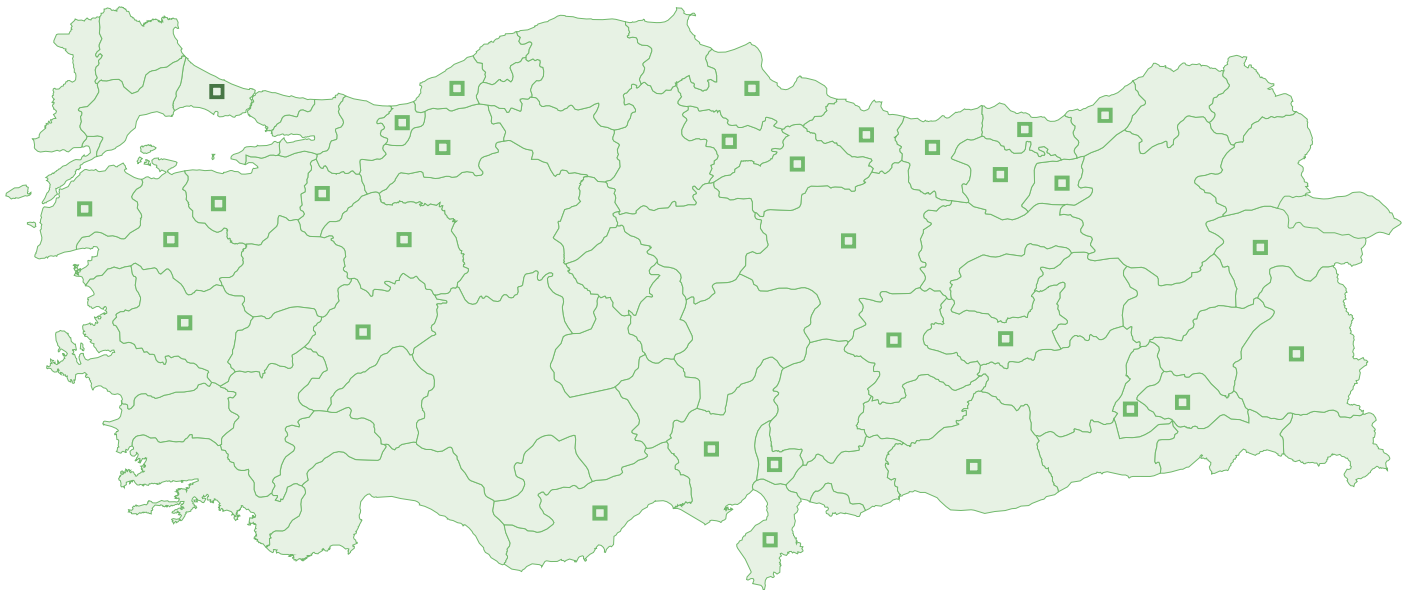
American scientist renowned for his work
in artificial intelligence

AKSA NATURAL GAS

AKSA NATURAL GAS IS THE LARGEST PRIVATE NATURAL GAS DISTRIBUTION COMPANY IN TURKEY WITH 3.3 MILLION SUBSCRIBERS, 29,901 KM NETWORK AND 19.6% MARKET SHARE AS AT YEAR-END 2019.

32%
Share in
Revenues

NATURAL GAS DISTRIBUTION AND SALES



□ AKSA NATURAL GAS HEAD OFFICE

□ AKSA NATURAL GAS DISTRIBUTION REGIONS*

* Only the districts are in the scope of the distribution license in Bursa, Eskişehir, Samsun and Zonguldak.

NATURAL GAS
DISTRIBUTION
VOLUME

OPERATION AREA

REVENUES

7.9

BILLION M³

21

LICENSE REGIONS

6

TRY BILLION



AKSA NATURAL GAS

ONE THIRD OF OVER 1 MILLION SUBSCRIBERS, WHO STARTED TO USE NATURAL GAS IN TURKEY FOR THE FIRST TIME IN 2019, ARE LOCATED IN THE OPERATION AREA OF AKSA NATURAL GAS.

3.3

MILLION
SUBSCRIBERS

29,901

Km
NETWORK LENGTH

19.6%

MARKET SHARE

Aksa Natural Gas was established in 2002 as a subsidiary of Kazancı Holding. Operating in 21 license regions out of a total 72 in Turkey, the Company distributes and trades natural gas as its main fields of operation, and holds LNG import and CNG sales licenses.

Aksa Natural Gas conducts distribution operations in 21 license regions accredited and taken over from the Energy Market Regulations Authority (EMRA). Aksa Natural Gas is the largest private natural gas distribution company in Turkey with 3.3 million subscribers, a 29,901 km distribution network and a 19.6% market share as at year-end of 2019.

Swiftly undertaking investments in its operation regions and adopting high quality service as a core principle, Aksa Natural Gas has carried out 47% of all natural gas investments made in the last decade in Turkey and completed most of its mandatory investments in distribution regions before the end of their deadlines to deliver natural gas to its subscribers in the fastest way possible.

Of the 31 provinces covered by the license, the Company has invested in a total of 27 provinces and 181 districts and towns, serving the largest natural gas distribution area in Turkey with a population of 15.7 million people as at the end of 2019. 1 out of every 3 new natural gas subscribers is located in the

operation region of Aksa Natural Gas in Turkey, where 1 million subscribers started to use natural gas for the first time in 2019.

Ever since it was founded, Aksa Natural Gas has contributed to Turkey's economy through investments. While providing its subscribers with high quality and affordable services, the Company also offered job opportunities directly or indirectly to 22,000 citizens in addition to the employment it created to date, resulting in savings of TRY 40 billion in the field of energy within the national budget. The industry-specific additional growth derived from distribution investments created a natural gas conversion market worth TRY 29.7 billion, TRY 20.4 billion of which was actually made by the Company alone. In regions with access to natural gas, the advantages created by a diverse selection of fuel also helped industrial investments gain more momentum.

Aksa Natural Gas's primary goals include maintaining the highest level of customer satisfaction by delivering 24/7 uninterrupted service with its expert staff, and ensuring the continuous improvement of its operations. Therefore, the Company handles subscribers' requests via a Hotline (187) and a Customer Services Line (444 4 187). Aksa Natural Gas Solution Center's technical and software infrastructure meets international standards with its contemporary, comfortable building and high service standards, making it an example to follow in the sector.



AKSA NATURAL GAS

INVESTING TRY 523 MILLION ONLY IN 2019, AKSA NATURAL GAS HAS INCREASED ITS DIRECT INVESTMENTS TO TRY 3.4 BILLION SINCE ITS FOUNDING.

5.9

TRY BILLION
ASSETS

718

TRY MILLION
EBITDA

289

TRY MILLION
NET PROFIT

DEVELOPMENTS IN 2019

As at year-end 2019, Aksa Natural Gas distributed a total of 7.9 billion m³ of gas in the regions it serves. The Company recorded revenues of TRY 6 billion, up 43% year-on-year.

During the year, Aksa Natural Gas made capital investments amounting to TRY 523 million. As a result, the Company's total direct investment rose to TRY 3.4 billion. Aksa Natural Gas's total network length expanded to 29,901 kilometers in 2019.

Furthermore, Aksa Natural Gas climbed 10 places up compared to previous year to rank 66th on Fortune 500's Turkey's Largest Companies list for 2019 in terms of balance sheet size.

In 2019, Aksa Natural Gas commenced an innovative project aimed at subscriber management in the natural gas distribution sector. After integrating SAP's energy distribution solutions – SAP S/4HANA, SAP CRM for Utilities, SAP IS - U and MCF – with all its business processes, Aksa Natural Gas launched the Horizon21 initiative. This effort was designed to manage the Company's "big data" in a fast, effective and transparent manner. The project also aimed to unify all the Company's end-to-end operational processes, mainly customer services in its wide distribution area, on a single system. Aksa Natural Gas transitioned from ERP software, which integrates planning, work orders, maintenance, procurement,

inventory, sales, marketing, finance and human resources processes, to SAP S/4HANA. The Company is currently migrating its natural gas subscriber management processes to SAP systems under this effort. KVKK (Law on Protection of Personal Data) alignment, field operations, procurement processes, staff transformation and the entire reporting function are also being moved to SAP systems on an end-to-end basis. Thanks to PaperWork, an effective platform for process and document management, 20 operational processes were digitized; integration of 8 processes were completed; and 1.7 million digital logs were created. Aksa Natural Gas also completed integration with the e-State platform to enable subscribers to inquire their Subscription Status and Bills via e-State. In addition, the transition to Online Banking Integration was finalized at all companies operating under Aksa Natural Gas. The system facilitates online access to the Company's account information with banks, automatic recognition on SAP, and instant monitoring of transactions.

Aksa Natural Gas updated its Integrated Management System structure pursuant to revised ISO standards. For each distribution company operating in 27 provinces across Turkey, ISO 9001:2015 Quality Management System and ISO 14001:2015 Environmental Management System certifications were obtained. Aksa Natural Gas also successfully adopted the new revision of the ISO 10002:2018 Customer Satisfaction Management System for all of its distribution companies.



AKSA NATURAL GAS IN FIGURES

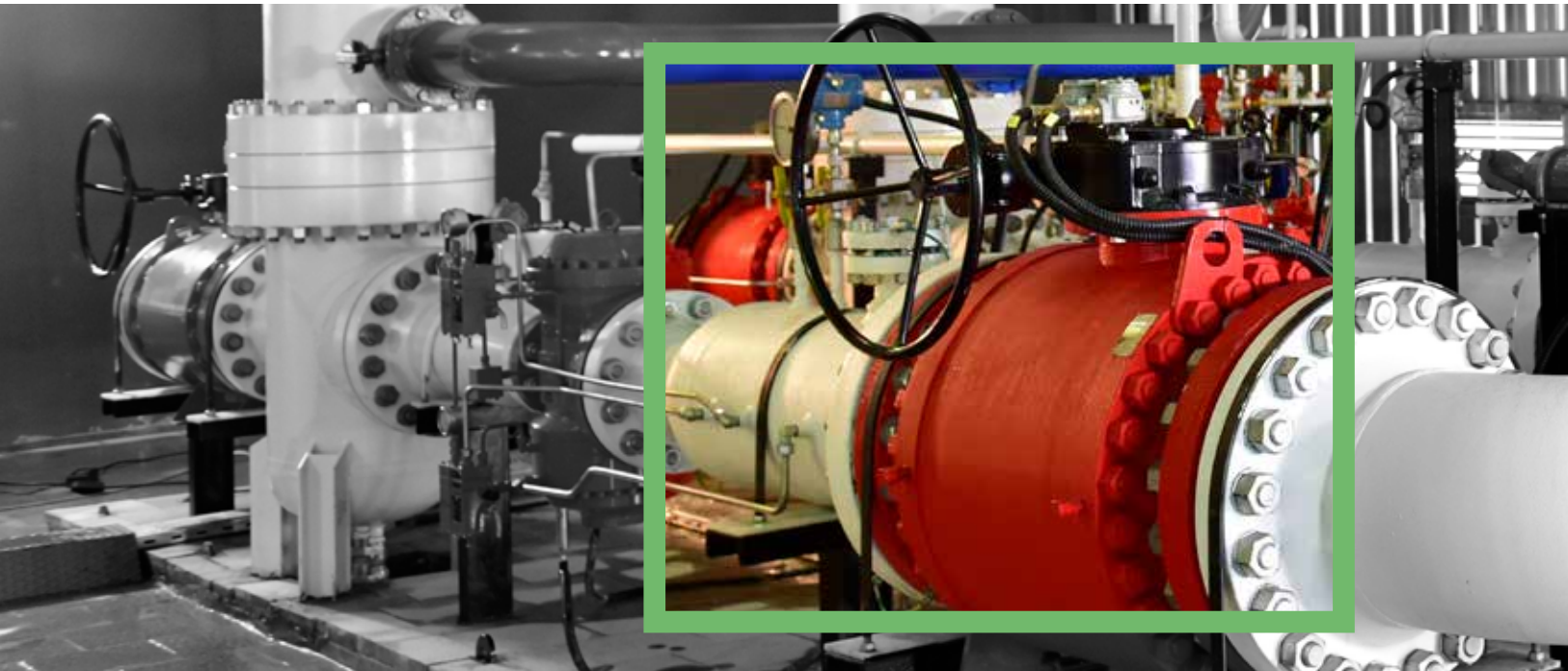
Financial Indicators (TRY Million)	2018	2019	Change (%)
Revenues	4,180	5,978	43
EBITDA	497	718	45
Assets	4,939	5,905	20
Equity	366	684	87
Gross Profit	413	595	44
Net Profit	196	289	47

Operational Indicators	2018	2019	Change (%)
Natural Gas Distribution Licenses	21	21	-
Subscribers	2,894,164	3,277,470	13
Residential Subscribers	2,404,192	2,741,619	14
Potential Residential Subscribers	4,734,010	5,362,320	13
Network Length (km)	27,833	29,901	7

IN 2019, AKSA NATURAL GAS RAISED ITS REVENUES BY 43% YEAR-ON-YEAR TO TRY 6 BILLION.

AKSA NATURAL GAS

AS AT YEAR-END 2019, AKSA NATURAL GAS SERVES A POPULATION OF 15.7 MILLION IN 21 LICENSE REGIONS WITH A 29,901 KM NETWORK.



AKSA NATURAL GAS'S PRIMARY GOALS INCLUDE MAINTAINING THE HIGHEST LEVEL OF CUSTOMER SATISFACTION BY DELIVERING 24/7 UNINTERRUPTED SERVICE WITH ITS EXPERT STAFF AND ENSURING THE CONTINUOUS IMPROVEMENT OF ITS OPERATIONS.

GEOGRAPHICAL DISTRIBUTION NETWORK

Natural Gas Distribution Regions

- Akxa Afyon Natural Gas Distribution
- Akxa Ağrı Natural Gas Distribution
- Akxa Balıkesir Natural Gas Distribution
- Akxa Bandırma Natural Gas Distribution
- Akxa Bilecik Bolu Natural Gas Distribution
- Akxa Çanakkale Natural Gas Distribution
- Akxa Çukurova Natural Gas Distribution
- Akxa Düzce Ereğli Natural Gas Distribution
- Akxa Elazığ Natural Gas Distribution
- Akxa Gemlik Natural Gas Distribution
- Akxa Gümüşhane Bayburt Natural Gas Distribution
- Akxa Karadeniz Natural Gas Distribution
- Akxa Malatya Natural Gas Distribution
- Akxa Manisa Natural Gas Distribution
- Akxa Mustafakemalpaşa Susurluk Karacabey Natural Gas Distribution
- Akxa Ordu Giresun Natural Gas Distribution
- Akxa Siirt Batman Natural Gas Distribution
- Akxa Sivas Natural Gas Distribution
- Akxa Şanlıurfa Natural Gas Distribution
- Akxa Tokat Amasya Natural Gas Distribution
- Akxa Van Natural Gas Distribution



FUTURE OUTLOOK

With its current scale, investments and service quality, Aksa Natural Gas significantly contributes to Turkey's economy and boosts national employment. The Company accounts for 27% of total employment in the Turkish natural gas industry. Aksa Natural Gas aims to maintain strong domestic growth in the coming year while transferring its experience to international markets.

Aksa Natural Gas plans to continue investing in off-center districts of the cities where it operates. The Company provides environmentally friendly, safe and clean natural gas to more citizens every year.

In line with its goals for the 2017-2021 period, Aksa Natural Gas aims to provide services in 200 districts, increase its potential subscriber base to 5.8 million and expand its network to 40,000 kilometers by year-end 2021. In addition, the Company targets growing its subscriber base to 3.9 million, boosting the amount of gas distributed to 9 billion m³ and raising EBITDA to TRY 1 billion by end-2021.

**AKSA NATURAL GAS
AIMS TO EXPAND ITS
SUBSCRIBER BASE TO
3.9 MILLION, INCREASE
THE AMOUNT OF GAS
DISTRIBUTED TO 9 BILLION
M³ AND RAISE EBITDA TO
TRY 1 BILLION BY THE END
OF 2021.**

“THE STONE AGE DID
NOT END FOR LACK OF
STONES. AND THE OIL
AGE WILL END LONG
BEFORE THE WORLD
RUNS OUT OF OIL.”

James Canton

Futuristic author of “Future Smart” and “The Extreme Future”

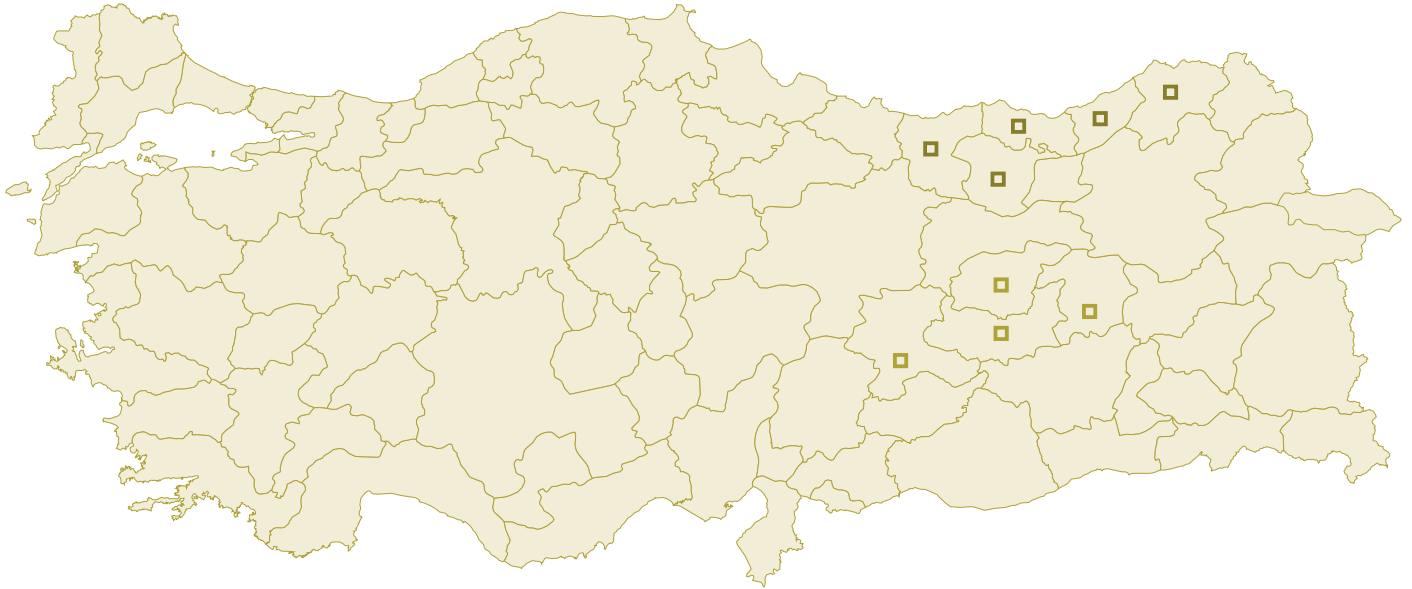


AKSA ELECTRICITY

DELIVERING ELECTRICITY SALES SERVICES IN 81 PROVINCES IN TURKEY, AKSA ELECTRICITY DISTRIBUTES AND SUPPLIES ELECTRICITY TO A POPULATION OF 4 MILLION IN ITS LICENSE REGIONS OF ÇORUH AND FIRAT.

31%
Share in
Revenues

ELECTRICITY DISTRIBUTION AND SALES



■ ÇORUH ELECTRICITY DISTRIBUTION REGIONS/
ÇORUH ELECTRICITY RETAIL SALES REGIONS

■ AKSA ELECTRICITY SALES REGIONS

■ FIRAT ELECTRICITY DISTRIBUTION REGIONS/
FIRAT ELECTRICITY RETAIL SALES REGIONS

REVENUES

5.6

TRY BILLION

EBITDA

969

TRY MILLION

INVESTMENTS

184

TRY MILLION



ELECTRICITY SALES COMPANIES

AKSA ELECTRICITY SELLS ELECTRICITY AND PROVIDES CONSULTANCY SERVICES TO THE LARGEST COMPANIES IN TURKEY, BESIDES PROVIDING RETAIL SALES, COLLECTION AND SUBSCRIPTION SERVICES AS THE INCUMBENT SUPPLY COMPANY IN FIRAT AND ÇORUH REGIONS.

2.4

MILLION
SUBSCRIBERS

11.2

TWh
SALES VOLUME

81

CUSTOMER SERVICE
CENTERS

Adopting a human-centric business model and high service quality, Aksa Electricity companies deliver electricity sales services and supply electricity in their license regions as the leading players of the Turkish electricity market.

Of the companies operating under Aksa Electricity, Aksa Electricity Sales sells electricity and provides consultancy services to the largest companies in Turkey while Firat Electricity Retail Sales and Çoruh Electricity Retail Sales provide retail sales, collection and subscription services as the incumbent supply companies in Firat and Çoruh regions, respectively.

Aksa Electricity provides electricity supply services to 101 districts across 9 provinces as part of its activities as the incumbent supply company. It serves a population of 4 million and 2.4 million subscribers in Trabzon, Rize, Giresun, Artvin and Gümüşhane in the Çoruh region and in Bingöl, Elazığ, Malatya and Tunceli in the Firat region.

An integrated retail sales company, Aksa Electricity stands out in the sector with its strong financial structure, efficiency-oriented strategies, expert staff, integration with Group companies and a wide service network that extends across Turkey.

Aksa Electricity provides electricity sales and consulting services to Turkey's largest

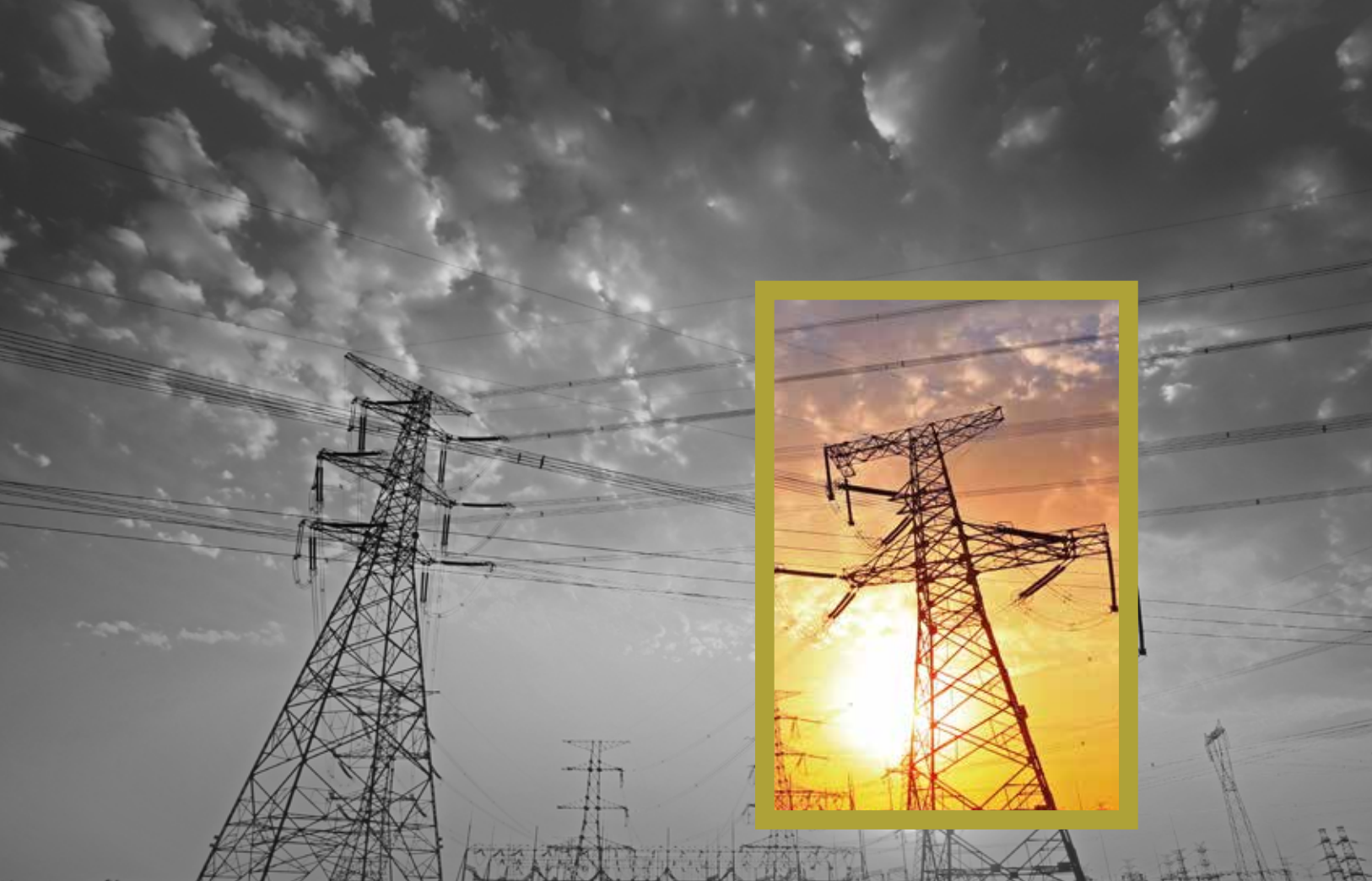
industrial and service enterprises in addition to the regions it serves as the incumbent supply company. The Company has successfully maintained its leadership position and consolidated its portfolio during the ongoing liberalization process under the eligible customer and supplier of last resort tariffs in the retail electricity sector.

Aksa Electricity's customer portfolio is primarily comprised of Industrial (58%), Residential (21%) and Commercial (20%) subscriber groups. Other subscriber groups constitute 1% of total consumption.

DEVELOPMENTS IN 2019

Aksa Electricity companies recorded a successful year in financial terms in 2019. "Turkey's Largest 500 Companies" list compiled by Fortune 500 ranked Aksa Electricity Sales 193rd, Çoruh Aksa Electricity Services 199th, and Firat Aksa Electricity Services 247th. Meanwhile, "Turkey's Largest 500 Companies" list compiled by Capital magazine ranked Aksa Electricity Sales 266th, Aksa Firat Electricity 359th, and Aksa Çoruh Electricity 362nd.

During the reporting period, the Energy Market Regulatory Authority (EMRA) introduced changes to consumption limits, which set the agenda for the electricity sales market. The annual consumption limit for the supplier of last resort tariff for consumer groups other than residential was lowered from 10 TWh to 7 TWh; the limit for eligible customers was reduced from 1.6 MWh to



1.4 MWh. This development helped more customers procure electricity at competitive prices under free market conditions while rendering the market more sustainable, cost-driven and competitive. Therefore, Aksa Electricity boosted efforts to reach its customer base with competitive prices and deliver the most advantageous conditions. In 2019, the Company launched consulting services in addition to electricity sales. Now, Aksa Electricity continuously monitors customer consumption with its expert staff to provide them with energy saving recommendations.

Thanks to these efforts, Aksa Electricity assumed a more active profile in the market and expanded its customer base in the industrial and commercial segments. During the year, the Company signed deals with Turkey's largest hotels, ironworking factories, and organized industrial zones.

Website upgrades for www.coruhaksa.com and www.firataksa.com to improve accessibility and customer satisfaction continued in 2019 as part of the various efforts carried out to facilitate the lives of consumers.

Aksa Electricity strives to be a brand that continuously analyzes and addresses consumer needs. To this end, the Company launched retail product sales under the name Aksa World of Advantages in the regions it serves. Aksa World of Advantages offered customers over 100 different types of products, from phone accessories and lighting products to generators. Since its launch in 2019, Aksa World of Advantages has posted revenues of TRY 1.5 million, demonstrating the success of this innovative service.

**TAKING YET ANOTHER
NOVEL STEP TOWARDS
DIGITAL TRANSFORMATION
IN 2019, AKSA ELECTRICITY
LAUNCHED A MOBILE
APP PROJECT TO ENABLE
CUSTOMERS TO MAKE FAST
AND EASY TRANSACTIONS
ANYTIME THEY WISH.**

ELECTRICITY SALES COMPANIES

AKSA ELECTRICITY MAINTAINS AND FURTHER DEVELOPS ITS SALES STRATEGY FOCUSED ON CUSTOMER SATISFACTION, WHILE STRIVING TO BOOST CUSTOMER ACQUISITION IN ALL CUSTOMER SEGMENTS AND IN ALL THE REGIONS IN TURKEY.

CUSTOMER PORTFOLIO

58%

INDUSTRIAL

21%

RESIDENTIAL

20%

COMMERCIAL

1%

OTHER

To enable customers to perform all subscription procedures and enjoy the best customer experience, Aksa Electricity commenced architectural office renovation and mobile pay desk efforts at customer service centers located in Aksa Çoruh and Aksa Fırat retail electricity sales regions. Furthermore, Aksa Çoruh Electricity and Aksa Fırat Electricity companies joined the e-State platform in 2019. As a result, customers can now complete individual subscription applications, inquire bills, cancel subscription, and inquire payment information faster, more easily and more securely. Furthermore, braille contracts for visually-impaired customers, who visit the customer service centers for subscription purposes, were introduced in 2019.

In a market that faces ever-growing competition, Aksa Electricity remains committed to responding to customer requests and delivering the most advantageous services with its customer-oriented approach. To this end, the Company collaborated with stakeholders in the insurance, telecommunication and retail sectors at its customer service centers in 2019.

As a brand that focuses on customer satisfaction and customer experience, Aksa Electricity conducted customer satisfaction surveys simultaneously in nine provinces where it delivers supply

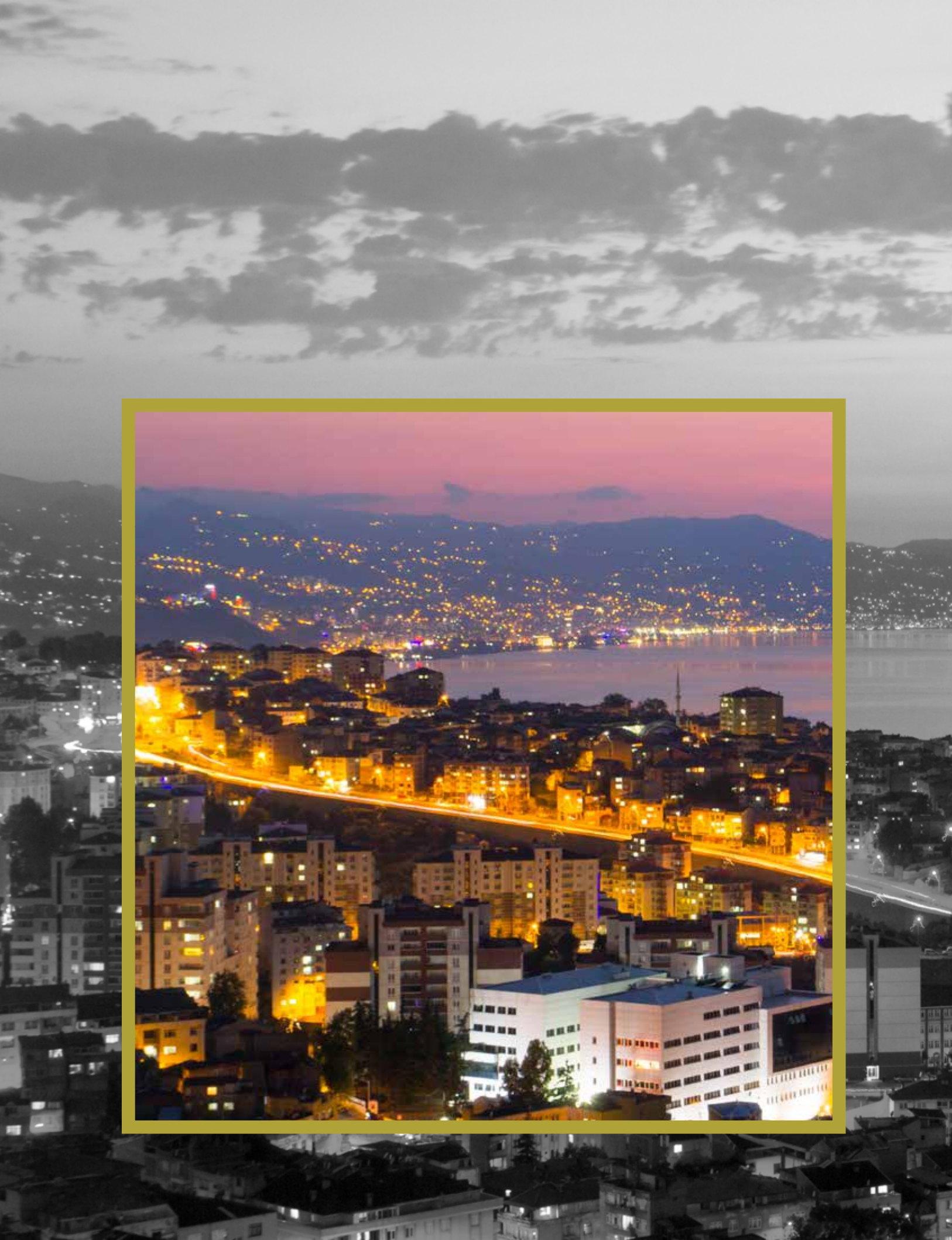
services and analyzed its brand perception. Thus, Aksa Electricity revised its business model and brand objectives in light of feedback received.

FUTURE OUTLOOK

In 2020, Aksa Electricity aims to create a consistent, balanced and sustainable portfolio and maintain its market leader position in terms of volume. The Company plans to further develop its sales strategy focused on customer satisfaction, while adopting an innovative perspective. Aksa Electricity also targets boosting customer acquisition across all customer segments and all regions in Turkey in the coming year.

Aksa Electricity plans to become closer to its customers by focusing on new digital initiatives and partnering with well-known brands in the industry to deliver shared value to the customer base.

To date, Aksa Electricity has successfully maintained its leadership position and consolidated its portfolio during the ongoing market liberalization under the eligible customer and supplier of last resort tariffs in the retail electricity sector. The Company aims to pursue further growth as a leading energy provider with new projects and investments that will boost Turkey's economy and employment numbers.



ELECTRICITY DISTRIBUTION COMPANIES

KAZANCI HOLDING'S ELECTRICITY DISTRIBUTION COMPANIES - ÇORUH ELECTRICITY DISTRIBUTION AND FIRAT ELECTRICITY DISTRIBUTION - AIM TO OFFER UNINTERRUPTED ELECTRICITY SUPPLY, A BASIC REQUIREMENT OF MODERN DAY LIFE, TO A POPULATION OF 4 MILLION IN THEIR RESPECTIVE REGIONS.

~4

MILLION
PEOPLE SERVED

29,551

Km²
ÇORUH EDAŞ
DISTRIBUTION REGION

37,365

Km²
FIRAT EDAŞ
DISTRIBUTION REGION

Kazancı Holding's Electricity Distribution Companies - Çoruh Electricity Distribution (Çoruh EDAŞ) and Fırat Electricity Distribution (Fırat EDAŞ) - aim to offer uninterrupted electricity supply, a basic requirement of modern day life, to a population of 4 million in their respective regions. Çoruh EDAŞ and Fırat EDAŞ, boost their network and infrastructure investments each year to continuously maintain electricity supply while focusing on enriching the innovative services and solutions offered to their customers.

Responsible for the supply of general luminous energy and fixing faults in the region, Çoruh and Fırat EDAŞ are mainly engaged in the following activities:

- Installing electricity distribution lines in all provinces, districts and villages in their license regions,
- Maintenance and repair of existing lines,
- Reading consumers' electricity meters,
- Identifying and replacing 10-year-old and defective meters,
- Establishing, and maintaining the sustainability of, remote reading systems in line with legal requirements,
- Conducting necessary activities so as to ensure that local energy generators connect to the distribution system and generated energy is consumed within the region,
- Subscription, service severance-activation,
- Preventing loss and theft.

Çoruh and Fırat EDAŞ take advantage of the latest technologies to manage faults and increase service quality, and they have offices in 101 districts where they serve, carrying out tasks to prevent and fix outages as soon as possible.

ÇORUH ELECTRICITY DISTRIBUTION

Çoruh Electricity Distribution has been operating in the provinces of Artvin, Giresun, Gümüşhane, Rize, and Trabzon since 2010, delivering uninterrupted and high quality distribution services.

Çoruh EDAŞ's 29,551 km² distribution region includes a subscriber base of 1,389,748 in 5 provinces, 61 districts and 1,536 villages. Within the distribution region, the Company operates 59,403 km of distribution lines -44,554 km low voltage and 14,949 km medium voltage- and 12,376 transformer stations. In 2019, Çoruh EDAŞ distributed 3.63 TWh energy in the region with a loss/theft ratio of 7.37%. This ratio is well below the Energy Market Regulatory Authority's (EMRA) target ratio of 8.68% for energy loss in 2019.

FIRAT ELECTRICITY DISTRIBUTION

Fırat Electricity Distribution has been operating in the provinces of Elazığ, Malatya, Bingöl, and Tunceli since 2011, delivering uninterrupted and high quality distribution services.



ELECTRICITY DISTRIBUTION COMPANIES

MONITORING THE DIGITALIZATION STEPS TAKEN IN THE SECTOR CLOSELY, ÇORUH EDAŞ AND FIRAT EDAŞ DIGITIZED THEIR PROCESSES TO DELIVER FASTER AND HIGHER QUALITY SOLUTIONS TO CUSTOMERS AND RENEWED ALL THEIR DEVICES TO ADAPT TO DEVELOPMENTS IN TECHNOLOGY.

59,403

Km

ÇORUH EDAŞ
DISTRIBUTION LINES

47,827

Km

FIRAT EDAŞ
DISTRIBUTION LINES

Firat EDAŞ's 37,365 km² distribution region includes a subscriber base of 977,424 in 4 provinces, 40 districts and 1,963 villages. Within the distribution region, the Company operates 47,827 km of distribution lines -27,818 km low voltage and 20,009 km of medium voltage-, and 12,637 transformer stations. In 2019, Firat EDAŞ distributed 2.51 TWh energy in the region with a loss/theft ratio of 9.93%. This ratio is well below the Energy Market Regulatory Authority's (EMRA) target ratio of 10.53% for energy loss in 2019.

DEVELOPMENTS IN 2019

In 2019, Çoruh EDAŞ and Firat EDAŞ recorded total capital investment spending of TRY 184 million. Some 697 km of overhead lines, 166 km of underground lines, 81 km of lighting network lines and 106 km of energy transmission lines were completed during the year. In total, 200 new distribution transformers with 80 mVA installed capacity were commissioned.

Çoruh and Firat Electricity Distribution Companies continued their renovation of existing facilities and accelerated maintenance-repair activities in 2019. The Companies made major technology investments that will boost customer satisfaction and ensure an uninterrupted supply of electricity.

Digitalization is making an impact in every industry, including electricity distribution. Çoruh EDAŞ and Firat EDAŞ digitized their business processes to provide

faster and high quality solutions to customers. These companies also renewed all their digital devices to adapt to changing technological developments.

Çoruh EDAŞ and Firat EDAŞ boast an advanced technology infrastructure that allows monitoring of the distribution network up to the consumer connection point. Monitoring of the distribution network facilitates surveillance, maintenance, and remote control. As part of the transition to automation of distribution network, projects to remotely monitor and control more certain switching points of the medium-voltage distribution network are prioritized and ongoing. In the Firat EDAŞ region where solar power is prevalent, 317 solar plants were integrated with the Company's monitoring system.

Çoruh and Firat Electricity Distribution Companies are committed to ensuring supply continuity; boosting commercial and technical quality; meeting the growing energy demand of existing and new subscribers; and establishing new lighting facilities in accordance with the provisions of the general lighting regulation. To these ends, the Companies conducted the following maintenance-repair efforts in 2019:



- Energy transmission lines were maintained by contractors across the Companies' license regions for a total cost of TRY 21.2 million.
- Some 694,404 fixtures with varying levels of power at 16,240 lighting facilities were overhauled; 52,446 fixtures, 145,162 light bulbs, and 116,479 components were used at these facilities.
- Maintenance efforts were carried out by the Companies' staff on 24,449 km low voltage (LV) and medium voltage (MV) lines, 3,639 transformers, and 1,376 distribution centers.
- In addition, 5,293 meters were isolated and covered with spikes to prevent power outages caused by bird strikes in the Firat EDAŞ region.

In 2019, Çoruh EDAŞ and Firat EDAŞ effectively used advanced technology in their project implementations in order to provide world-class electricity distribution service. As part of the digital transformation program, the Companies formulated a two-year road map and completed installation of the Outage Management System

(OMS) in all provinces across their license regions. OMS operates in an integrated manner with other systems such as Remote Monitoring and Control System, Geographical Information System, Automatic Meter Reading System (AMRS), Customer Information System and the Call Center. Thanks to OMS, subscribers affected by all outages, whether planned or unplanned, are recorded automatically. Çoruh and Firat Electricity Distribution Companies also updated and enhanced their mobile workforce application in terms of both design and content. As part of these efforts, the transformation of 253 tablets and push-to-talk mobile devices was completed for use in distribution operations in both regions. Meanwhile, the new mobile app enabled consumers to be instantly updated on planned and unplanned outages and convey their requests via the app.

Due to the legal requirement to include general lighting, high consumption, and manufacturer meters in the AMRS, Çoruh EDAŞ and Firat EDAŞ rapidly continued installations in the field for remote meter reading in

**ÇORUH AND FIRAT
ELECTRICITY DISTRIBUTION
COMPANIES CONDUCT
THEIR ACTIVITIES WITH
THE AWARENESS THAT
THE MOST SIGNIFICANT
OPERATIONAL RISK IS
THE DISRUPTION IN
ELECTRICITY SUPPLY,
WHICH HAS A DIRECT
IMPACT ON CUSTOMERS'
LIVES.**

ELECTRICITY DISTRIBUTION COMPANIES

CONDUCTING ACTIVITIES WITH THE AIM OF DELIVERING THE BEST SERVICE WITH MINIMUM OUTAGE, AKSA ELECTRICITY DISTRIBUTION COMPANIES IMPROVE THEIR SERVICE PROCESSES THROUGH VARIOUS R&D PROJECTS.

12,376

NUMBER OF
ÇORUH EDAŞ
TRANSFORMERS

12,637

NUMBER OF
FIRAT EDAŞ
TRANSFORMERS

distribution regions. As at year-end 2019, consumption under AMRS made up 43% and 46% of total consumption in Çoruh EDAŞ and Firat EDAŞ license regions, respectively.

R&D PROJECTS

Çoruh and Firat Electricity Distribution Companies operate with the awareness that any problem in electricity supply may have a direct impact on customers' lives. As a result, interruption in electricity supply is deemed as the most significant risk in their business operations. The Companies engage in innovative efforts to develop and improve the network. Çoruh and Firat EDAŞ aim to create the network of the future in order to ensure sustainable and quality energy supply in their license regions. Both Companies tapped into the grants of the R&D fund and accelerated their projects on emerging trend topics that pertain to the near-future of the energy sector, including smart networks, energy storage, and e-mobility.

Off-Grid HPP Project - Çoruh EDAŞ

Many hydroelectric power plants (HPP) connected to the Çoruh EDAŞ distribution network are deactivated during possible long-term outages for customers in the distribution network. Launched in 2018, the "Off-Grid HPP" project enables these networked HPPs to be operated in off-grid mode. Implemented for the first time at the distribution stage to ensure

uninterrupted energy supply, this effort helps the Company improve supply continuity indicators and minimize economic losses arising from long-term outages.

Smart Lighting Project - Çoruh EDAŞ

Çoruh EDAŞ operates in the region with the highest lighting consumption per capita and the highest number of fixtures in Turkey. Due to the difficulty of identifying fixture faults under challenging land conditions in the operation area, the Company uses new technologies and innovative products to prevent these problems. Launched in 2018, the Smart Lighting project uses a communication system through the energy line to help improve the network via checking and identifying faults in existing streetlights. This effort also aims to improve service quality, efficiency, and customer satisfaction.

Energy Everywhere Project - Firat EDAŞ

Firat EDAŞ prioritizes digital transformation to provide special services and solutions for customers. The Company carries out efforts to develop a mobile system infrastructure and implement pilot work to rapidly meet electricity needs in public spaces. The system's infrastructure is provided by the distribution company and is independent of the supplier and user. The solution also includes mobilization use and payment methods. Energy Everywhere is



designed to be used in a wide range of areas, mainly charging stations for electric bikes and cars at parks and bus stops, mobile charging stations, multi-purpose power outlets in public spaces. Six distribution companies are involved as stakeholders in the project led by Fırat EDAŞ.

Smart Distribution Center Project - Fırat EDAŞ

Fırat EDAŞ has introduced numerous innovative practices to ensure energy supply continuity. The Company developed a new project designed to control and inspect all feeder equipment from a single post in distribution centers, eliminate frequent coordination and communication problems, and ensure a secure and efficient protection system. The Smart Distribution Center project will be implemented for the first time in Turkey. Once the project is complete, different brand/model relays at each center (DM/IM) at the application

point will be connected to provide protection coordination. This modification will boost communication effectiveness and allow all management and fieldwork to be conducted on a single device.

Chemical Storage R&D Project - Fırat EDAŞ

Fırat EDAŞ is the first company in Turkey to use battery storage systems in the distribution network, a major trend in global electricity distribution sector. Under this project, the Company supports widespread use of systems that help customers generate their own electricity. While conducting network analyses to deliver uninterrupted and quality energy, Fırat EDAŞ utilizes solar power potential in its distribution region, thus introducing flexibility into its network. Fırat EDAŞ is a stakeholder in the Chemical Storage R&D project, which involves six distribution companies.

FIRAT EDAŞ IS THE FIRST COMPANY IN TURKEY TO USE BATTERY STORAGE SYSTEMS IN THE DISTRIBUTION NETWORK, A MAJOR TREND IN GLOBAL ELECTRICITY DISTRIBUTION SECTOR, AND SUPPORTS INCREASED USE OF THE SYSTEMS THAT HELP CUSTOMERS GENERATE THEIR OWN ELECTRICITY.

ELECTRICITY DISTRIBUTION COMPANIES

MAKING SIGNIFICANT INVESTMENTS IN 2019, ÇORUH EDAŞ AND FIRAT EDAŞ CONTINUED TO BOOST SERVICE QUALITY AND CUSTOMER SATISFACTION BY LAUNCHING EXEMPLARY PRACTICES IN THE SECTOR FOR FULFILLMENT OF CAPACITY REQUIREMENTS, IMPROVEMENT OF SUPPLY QUALITY AND EFFICIENCY.

3.63

TWh
ÇORUH EDAŞ -
ELECTRICITY
DISTRIBUTION VOLUME

2.51

TWh
FIRAT EDAŞ -
ELECTRICITY
DISTRIBUTION VOLUME

BUSINESS APPLICATIONS PROJECTS

Mobile Field Workforce Application

Çoruh EDAŞ and Fırat EDAŞ shape their operations around the core principle of delivering top quality service with minimum outage in the field. The Companies place great importance on the mobile workforce management application featuring the capability of responding to outages. Çoruh EDAŞ and Fırat EDAŞ also continuously renew the application in order to effectively adapt to the ever-changing world.

As part of the gradual powering project within the application, areas that are provided with a gradual power supply will be recorded. This function will help report affected subscribers and outage durations more clearly and improve System Average Interruption Duration Index (SAIDI) values.

The Mobile Field Workforce Application will also allow Çoruh EDAŞ and Fırat EDAŞ to keep a record via tablet computers of all materials used and removed from the site during and after troubleshooting and maintenance efforts carried out in 2020. Integrated with SAP, the system will enable instantaneous monitoring of inventory movements and instant reporting.

Index Reading Application

Çoruh and Fırat Electricity Distribution Companies have shifted their focus on digital

transformation and stepped up their efforts in this area. The Companies continue to develop new projects with teams consisting of staff from their central offices.

An Index Reading Application was developed entirely with internal resources and launched in the field. Incorporating the latest advanced technologies to meet existing needs, the easy-to-use application was installed on next-gen devices and made available for use in the field.

Consumer Mobile Application

Çoruh EDAŞ and Fırat EDAŞ use all communication channels in order to remain close and accessible to customers. The Consumer Mobile Application helps customers convey requests and report faults as well as lighting and electricity theft via mobile devices. The application also allows customers to instantly monitor planned and unplanned outages, while helping them inquire/ pay bills and amounts due online. Subscribers are able to enter their own indexes on the application to create an index if their meters have not been read for a variety of reasons.

These efforts aim to boost customer communication on digital platforms while enabling customers to easily perform a range of transactions without having to visit a physical branch.

Customer Satisfaction

Focusing on advanced technology and digital transformation, Çoruh EDAŞ and Fırat EDAŞ enable some 4 million residents in 101 districts in their license regions to enjoy

uninterrupted, reliable and quality electricity distribution service in everyday life. In 2019, Çoruh EDAŞ and Fırat EDAŞ undertook pioneering projects in the industry through their investments in fulfillment of capacity requirements, improvement of supply quality and efficiency. These efforts served to create higher standards of service and boost customer satisfaction. In 2019, the Companies recorded investment expenditures of over TRY 184 million to improve their competence in delivering their subscribers quality and sustainable energy.

Çoruh EDAŞ and Fırat EDAŞ, both holders of ISO 10002:2014 Customer Satisfaction Management System Certification, established and integrated the Outage Management System (OMS) with other workforce monitoring systems in 2018. OMS is designed to quickly determine the location of the fault thanks to automation systems, isolate the fault area swiftly so that the least number of users are affected, and increase alternative feeding options. Development efforts continue rapidly with the aim of responding to all possible outages - planned or unplanned - in the field more efficiently and quickly.

The 186 Call Center Hotline is available 24/7 for Çoruh EDAŞ and Fırat EDAŞ customers. The Hotline enables the Companies to respond to possible power outages as soon as possible, ensures that all kinds of faults are retroactively reported and that capital investments are made at the correct points to prevent future outages. Every report submitted to the 186 Hotline is immediately transferred to the relevant CRM center. From these centers, outage reports are conveyed to the state of the art tablets of repair and

maintenance crews working in the field. These tablets were renewed in 2019 as part of the field mobile transformation initiative. All operations conducted by repair and maintenance crews to eliminate faults can be marked as repaired, monitored, and recorded with the use of hand-held terminals in the field.

Çoruh EDAŞ and Fırat EDAŞ customers are increasingly more satisfied with the 186 Fault Notification and Solution Center thanks to its continuously raising service quality. In 2019, 98% of all calls received at the Call Center were answered at both companies.

To better respond to customer needs, the Call Center Satisfaction Surveys were conducted at Çoruh EDAŞ and Fırat EDAŞ, with Trabzon and Bingöl designated as the pilot provinces, respectively. Early feedback from the field indicates that customer satisfaction has increased. Surveys implemented throughout the region are analyzed extensively; effective and strategic actions are taken to achieve the appropriate objective.

Çoruh EDAŞ and Fırat EDAŞ consumers are notified of planned outages via text message in order to respond swiftly to customer requests within the respective service regions and keep consumers updated about the Companies' operations. Local authorities across the region have been directly registered into this notification system. As a result, all notices and complaints originating from local authorities are considered a priority as part of VIP designation in the system and are finalized quickly. Additionally, customers who have submitted their mobile phone information into the system are notified of overdue bills via SMS prior to the disconnecting of the electricity supply.

THE 186 CALL CENTER IS AVAILABLE 24/7 FOR THE CUSTOMERS OF ÇORUH AND FIRAT ELECTRICITY DISTRIBUTION COMPANIES, AND REPORTS ALL FAULTS RETROACTIVELY TO MAKE SURE INVESTMENT PROGRAMS ARE CONDUCTED AT THE CORRECT POINTS TO PREVENT OUTAGES.

ELECTRICITY DISTRIBUTION COMPANIES

SINCE THEIR PRIVATIZATION IN 2010, ÇORUH AND FIRAT ELECTRICITY DISTRIBUTION COMPANIES HAVE INVESTED AROUND TRY 1.5 BILLION, AND STILL CONTINUE WITH NEW INVESTMENTS TO CREATE VALUE FOR TURKEY, THE INDUSTRY, AND ALL STAKEHOLDERS.

191

TRY MILLION
ÇORUH EDAŞ - 2020
INVESTMENT TARGET

Customer relations trainings are planned in order to establish healthier, better quality and more efficient communication with the customers one-to-one. These training sessions are conducted throughout the year. Meetings with local authorities are organized to analyze customer complaints and requests; WhatsApp chat groups, which are available 24/7, are also used to facilitate communication with local authorities.

Çoruh EDAŞ and Fırat EDAŞ prioritize their customers whose quality of life critically depends on electrical devices through VIP designation. One-to-one communication channels are established with these customers at their request. In addition, all company communication channels are open to all stakeholders, including customers, members of the public, NGOs, local and national press. Stakeholder gatherings are held regularly through various events and organizations.

Çoruh and Fırat Electricity Distribution Companies actively use social media channels – a must in today's digital world. The Companies use social media to change customer perception in a positive direction and to capitalize on alternative means of communication. Besides social media, instant communication with customers is also possible via the websites of both companies at www.coruhedas.com.tr and www.firatedas.com.tr.

Applying the latest trends in advanced technology, Çoruh EDAŞ and Fırat EDAŞ aim to set an example for the industry especially in digitalization and automation.

FUTURE OUTLOOK

Since their privatization in 2010, Çoruh and Fırat Electricity Distribution Companies have recorded approximately TRY 1.5 billion in capital investment expenditure. Both companies continue to make new investments in order to add value to our country, the industry and all their stakeholders by providing uninterrupted and high quality electricity to customers in the distribution regions.

Çoruh EDAŞ is planning to make an investment worth TRY 191 million in 2020. These investments and ongoing planned repair and maintenance works are designed to increase the technical quality of the electricity supplied to consumers within the Company's distribution region. Studies suggest that significant improvements can be expected with respect to the average outage duration per customer and its frequency. Primary aims of Çoruh EDAŞ for 2020 include decreasing technical and non-technical losses to 7.70%, which is lower than the target loss/theft ratio of 8,22% set by EMRA for 2020.

Fırat EDAŞ is planning to make an investment of TRY 132 million in 2020. To achieve the level aimed by the Company's quality

132

TRY MILLION
FIRAT EDAŞ - 2020
INVESTMENT TARGET



indicators, repair and maintenance works and projects to increase the service quality will continue in a manner that will not disrupt service. Plans are currently underway to develop projects that identify potential faults more rapidly and effectively via high-technology R&D efforts and to prepare maps for distribution facilities.

The aim of the Company is to maximize (99%) the Automatic Meter Reading System (AMRS) reading and billing level, and enroll the majority of the customers on the AMRS system to allow them to remotely access billing and index information. Fırat EDAŞ also aims to lower the technical and non-technical losses to 9.30%, below the target loss/theft ratio of 10.42% set by EMRA for 2020.

FIRAT EDAŞ AIMS TO LOWER THE TECHNICAL AND NON-TECHNICAL LOSSES TO 9.30%, BELOW EMRA'S 2020 LOSS/THEFT TARGET RATIO OF 10.42%.

AKSA ELECTRICITY IN FIGURES*

	2018	2019	Change (%)
Sales Volume (TWh)	9.0	11.2	24
Revenues (TRY billion)	4.0	5.6	40
Number of Subscribers (million)	2.1	2.4	14
Population Served (million)	3.7	3.7	-
Customer Service Center (CSC)	80	81	1
EBITDA (TRY million)	600	970	62
Net Profit (TRY million)	6	411	6,750
Investment (TRY million)	236	184	-22

*Figures represent the total figures of Aksa Electricity Sales, Çoruh Electricity Retail Sales, Fırat Electricity Retail Sales, Çoruh Electricity Distribution and Fırat Electricity Distribution.

“WE HAVE LINGERED
LONG ENOUGH ON THE
SHORES OF THE COSMIC
OCEAN. WE ARE READY
AT LAST TO SET SAIL FOR
THE STARS.”

Carl Sagan

American astronomer, cosmologist, astrophysicist,
author and scientist

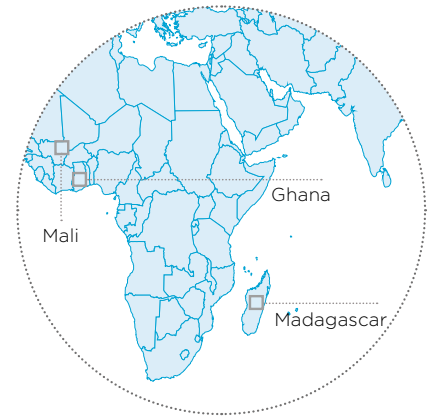
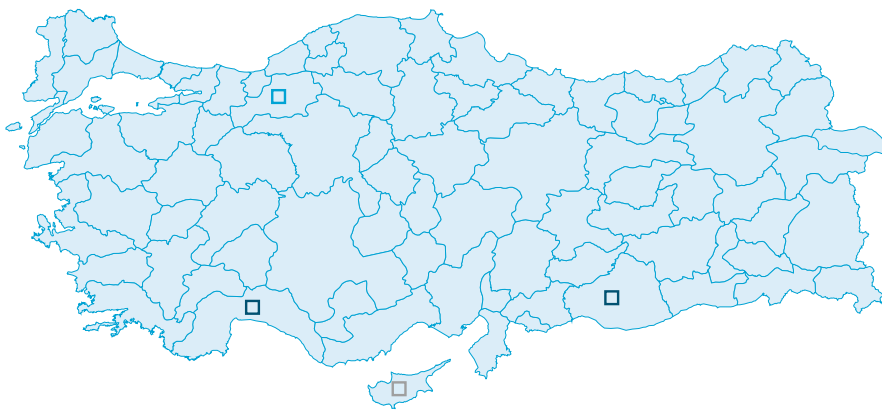


AKSA ENERGY

ESTABLISHED IN 1997, AKSA ENERGY IS A GLOBAL INDEPENDENT POWER PRODUCER BOASTING A PRESENCE IN 5 COUNTRIES ACROSS 2 CONTINENTS WITH POWER PLANTS INSTALLED AND OPERATED IN TURKEY AND OVERSEAS.

28%
Share in
Revenues

ELECTRICITY GENERATION



■ COMBINED-CYCLE NATURAL GAS

■ FUEL OIL

■ LIGNITE

INSTALLED CAPACITY

SALES VOLUME

REVENUES

1,946

MW

16.5

BILLION KWh

5.6

TRY BILLION



Bolu Göynük Thermal Power Plant

AKSA ENERGY

TAKING IMPORTANT INITIATIVES IN LINE WITH ITS RECENT GLOBALIZATION DRIVE, AKSA ENERGY TRANSFORMED FROM A LOCAL ENERGY COMPANY TO A GLOBAL POWER PRODUCER WITH ITS POWER PLANTS IN TURKEY, TRNC, GHANA, MADAGASCAR AND MALI.

1,467

TRY MILLION
EBITDA

455

TRY MILLION
NET PROFIT

Established in 1997, Aksa Energy is a global independent power producer boasting a presence in 5 countries across 2 continents with power plants installed and operated in Turkey and abroad. Taking important initiatives in line with its recent globalization drive, Aksa Energy transformed from a local energy company into a global power producer with its power plants in Turkey, TRNC, Ghana, Madagascar and Mali. Since 2015, the Company

has cancelled licenses of some of its natural gas and fuel oil plants in Turkey and made significant investments overseas. As at year-end 2019, the Company has made an investment worth TRY 1.34 billion as part of its globalization strategy.

In 2010, 21.4% of Aksa Energy's shares were listed on Istanbul Stock Exchange (BIST) under the ticker AKSEN. Aksa Energy's shares are also publicly traded on BIST 100 and BIST Sustainability indices.

Number of Power Plants	7
Installed Capacity	1,946 MW
Antalya	900 MW
Bolu, Göynük	270 MW
Şanlıurfa	147 MW
TRNC	153 MW
Mali	40 MW
Ghana	370 MW
Madagascar	66 MW
Number of Power Plants Operated on Behalf of Madagascar	1
Installed Capacity Operated on Behalf of Madagascar	24 MW
Madagascar CTA-2	24 MW



1

THERMAL
POWER PLANTBolu, Göynük
270 MW**270 MW**TOTAL INSTALLED
CAPACITY

2

NATURAL GAS
COMBINED CYCLE
POWER PLANTSAntalya
900 MWŞanlıurfa
147 MW**1,047 MW**TOTAL INSTALLED
CAPACITY

4

HEAVY FUEL OIL
POWER PLANTSNorthern Cyprus
153 MWGhana
370 MWMadagascar
66 MW**629 MW**TOTAL INSTALLED
CAPACITYMali
40 MW

1

HEAVY FUEL OIL
POWER PLANTMadagascar CTA-2
24 MW**24 MW**INSTALLED CAPACITY
OPERATED ON BEHALF
OF THE COUNTRY

AKSA ENERGY

AKSA ENERGY ACQUIRED THE MINORITY SHARES OF AKSAF POWER LTD, 41.65% OF WHICH WERE OWNED BY A FOREIGN SHAREHOLDER, BECOMING THE SOLE OWNER OF THE COMPANY, WHICH CONTROL THE POWER PLANT IN MADAGASCAR.

8.5

TRY BILLION
ASSETS

3.8

TRY BILLION
SHAREHOLDERS'
EQUITY

1.34

TRY BILLION
INVESTMENTS
(2015 - 2019)

26%

EBITDA MARGIN

DEVELOPMENTS IN 2019

CTA-2 Heavy Fuel Oil Power Plant Reached 24 MW Installed Capacity

Aksa Energy rehabilitated and took over the operation and maintenance of a 24 MW power plant in Madagascar in 2018, and commissioned the 12 MW capacity of the plant in December 2018. Since January 2019, the power plant has been in operation with an installed capacity of 24 MW.

Aksa Energy Acquired the Minority Shares of AKSAF Power Ltd in Madagascar

Aksa Energy acquired the minority shares of AKSAF Power Ltd, 41.65% of which were owned by a foreign shareholder. This transaction made Aksa Energy the sole owner of AKSAF Power Ltd, which control the power plant in Madagascar.

Preliminary Negotiations with Cameroon and the Republic of Congo Began

In 2019, Aksa Energy established local companies to develop projects and hold preliminary negotiations with Cameroon and the Republic of Congo.

Aksa Energy signed a 12-month preliminary MoU with the Cameroon Ministry of Water Resources and Energy (MINEE) to develop a project for a 150 MW natural gas-fired power plant. The Company also signed a non-binding memorandum of understanding with Gaz du Cameroun S.A. for natural gas supply.

The Company also obtained a 12-month preliminary license for two natural gas-fired electricity generation and sales projects in the Republic of Congo.

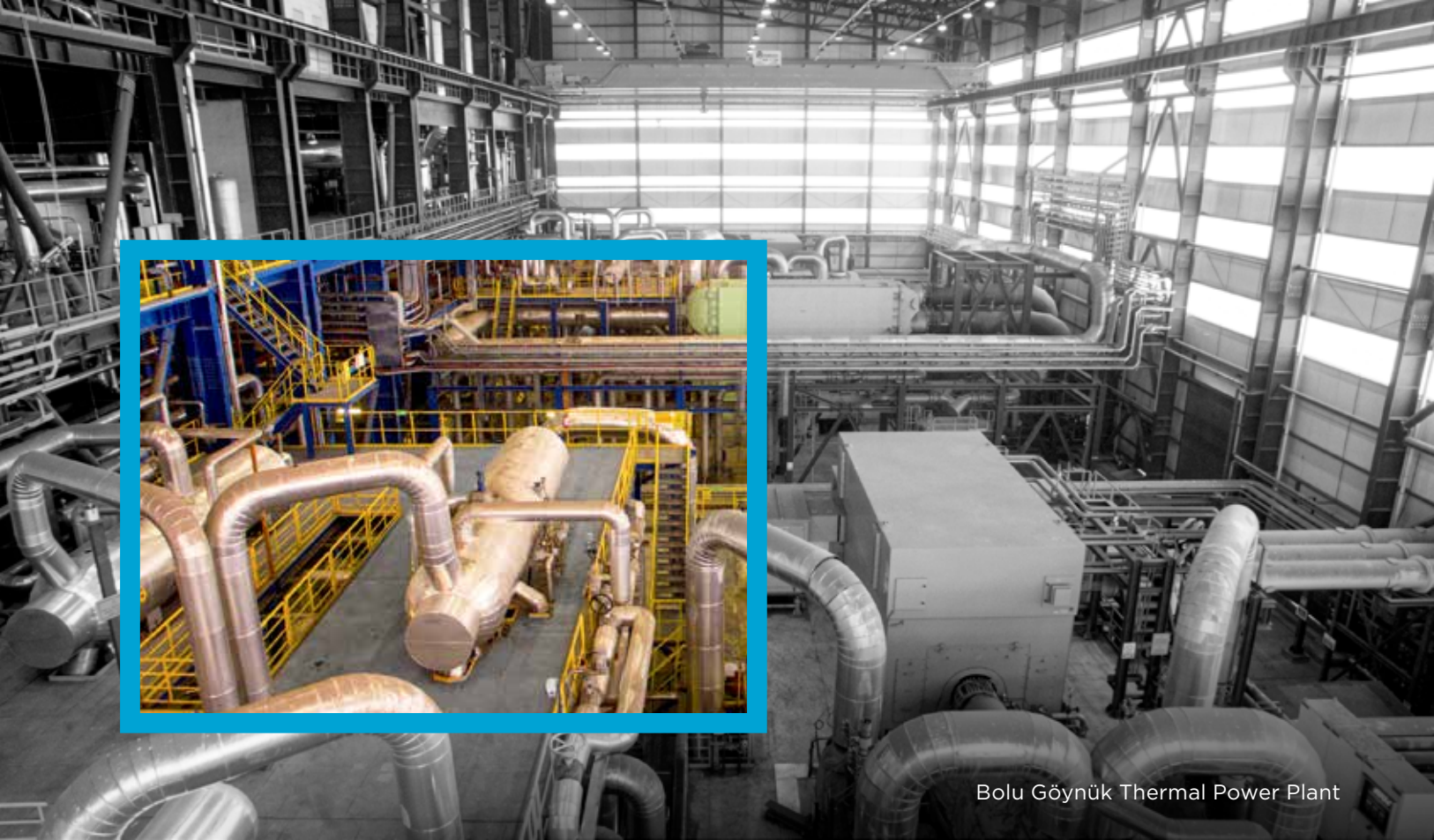
Bolu Göynük Thermal Power Plant Passed the Integrated Environmental Inspection with Zero Offense

As the period given to the thermal power plants for the completion of flue gas filtration investments expired as of December 31, 2019, Bolu Göynük Thermal Power Plant, which has flue gas filtration system since its commissioning in 2015, continues operations uninterrupted.

Bolu Göynük Thermal Power Plant holds an Environmental Permit and License Certificate for air emission, wastewater discharge and landfill. Continuing with environmental monitoring activities to ensure the continuity of this certificate, the power plant passed the Integrated Environmental Inspection conducted by the Bolu Provincial Directorate of Environment and Urbanization with zero offense.

Aksa Energy in the Sustainability Index

Since 2015, Aksa Energy has been listed on the Sustainability Index of Istanbul Stock Exchange, which incorporates publicly-traded companies with a high level of corporate sustainability performance. Being one of the 14 companies included in this list in 2015, Aksa Energy qualified once again for the Sustainability Index in the November 2019-October 2020 period, as in November 2018-October 2019 period.



Bolu Göynük Thermal Power Plant

AKSA ENERGY IN FIGURES

Consolidated (TRY million)	2015	2016	2017	2018	2019	Change (%)
Revenues	2,307	3,178	3,599	4,669	5,579	19.5
Profit/Loss	(216)	(363)	390	150	455	203.3
Assets	4,042	4,153	5,202	6,438	8,501	32.0
Shareholders' Equity	771	387	1,661	1,818	3,819	110.0
EBITDA	443	435	493	1,033	1,467	42.0
EBITDA Margin (%)	19	14	14	22	26	18.2

FUTURE OUTLOOK

In pursuit of its globalization goals, Aksa Energy shifted its focus to African market following TRNC; and the Company quickly transformed into a significant energy player on the continent with investments in Ghana, Madagascar and Mali. Investing in African countries in need of energy and infrastructure investments, Aksa Energy boosted its profitability and foreign-currency based sales.

Meanwhile, the Company also expanded its support to the Turkish economy with the foreign currency cash flow it generated.

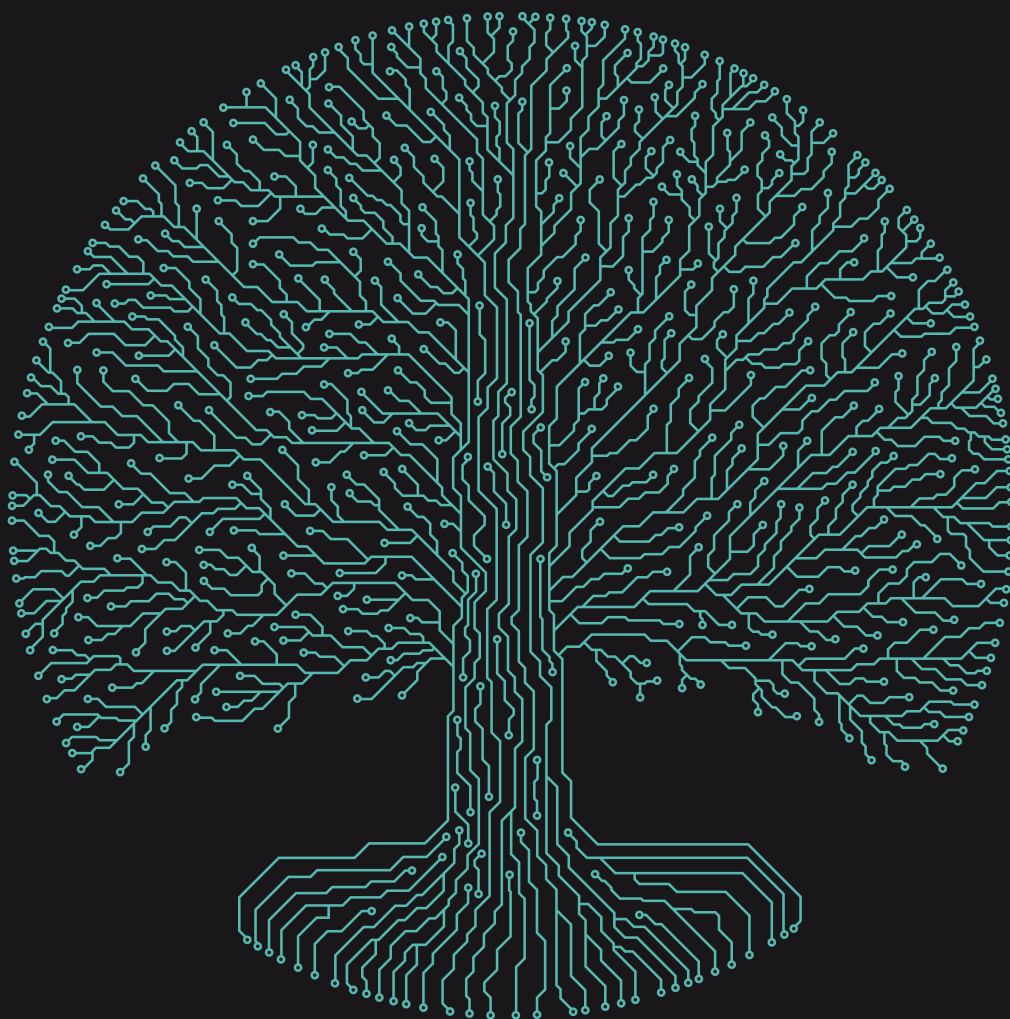
Having transformed from a domestic energy company into an international power producer, Aksa Energy pursues investment opportunities across all regions that have an urgent demand for energy, including Africa in particular, and continues efforts to expand its overseas portfolio.

STRIVING TO EXPAND ITS OVERSEAS PORTFOLIO, AKSA ENERGY PURSUES NEW INVESTMENT OPPORTUNITIES IN ALL REGIONS THAT HAVE AN URGENT DEMAND FOR ENERGY, INCLUDING AFRICA IN PARTICULAR.

“NANOTECHNOLOGY HAS GIVEN US THE TOOLS TO PLAY WITH THE ULTIMATE TOY BOX OF NATURE - ATOMS AND MOLECULES. EVERYTHING IS MADE FROM IT AND THE POSSIBILITIES TO CREATE NEW THINGS APPEAR LIMITLESS.”

Horst Ludwig Störmer

German physicist awarded the 1988 Nobel Prize for his discovery of a new form of quantum fluid with fractionally charged excitations

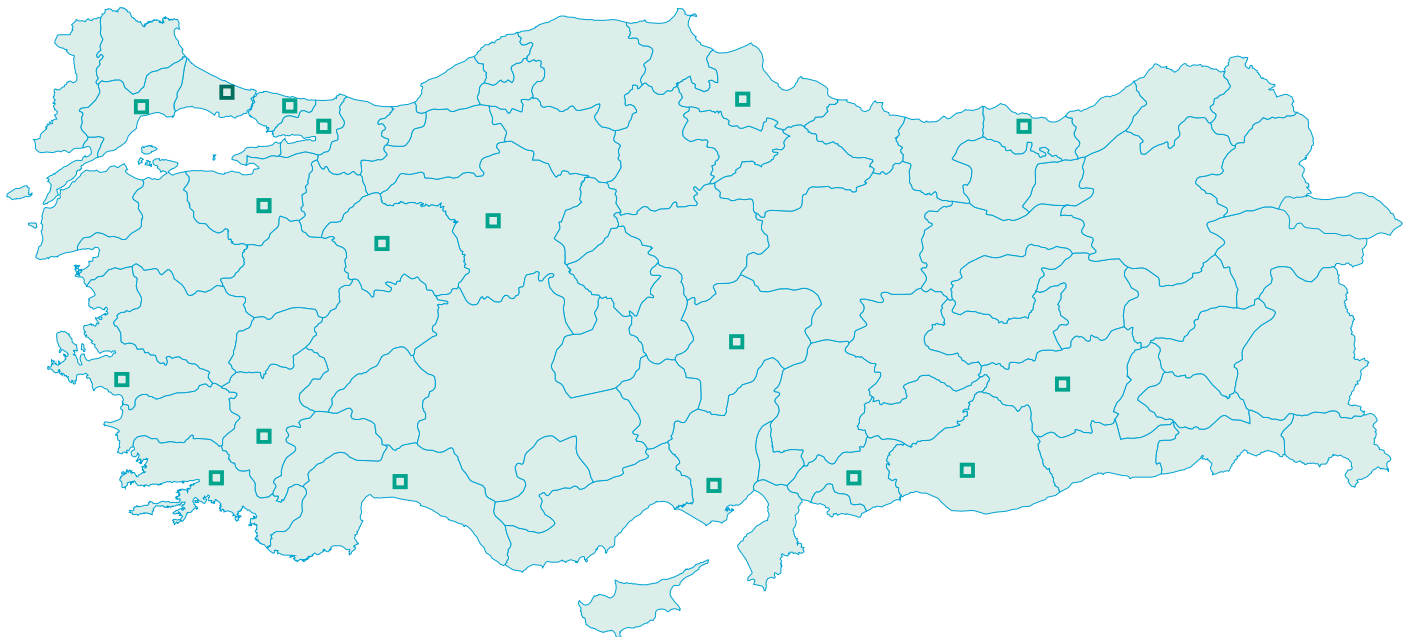


AKSA POWER GENERATION

HAVING MAINTAINED ITS UNDISPUTED LEADERSHIP IN THE TURKISH GENERATOR MARKET FOR MANY YEARS, AKSA POWER GENERATION CREATES FURTHER VALUE FOR TURKEY'S ECONOMY WITH EXPORTS TO 173 COUNTRIES.

8 %
Share in
Revenues

GENERATOR MANUFACTURING AND SALES



■ AKSA POWER GENERATION MANUFACTURING PLANT ■ AKSA POWER GENERATION SALES OFFICES

PRODUCTION
CAPACITY

40,000

UNITS

PRODUCTION
FACILITY

150,000

m²

OVERSEAS SALES
OFFICES

23*

*Includes overseas representative offices.



Aksa Power Generation Factory in China

AKSA POWER GENERATION

AKSA POWER GENERATION SETS THE STANDARDS AND PIONEERS CHANGE IN THE SECTOR THROUGH INNOVATIVE PRODUCTS IT DEVELOPS.

19

OVERSEAS SALES
OFFICES

4

OVERSEAS
REPRESENTATIVE
OFFICES

23

AKSA POWER
CENTERS (APC)

100

LOCAL SERVICE
POINTS

Aksa Power Generation began its production journey with the electrical motor factory established by Ali Metin Kazancı in 1968. In 1984, it manufactured its first generator and in a short time became a specialist in the field of machine and hardware production, becoming one of the leading generator manufacturers in the world. Aksa Power Generation, which has maintained its leading position in the Turkish generator market for many years and ranked among Turkey's largest exporters, constantly creates added value for the Turkish economy with exports to 173 countries.

Always a pioneer for change, Aksa Power Generation swiftly adapts to technological and scientific developments and sets standards in the industry with its innovative products. The Company was one of the first companies in the world to manufacture generators that run on natural gas, and it is indisputably the leader when it comes to synchronized generators. Aksa Power Generation continues to work more intensively on environmentally friendly generators with lower fuel consumption and lower noise levels through its recent R&D investments.

OPERATIONS

Manufacturing and Sales

Aksa Power Generation manufactures generators between 1 kVA and 3,125 kVA, which can run on petrol, diesel, and natural gas, as well as supplementary marine generators, lighting masts,

and generator hardware in its factories in Istanbul (Turkey, 20,000 m² indoor space), Changzhou (China, 120,000 m² indoor space), and Louisiana (USA, 10,000 m² indoor space), and boasts a diesel generator production capacity of 40,000 units.

In 2016, Aksa Power Generation added to its product portfolio the hybrid generator, which it designed completely based on its own research and development efforts, and which can derive its energy from renewable sources, such as wind and solar energy, making it a technology for the future. Providing fuel savings up to 70% and offering an affordable and efficient alternative to consumers as an environmentally friendly generator, the hybrid generator also comes equipped with Remote Management System (RMS), allowing users to remotely access and check data entries.

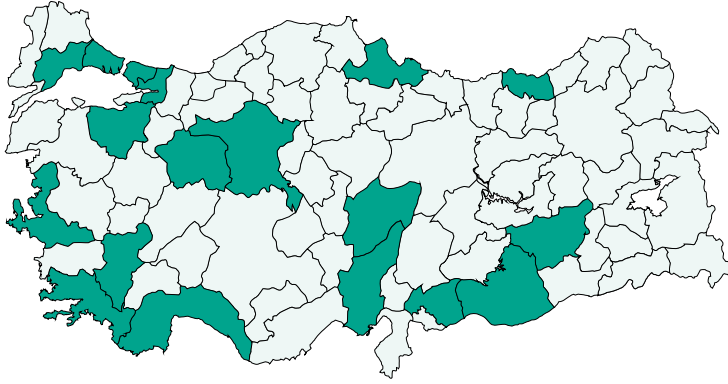
More than 65% of Aksa Power Generation's production is exported and the Company ranks among top 5 companies in the industry globally with 19 overseas sales offices and 4 representative offices in Asia, Europe, Africa, and America. As at the end of 2019, the Company conducts overseas activities via sales offices in the UK, South Africa, Russia, Ghana, Algeria, UAE, Iraq, Kazakhstan, Uzbekistan, China, Indonesia, Vietnam, the USA and Singapore, in addition to representative offices based in the USA, Kenya, Egypt and the Netherlands.

Service and Spare Parts

Aksa Power Generation operates 100 service points across Turkey with a team of 300 expert staff and 150 vehicles providing 24/7 after sales support and service all year round.

DOMESTIC SALES POINTS

Aksa Power Generation provides services at the following 23 APCs (Aksa Power Center) located across Turkey:



- Aksa Adana
- Aksa Anadolu
- Aksa Ankara
- Aksa Ankara Branch
- Aksa Antalya
- Aksa Bağcılar
- Aksa Beyoğlu
- Aksa Bodrum
- Aksa Bursa
- Aksa Çorlu
- Aksa Denizli
- Aksa Diyarbakır
- Aksa Eskişehir
- Aksa Gaziantep
- Aksa Gebze
- Aksa İzmir
- Aksa Kağıthane
- Aksa Kayseri
- Aksa Marmaris
- Aksa Samsun
- Aksa Şanlıurfa
- Aksa Trabzon
- Aksa Trakya

Thanks to its extensive network, the Company can respond to any technical issue, customers might experience, as quickly as possible.

Expert teams at regional offices and APCs, coupled with ample stock of spare parts for the most frequently needed parts, differentiate Aksa Power Generation from the competition in terms of service quality. The Company is currently investing in a training network that would introduce authorized services in Turkey as its latest innovation in the industry.

Aksa Rental

Aksa Rental provides generator rentals in Turkey and abroad at the head offices in Istanbul and Dubai, offering a large product range consisting of fuel and diesel based generator sets with an experienced staff.

Aksa Rental can also provide package deals to meet its customers' periodic and ongoing energy needs - including exploration, assembly, service, and transportation solutions. Aksa Rental boasts Turkey's biggest generator fleet with capacities ranging from 1 kVA to 2,500 kVA.

Aksa Rental Mobile Generators are designed for situations, which might call for an urgent energy supply, and constitute a first in this field in Turkey. The system can supply energy up to 400 kVA with a single mobile generator, and up to 1,200 kVA in the form of synchronized gensets.

Thanks to their sound insulation properties, the Aksa Mobile Generators are classified as "Super Quiet." Their advanced working properties have allowed Aksa Mobile Generators to provide energy for many important events and they are the product of choice for many large projects and construction sites.

Second Hand Generators

Aksa Second Hand Generator Department was established to provide a reliable and professional service for second hand generator purchases and sales. Second hand generators are appraised on-site by qualified engineers specialized in this subject and are evaluated under the best terms and at optimal prices.

Generators, which have passed quality control tests and underwent extensive overhauls are put on sale by the Aksa

TAKING A SIGNIFICANT LEAP TO PROMOTE ITS POSITION TO AN UPPER LEAGUE AS A GLOBAL BRAND, AKSA POWER GENERATION PARTNERED WITH MITSUBISHI HEAVY INDUSTRIES (MHI) - JAPAN'S LARGEST MOTOR PRODUCER - AND ESTABLISHED A JOINT VENTURE HEADQUARTERED IN ASIA PACIFIC IN 2019.

AKSA POWER GENERATION

AKSA POWER GENERATION OPERATES AT 100 SERVICE POINTS ACROSS TURKEY WITH A TEAM OF 300 EXPERT STAFF AND A FLEET OF 150 VEHICLES PROVIDING 24/7 AFTER SALES SUPPORT ALL YEAR ROUND.

1.5

TRY BILLION
REVENUES

176

TRY MILLION
EBITDA

170

USD MILLION
EXPORTS

Second Hand Department and are placed under warranty along with a periodic maintenance agreement. Moreover, depending on customer requests, old generators can be removed from their locations and replaced with new generators, which provide the best power range for their requirements.

Aksa Power Generation is also a leader in the industry in second-hand generator purchase and sales thanks to:

- Quality control tests prior to the sale,
- Support provided by expert technical teams,
- Best sales prices reflecting the value of approved products,
- Thorough support following the sale,
- Warranty for second-hand generators,
- Spare part support, and
- Immediate solutions from a widespread service network.

DEVELOPMENTS IN 2019

Following an intensive preparation and audit period in 2019, Aksa Power Generation received accreditation from Turquality, the world's largest export support program. Turquality provides a competitive edge for Turkish brands in global markets.

Taking a major leap forward as a global brand, Aksa Power Generation partnered with Japan's largest motor producer Mitsubishi Heavy Industries (MHI) in 2019 to establish a joint venture based in Asia-Pacific. This company will

produce high-tech generators, while providing innovative solutions to meet the needs of data center projects in particular. Under the brand Mitsubishi-Aksa, the new company will manufacture state of the art generators using Mitsubishi motors in production. This joint venture will help generate additional business volume of USD 100 million annually.

In 2019, Aksa Power Generation also launched an e-commerce portal where existing and potential customers are able to view and purchase generators easily. The portal is expected to boost sales and customer satisfaction thanks to the Company's broad sales network. The e-commerce website will communicate commercials and promotional campaigns to customers easily and swiftly, while enabling real-time access to data and increasing reporting efficiency.

Celebrating its 35th anniversary in 2019, Aksa Power Generation undertakes efforts to further develop the sector, capitalizing on its experience and know-how spanning almost half a century. Throughout the year, the Company organized numerous training courses, meetings, sponsorships, exhibitions, technical briefings, product promotions and general generator courses for customers and stakeholders in Turkey and abroad. In addition, Aksa Power Generation collaborated with the Chambers of Electrical Engineers to provide some 2,000 engineers with informational courses on how to select and use generators in 7 provinces across Turkey.



AKSA POWER GENERATION IN FIGURES

	2018	2019	Change (%)
Revenues (TRY Million)	1,297	1,491	15
EBITDA (TRY Million)	171	176	3
Exports (USD Million)	168	170	1

FUTURE OUTLOOK

Aksa Power Generation plans to maintain its domestic market leadership with a focus on innovation and customers, while further expanding its customer base in the coming year. Placing long-term global objectives at the heart of its growth strategy, the Company aims to rank among the top three generator producers in the world by 2025.

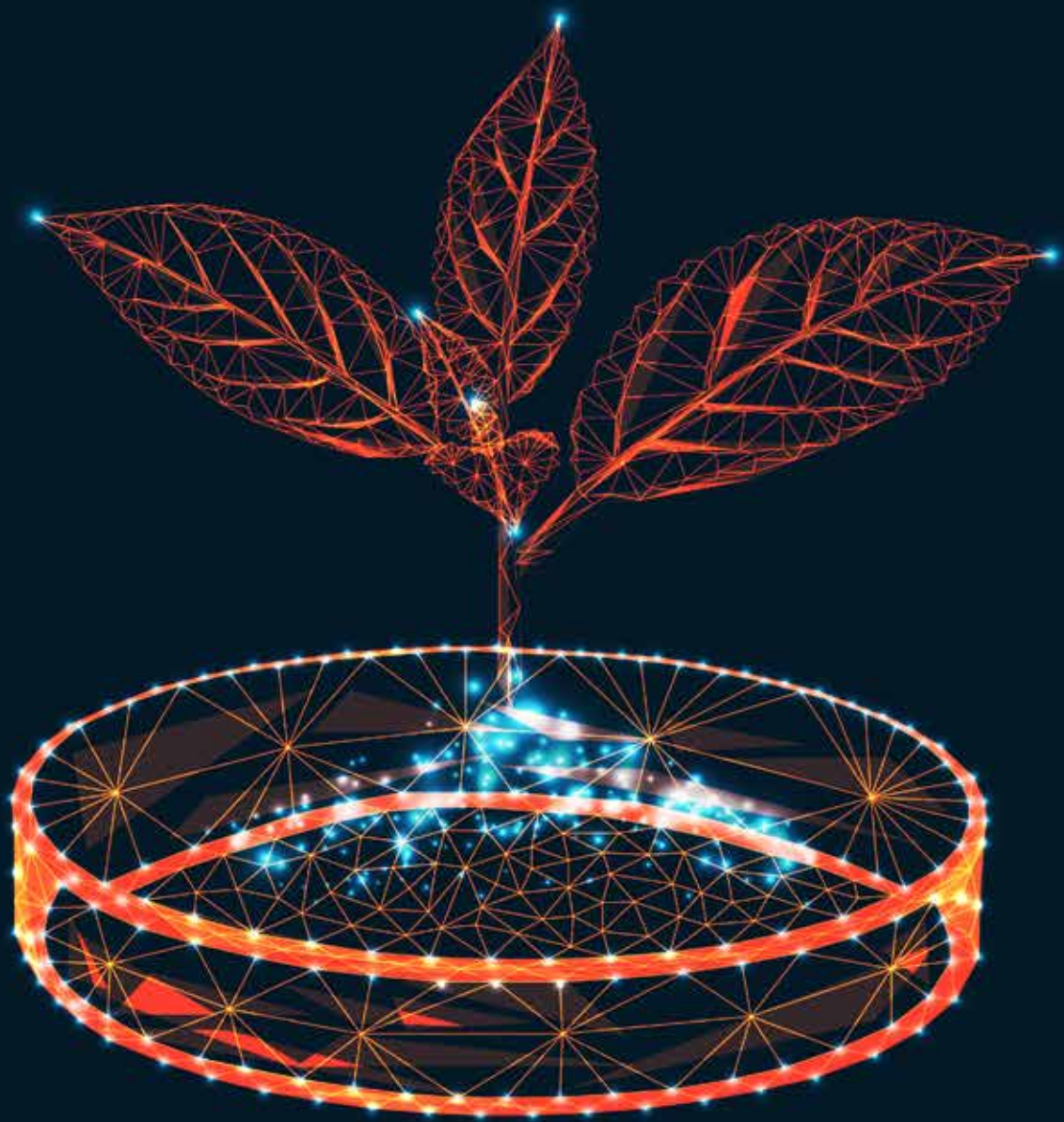
Aksa Power Generation aims to broaden its global sales network in order to accelerate growth. To that end, the Company closely monitors potential opportunities in the African and South American markets.

DRIVEN BY ITS INNOVATIVE AND CUSTOMER-CENTRIC APPROACH, AKSA POWER GENERATION AIMS TO EXPAND ITS CUSTOMER BASE AND CEMENT ITS LEADING POSITION IN THE TURKISH MARKET IN THE COMING PERIOD.

“THE CODES OF
AGRICULTURE AND
LIVESTOCK ARE
CHANGING. PLAZAS WILL
TURN INTO VERTICAL
FARMS FOR SOILLESS
AGRICULTURE. WE WILL
PRODUCE FOOD IN
LABORATORIES.”

Ufuk Tarhan

Turkish futurist appearing on the “World’s 100 Most
Influential Women Futurists” list



AKSA AGRICULTURE

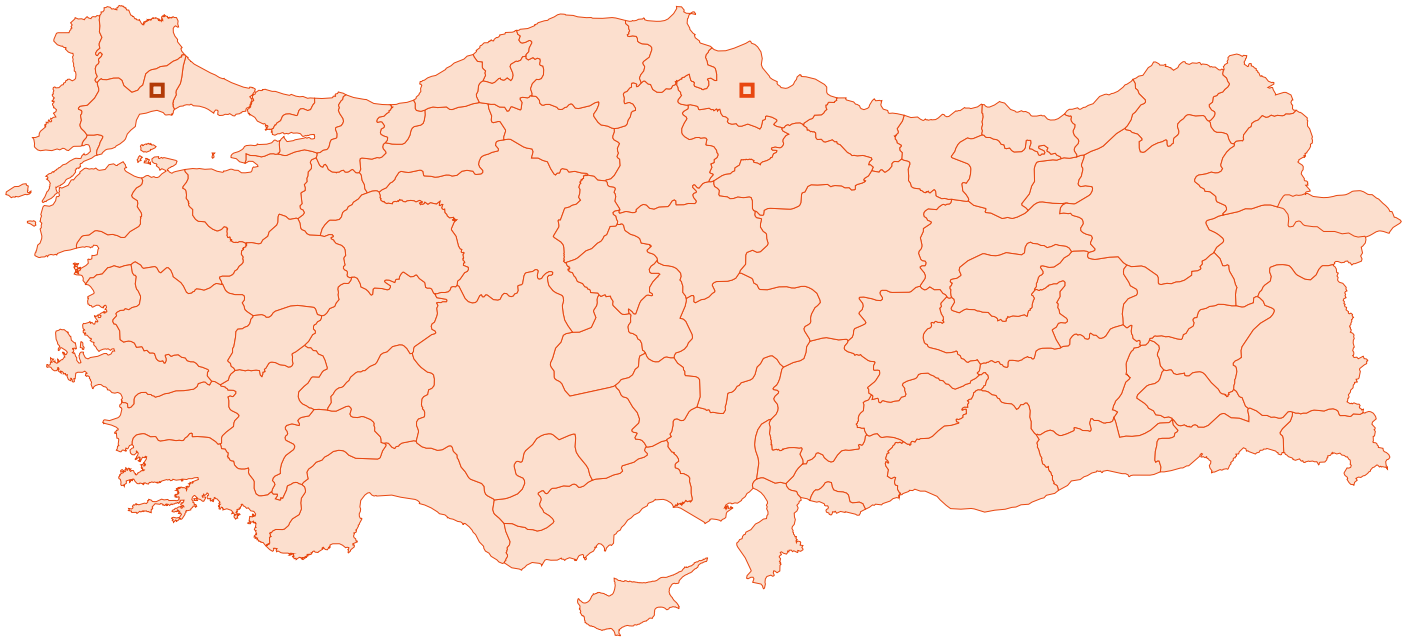
VENTURED INTO THE AGRICULTURE AND LIVESTOCK SECTOR WITH A 30-YEAR LEASE OF İNANLI AND GELEMEN AGRICULTURAL ENTERPRISES, AKSA AGRICULTURE OPERATES BOTH FARMS AT EU STANDARDS.

1%

Other Group
Companies' Share
in Revenues*

**Total share of Aksa Agriculture
and Aksa Tourism*

AGRICULTURAL ENTERPRISES



□ TEKİRDAĞ - İNANLI AGRICULTURAL ENTERPRISE

□ SAMSUN - GELEMEN AGRICULTURAL ENTERPRISE

MILK PRODUCTION

BREEDING CATTLE

DAIRY CATTLE

15,627

Tons

11,592

Heads

3,265

Heads*

**Annual average*



AKSA AGRICULTURE

SINCE THE DAY IT WAS FOUNDED, AKSA AGRICULTURE HAS PLAYED AN ACTIVE ROLE IN THE DEVELOPMENT OF AGRICULTURE AND LIVESTOCK IN TURKEY. THE COMPANY RANKS AMONG THE TOP 10 MEAT AND MILK PRODUCTION ENTERPRISES IN TURKEY.

14,000

Heads
CATTLE CAPACITY

21,812

Tons
SILAGE CORN
PRODUCTION

1,010

Tons
SUGAR BEET
PRODUCTION

In 2005, Kazancı Holding signed a 30-year lease for İnanlı Agricultural Enterprise and Gelemen Agricultural Enterprise, which were offered for lease by the General Directorate of Agricultural Enterprises, and entered the agriculture and livestock sector. Since the day it was founded, Aksa Agriculture has played an active role in the development of agriculture and livestock in Turkey, and operates both of its farms at EU standards.

Ranking among the top 10 meat and milk production farms in Turkey, Aksa Agriculture boasts a cattle capacity of 14,000 heads. The Company engages in activities related to cattle breeding and dairy farming, fruit gardening, grain production, silage corn production, and rice planting, while steadily increasing the inputs it produces for the Turkish agriculture and livestock sector.

İNANLI ENTERPRISE

At its İnanlı Enterprise in Tekirdağ, Aksa Agriculture has been farming dairy cattle with an expert team of zootechnicians, veterinarians, and agricultural engineers. With a capacity of 1,600 cows, it produces monthly 1,300 tons of chilled raw cow's milk, which is certified at EU standards.

The Company undertakes pioneering cattle farming activities at its 6,000 head capacity barn at İnanlı Enterprise

constructed to ensure minimum harm to the environment. Upon the completion of the barn in 2017, Aksa Agriculture entered the Turkish meat sector and put its first lot of livestock on sale the same year.

In addition to breeding and dairy cattle farming, Aksa Agriculture also sows two sets of crops each year at İnanlı Enterprise. 650 tons of pellet feed are produced monthly alongside wheat, vetch, silage corn, and dry hay on an area of 8,600 decares.

As a result of regular investments made since 2015, İnanlı Enterprise includes following facilities as of year-end 2019:

- 4 closed system barns with 480-head capacity,
- 2 closed system barns with 240-head capacity,
- Semi-open system barn with 500-head capacity,
- Open system feeding barn with 6,000-head capacity,
- Calf sheds with 450-head capacity,
- Delivery barn with 250-head capacity,
- 2 German Rotary milking facilities with 40 units,
- 40-unit parallel milking system,
- 12 silage wells with 2,000-ton capacity,
- Pellet feed facility with a production capacity of 5 tons/h,
- Drip irrigation system covering a 4,000-decare area.



Aksa Agriculture - İnanlı Agricultural Enterprise

GELEMEN ENTERPRISE

At its Gelemen Enterprise in Samsun, Aksa Agriculture plants two sets of crops each year on an area of 7,000 decares, producing hay, wheat, rice, sunflower, and silage corn, and carries out EU and 'good farming practice' certified apple production spanning 450 decares. The farm also includes cattle barns, 28,200 m² of which are indoor and 7,040 m² of which are outdoor.

Since 2017, efforts are undertaken to choose suitable types of crop and to increase the yield by considering the crop productivity of previous years as well as the area's geographical and environmental properties. The yields for wheat and silage corn are above the regional average at the Gelemen Enterprise. Furthermore, the enterprise commenced rice production in 2018 and continues with its activities based on a cooperative production model formed with local farmers who know the region's characteristics well.

Adopting an environmentally-sensitive approach across its operations, Aksa Agriculture commissioned a biogas recycling facility at Gelemen Enterprise in 2018 to repurpose and recycle solid animal waste.

As a result of regular investments made since 2015, Gelemen Enterprise includes the following facilities as of year-end 2019:

- Barn with three 5,200 m² closed areas and 3,840 m² open area,
- Barn with three 4,200 m² closed areas and 3,200 m² open area,
- 450 m² covered apple orchard,
- Drip irrigation system covering a 3,000-decare area.

AT ITS GELEMEN ENTERPRISE IN SAMSUN, AKSA AGRICULTURE PLANTS TWO SETS OF CROPS EACH YEAR ON AN AREA OF 7,000 DECARES, PRODUCING HAY, WHEAT, RICE, SUNFLOWER, AND SILAGE CORN; AND CARRIES OUT EU AND "GOOD FARMING PRACTICE" CERTIFIED APPLE PRODUCTION ON A LAND SPANNING 450 DECARES.

AKSA AGRICULTURE

COMMENCING SUNFLOWER CULTIVATION AT ITS GELEMEN ENTERPRISE FOR THE FIRST TIME IN 2019, AKSA AGRICULTURE TRIALED EDIBLE OIL OPTIONS WITH SUNFLOWER PRODUCTION, ACHIEVING HIGHER YIELD THAN THE NATIONAL AVERAGE.

1,700

Tons

APPLE PRODUCTION

1,396

Tons

WHEAT PRODUCTION

DEVELOPMENTS IN 2019

2019 was a year of major breakthroughs for Aksa Agriculture, paving the way for future investments.

The Company's operations and investments during the year further bolstered its position in the sector.

As part of the Namkon Cattle Breeding initiative co-run with Namet and driven by its environmentally-friendly approach, Aksa Agriculture launched a biogas project in 2018 at its two enterprises in order to repurpose and recycle solid animal waste. The facility at Gelemen Enterprise was inaugurated in 2018, while efforts at İnanlı Enterprise continued

in 2019. The biogas facility is planned to be commissioned at İnanlı Enterprise by year-end 2020.

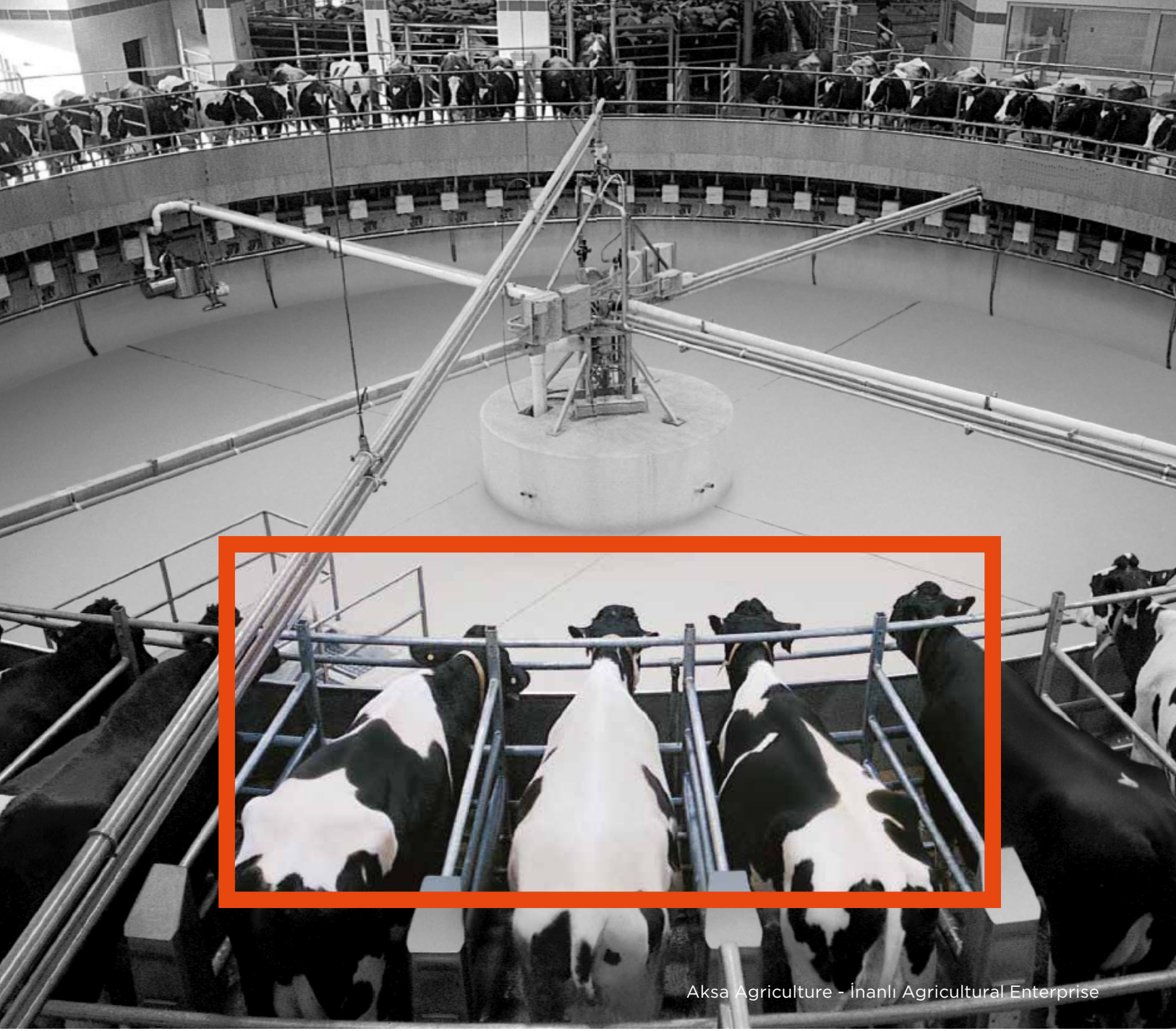
In 2019, Aksa Agriculture also started sunflower cultivation for the first time at Gelemen Enterprise and trialed edible oil options in sunflower production. Thanks to its efforts, the Company's yield outperformed the national average.

At İnanlı Enterprise, Aksa Agriculture also commenced wheat, sugar beet and walnut production in 2019.

Ramping up its collaboration with Namet at Gelemen Enterprise, Aksa Agriculture continued cattle breeding activities in 2019.

AKSA AGRICULTURE IN FIGURES

İnanlı Enterprise	2018	2019
Milk Production	14,400 tons	15,627 tons
Dairy Cattle Farming (Average)	3,200 heads	3,265 heads
Cattle Breeding	6,000 heads	6,000 heads
Silage Corn Production	20,000 tons	17,312 tons
Hay Production	500 tons	1,800 tons
Sugar Beet Production	-	1,010 tons
Wheat Production	-	540 tons
Walnut Production	-	20 tons
Gelemen Enterprise	2018	2019
Cattle Breeding	8,000 heads	8,000 heads
Silage Corn Production	7,000 tons	4,500 tons
Apple Production	2,100 tons	1,700 tons
Hay Production	1,200 tons	550 tons
Wheat Production	1,400 tons	856 tons
Rice Production	750 tons	1,000 tons
Sunflower Production	-	300 tons



Aksa Agriculture - İnanlı Agricultural Enterprise

FUTURE OUTLOOK

Aksa Agriculture's İnanlı Enterprise utilizes state-of-the-art milking systems and monitors cattle movements via a computer integrated barcode system.

Within the next few years, the Company plans to meet Turkey's demand for pregnant heifers with high genetic capacity from this enterprise. Efforts to upgrade the barn and feeding systems, and thus improve cattle health, will continue in 2020.

Investments are planned at İnanlı Enterprise for a 1,000-head indoor female cattle barn, silage storehouse, feed storehouse, drying block, and hay storehouse.

Aksa Agriculture aims to contribute to both the regional and national economy with its apple production and cattle farming operations at Gelemen Enterprise.

**İNANLI ENTERPRISE
UTILIZES STATE OF
THE ART MILKING SYSTEMS
AND MONITORS CATTLE
MOVEMENTS VIA A
COMPUTER-INTEGRATED
BARCODE SYSTEM.**

“NO ONE IS SAYING THAT
WE SHOULD ABANDON THE
EARTH TO GO TO MARS, BUT
LIFE ON MARS IS DEFINITELY
A POSSIBILITY.”

Michio Kaku

Henry Semat Professor of theoretical physics at City
College of New York



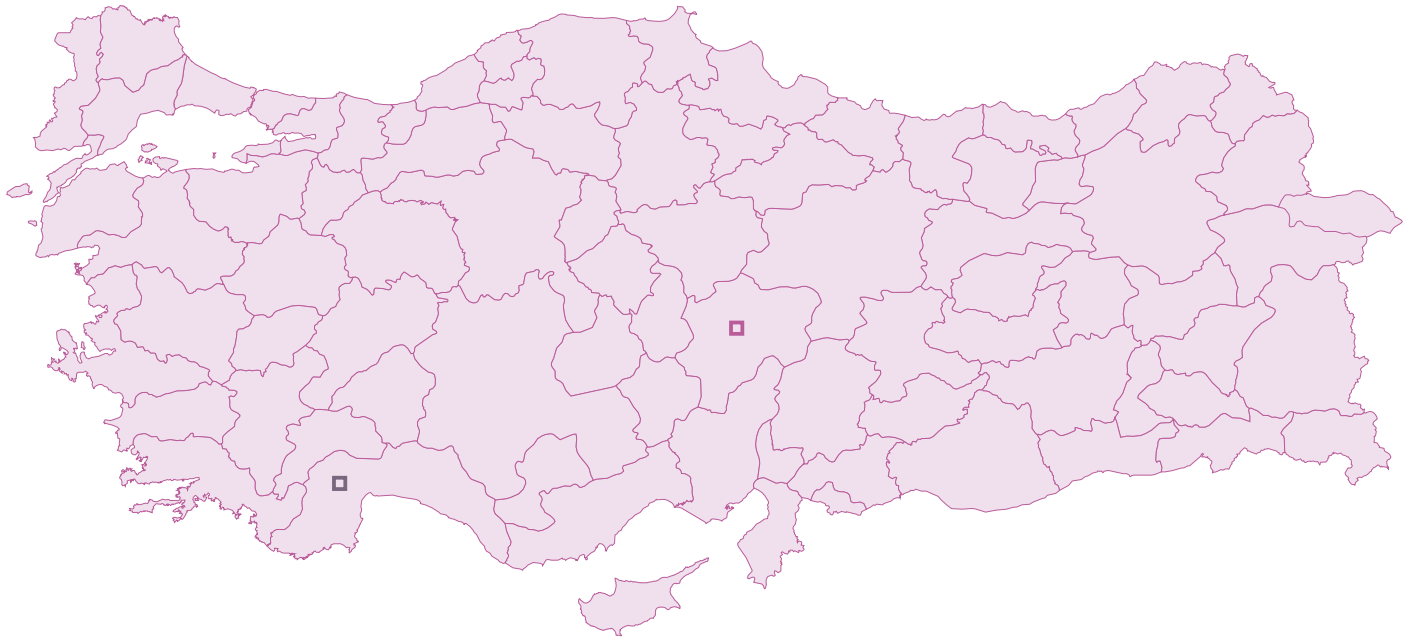
AKSA TOURISM

BOASTING A SIGNIFICANT POSITION IN THE TOURISM MARKET THANKS TO KAZANCI GROUP'S EXPERIENCE AND KNOW-HOW, AKSA TOURISM WELCOMES GUESTS AT THREE HOTELS WITH 687 ROOMS AND 1,433 BEDS.



**Total share of Aksa Agriculture and Aksa Tourism*

TOURISM ENTERPRISES



□ ANTALYA - MIRADA DEL MAR HOTEL □ KAYSERİ - MIRADA DEL LAGO HOTEL AND MIRADA DEL MONTE HOTEL

NUMBER OF HOTELS

NUMBER OF ROOMS

BED CAPACITY

3

687

1,433



Mirada Del Mar Hotel/Antalya

AKSA TOURISM

IN 2019, AKSA TOURISM RENOVATED ITS ROOMS TO OFFER A MORE COMFORTABLE HOLIDAY EXPERIENCE TO ITS GUESTS.

209,388

ANNUAL
OVERNIGHT STAYS

Kazancı Holding established Aksa Tourism in 2014 and took its first step into tourism in 2015 with Mirada Del Mar Hotel in Antalya. Adopting an innovative approach and sustainable models, the Holding makes investments that create value for Turkey also in this field. Aksa Tourism acquired two social facilities on Mount Erciyes in Kayseri in 2006, and introduced one 4-star and one 3-star hotel to the Turkish tourism industry after renovating both facilities.

Later on, the Company made investments to renovate the hotels at full speed so as to provide a better service to its guests. As at the end of 2019, it boasts a 687-room and 1,433 bed capacity at three hotels.

MIRADA DEL MAR HOTEL

Aiming for excellence in the tourism sector, the 5-star Mirada Del Mar Hotel is Kazancı Holding's first investment in the sector. It is located in the Göynük town in Kemer, Antalya.

Mirada Del Mar Hotel's architecture and landscaping boast a unique design; it is located on a 100,000 m² area surrounded with pine trees, with a total of 542 rooms each with a view of the sea, forest, or garden. Additionally, it contains 14 meeting halls, largest of which can seat 800 people, all equipped with the latest technology, that can be used for various gatherings and events.

As part of the regulation on the extension of the term for tourism investments on public properties, Aksa Tourism filed an application to extend the final allocation term to 49 years with the Ministry of Culture and Tourism. As a result, the Company extended the allocation term to 2069, having exercised the right arising from the regulation and undertaken to fulfill the obligations specified therein.

Mirada Del Mar renovated, and made available for its guests, 256 of its rooms in 2018, and 172 in 2019, respectively. Aiming for environmental sensitivity, the Company also established water treatment and energy monitoring systems at its hotels to ensure energy efficiency.

MIRADA DEL LAGO HOTEL

Located in Kayseri, the Mirada Del Lago Hotel is 28 km away from the airport. It is the first hotel to be opened on Mount Erciyes, and it boasts a modern architectural design inspired by Seljuk architecture. It contains 105 rooms and 229 beds. The Hotel also has the highest number of beds in the area.

The Hotel is located 300 meters away from ski slopes that are 37 km long; where cable car and chairlift services are also available. Mirada Del Lago Hotel contains a main restaurant and an à la carte restaurant where exceptional dishes can be sampled. It contains an indoor pool with heating, a sauna, and traditional Turkish bath, as well as a conference



Mirada Del Mar Hotel

room equipped with the latest technology, which can seat 150 people, for various gatherings and events.

In the 2017-2018 winter season, Mirada Del Lago Hotel's ski lodge and lobby were expanded and renovated to better meet guests' requirements, and redecorated prior to their opening. In addition, all the rooms, the SPA center, restaurant and general visitor areas were refurbished.

MIRADA DEL MONTE HOTEL

The 3-star Mirada Del Monte Hotel houses 96 beds in 40 rooms and is located only 50 meters away from the winter sports activity center, serving its guests on the slopes of the highest mountain in Central Anatolia, Mount Erciyes, since 2007.

DEVELOPMENTS IN 2019

During the year, Aksa Tourism continued to invest in its hotel property portfolio. The Company renovated its hotel rooms to provide a more comfortable holiday experience to guests. With the first phase of renovation work finalized

in 2018, Aksa Tourism proceeded with the second phase in 2019 and completed the renovation of 583 rooms in total.

Aksa Tourism also boosted its contribution to Turkish tourism after the Company started to host Polish ski enthusiasts at Mirada Del Lago and Mirada Del Monte, both located on Mount Erciyes, via an agreement signed with ITEKA, a tourism operator active in the Polish market, in 2018. In addition, Aksa Tourism started hosting domestic and international sports teams by providing favorable conditions for high altitude performance training.

During the reporting period, Aksa Tourism recorded significant achievements both financially and operationally. Mirada Del Mar Hotel remained closed for four months due to ongoing renovation work. As a result, overnight stays on a customer basis dropped by 26% year-on-year to 182,000. However, the Hotel's revenues increased by 12%. Similarly, Mirada Del Lago Hotel and Del Monte Hotel, which saw a 12% increase in overnight stays on a customer basis, recorded a 61% year-on-year rise in total revenues.

**THE FIRST HOTEL ON
MOUNT ERCIYES, MIRADA
DEL LAGO HOTEL
BOASTS A MODERN
ARCHITECTURAL DESIGN
INSPIRED BY SELJUK
ARCHITECTURE AND
HOUSES 105 ROOMS AND
229 BEDS.**

AKSA TOURISM

AIMING TO ACHIEVE SUSTAINABLE GROWTH IN TOURISM, AKSA TOURISM CONTINUES ITS CAPITAL INVESTMENTS IN LINE WITH VISITOR EXPECTATIONS EACH YEAR. THE COMPANY PLANS TO INCREASE ITS BED CAPACITY IN ACCORDANCE WITH POSSIBLE OPPORTUNITIES THAT MIGHT ARISE IN THE MEDIUM TERM.

THE FIRST TOURISM INVESTMENT OF KAZANCI HOLDING, THE 5-STAR MIRADA DEL MAR HOTEL HOSTS CONVENTIONS AND ORGANIZATIONS IN MODERN MEETING HALLS EQUIPPED WITH STATE-OF-THE-ART TECHNOLOGIES.

AKSA TOURISM IN FIGURES

Starting in 2017, recovery in tourism sector gained momentum in 2018 and delivered a strong performance in 2019. The positive developments in the Russian market, one of the main markets for Turkish tourism, balanced the loss in the European market in terms of the total number of people.

Mirada Del Lago Hotel and Mirada Del Monte Hotel, which operate mainly with respect to winter tourism, started to host Polish guests in recent years, and thus compensated for the decline in the domestic market, also driven by the boost from the growing Russian market. The satisfaction of these customers suggests a gradual growth of this segment in coming years.

Mirada Del Mar Hotel

April-November 2019 Season

Market	Breakdown	2018	2019
Russia-Middle East	Rooms	54,875	51,365
	Guests	109,640	100,984
	Average Overnight Stays	9.8	9.2
Domestic Market	Rooms	16,445	13,158
	Guests	33,679	26,735
	Average Overnight Stays	6.8	6.8
Europe/Balkans	Rooms	15,737	20,518
	Guest	31,646	41,291
	Average Overnight Stays	12.1	11.1
Conventions and Groups	Rooms	38,463	7,920
	Guests	70,090	12,748
	Average Overnight Stays	4.7	4.4
Grand Total	Rooms	125,520	92,961
	Guests	245,055	181,758
	Average Overnight Stays	8.5	8.1



Mirada Del Lago Hotel & Mirada Del Monte Hotel

2018-2019 (December-March) Winter Season

Market	Breakdown	2018	2019
Russia/Middle East	Rooms	751	2,196
	Guests	1,503	4,491
	Average Overnight Stays	6.8	6.9
Domestic Market	Rooms	6,114	3,449
	Guests	13,670	7,238
	Average Overnight Stays	2.2	2.3
Europe/Balkans	Rooms	474	4,759
	Guests	969	9,584
	Average Overnight Stays	6.8	7
Conventions & Groups	Rooms	4,417	3,252
	Guests	8,579	6,317
	Average Overnight Stays	3.9	4.1
Grand Total	Rooms	11,756	13,656
	Guests	24,721	27,630
	Average Overnight Stays	4.9	5.1

MIRADA DEL LAGO HOTEL AND MIRADA DEL MONTE HOTEL, WHICH OPERATE MAINLY WITH RESPECT TO WINTER TOURISM, STARTED TO HOST POLISH GUESTS IN RECENT YEARS AND THUS COMPENSATED FOR THE DECLINE IN THE DOMESTIC MARKET, ALSO DRIVEN BY THE BOOST FROM THE GROWING RUSSIAN MARKET.

FUTURE OUTLOOK

Tourism is an industry directly affected by political and financial developments in Turkey and the surrounding countries. As the region increasingly gains stability, the Turkish tourism sector is expected to realize its potential in a short time thanks to the country's well-developed tourism infrastructure, and high quality services and facilities.

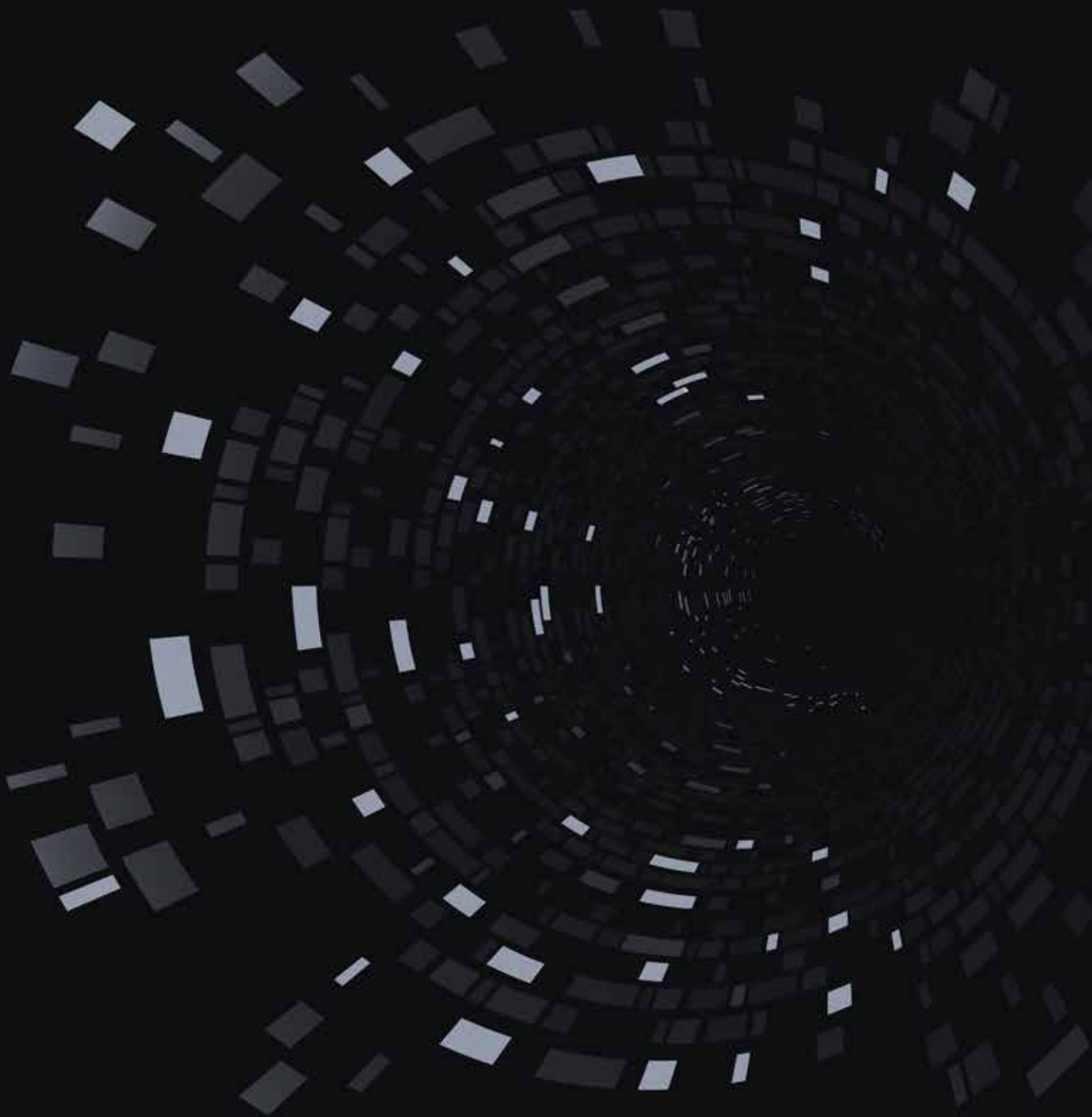
Mirada Del Mar Hotel enters the 2020 summer season with 428 completely renovated rooms out of a total of 542 rooms.

Aiming to achieve sustainable growth in the tourism market, Aksa Tourism continues its investments in line with guest expectations each year. The Company plans to further expand its bed capacity as possible market opportunities arise over the medium term.

“HUMANITY WILL CHANGE
MORE IN THE NEXT
20 YEARS THAN THE
PREVIOUS 300 YEARS.”

Gerd Leonhard

Renowned futurist who leads and advises numerous
companies and think tanks around the world



SUSTAINABILITY STRATEGY

KAZANCI HOLDING COMPANIES ARE DRIVEN BY THE AWARENESS FOR SUSTAINABLE DEVELOPMENT AND SOCIAL RESPONSIBILITY IN THEIR OPERATIONS, AND ADOPT AN ENVIRONMENTALLY-SENSITIVE APPROACH TO MINIMIZE THEIR IMPACT ON THE ENVIRONMENT.

**KAZANCI HOLDING
PARTICIPATES IN
EXEMPLARY PRACTICES
AND PROJECTS ON ISSUES
THAT ARE VITAL FOR
A SUSTAINABLE EARTH.**

Kazancı Holding and Group Companies do not define growth solely in terms of financial success. Embracing a holistic perspective under its approach to sustainability, the Group formulates environmental policies in line with universal standards and supports them with integrative, contemporary practices. In addition, Kazancı Holding conducts continuous improvement efforts regarding the environmental impacts arising from its activities while taking the entire value chain into consideration.

Kazancı Holding companies are driven by the awareness for sustainable development and social responsibility in their operations, and adopt an environmentally-sensitive approach to minimize their impact on the environment. The Group companies participate in exemplary practices and

projects on issues that are vital for a sustainable earth, such as the sustainability of natural resources, cutting waste down to the bare minimum, and preventing soil, air, and water pollution.

Kazancı Holding conducts its business operations with awareness of the potential social impacts on its stakeholders. The Holding prioritizes the financial, cultural, and social development of local residents in the regions where it operates. To these ends, the workforce needed in operational areas is recruited locally, creating employment opportunities for residents while significantly contributing to Turkey's economy. Kazancı Holding also shares the added value it creates by executing social responsibility initiatives that benefit society.

ENVIRONMENTAL SUSTAINABILITY

AKSA NATURAL GAS REGARDS ENVIRONMENTAL PROTECTION AS THE PREREQUISITE OF SUSTAINABLE GROWTH. WITH THIS INSIGHT, THE COMPANY WORKS TO MINIMIZE THE ENVIRONMENTAL IMPACT OF ITS OPERATIONS AND CONTRIBUTES TO THE PROTECTION OF THE ENVIRONMENT.

AKSA NATURAL GAS AND THE ENVIRONMENT

Aksa Natural Gas regards the protection of the environment as the prerequisite of sustainable development, and works to minimize the environmental impacts of its operations and to contribute to the protection of the environment. With this vision, Aksa Natural Gas has formulated an Environmental Policy based on the following principles:

- Safely minimizing the environmental impacts of its operations and cooperating in a cohesive manner with all stakeholders, leaving behind a habitable 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 Environment and OHSAS 18001:2007 Occupational Health and Safety Management Systems,
- Using natural resources in an efficient manner to minimize waste and prevent pollution at the source,
- Preventing or keeping under control the possible environmental negativities arising from the activities of subcontracted companies,
- Supporting all stakeholders deemed relevant in terms of environmental training and practices, and ensuring sustainability.

Aksa Natural Gas conducts all its operations in full compliance with the environmental regulations in effect. To ensure sustainability of the Company's activities, environmental impacts and components are carefully identified and all business processes are regularly updated.

The Company's Environmental Board also revises the environmental risks at its distribution companies annually and keeps them under control proactively, according to their severity, as follows:

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

Incorporating the Environmental Management System's requirements into all its business processes, the Company is audited and certified by relevant accredited institutions every year for system compliance.

**AKSA NATURAL GAS
CONDUCTS ALL ITS
OPERATIONS IN FULL
COMPLIANCE WITH
THE ENVIRONMENTAL
REGULATIONS IN EFFECT.**

ENVIRONMENTAL SUSTAINABILITY

AS PART OF ITS ENVIRONMENTALLY-FRIENDLY ACTIVITIES, AKSA NATURAL GAS ELIMINATED USE OF PLASTIC BAGS AND LAUNCHED A PROJECT TITLED “LET IT STAY NATURAL” IN 2019. UNDER THIS PROJECT, THE COMPANY STARTED TO DELIVER NATURAL GAS METERS TO ITS NEW SUBSCRIBERS IN NONWOVEN BAGS.

50

Tons
RECYCLED
WASTE

3,830

Kg
ANNUAL PLASTIC
BAG PRODUCTION
SAVINGS

Waste Management

Aksa Natural Gas reduces, reuses, recycles and disposes waste arising from its operations in full compliance with the methods stipulated by applicable laws, rules and regulations.

After being accurately categorized, waste is stored in controlled waste storage units to avoid contact with soil and water. Subsequently, waste is delivered to Ministry of Environment and Urbanization licensed waste disposal firms within the deadline prescribed by the Waste Management Regulation. In 2019, over 50 tons of hazardous and non-hazardous waste were disposed in this manner.

Waste management training is organized for Company personnel, especially waste management teams, on an annual basis. The division of labor is determined for everyone and employee awareness is raised with regards to collection of waste by category.

Natural Resource Management

The biggest threat facing natural resources today is uncontrolled consumption. With this awareness, Aksa Natural Gas commenced efforts at 21 of its Regional Directorates under the Zero Waste project launched by the Presidency of the Republic of Turkey and supervised by the Ministry of Environment and Urbanization. This effort has played a major role in sustainable resource management and preservation of natural

resources at the Company. Aksa Natural Gas regularly monitors and minimizes its use of natural resources on a monthly basis. As part of the Paper Free Office project, the Company transferred people-dependent applications to digital platforms, enabling business processes to flow more quickly and resulting in reduced paper, energy and cartridge usage.

As part of its environmentally-friendly activities, Aksa Natural Gas eliminated use of plastic bags and launched a project titled “Let It Stay Natural” in 2019. The Company started to deliver natural gas meters to its new subscribers in nonwoven bags under this project. By using this environmentally friendly alternative instead of single use plastic bags – which decompose in 500-1,000 years on average when left in nature and the vast majority of which are never recycled – Aksa Natural Gas avoided production of 3,830 kilograms of plastic bags annually.

Climate Change

Natural gas accessibility reached all of Turkey's 81 provinces in 2018, and it is expanding throughout cities thanks to various distribution expansion efforts.

During 2019, over 16 million residential subscribers consumed 14.5 billion m³ of natural gas in Turkey. According to calculations assuming that households without access to natural gas actually utilize coal and other fuels, use of natural

gas in households prevented 33 million tons of carbon emissions in 2019. The average carbon emission of a household using natural gas in 2019 is two tons. With the use of natural gas instead of coal, carbon emissions per household were cut by 50%.

Continuously expending efforts to expand the use of natural gas in Turkey and to raise citizens' awareness about the environmental impact of carbon-intensive fuels such as coal, Aksa Natural Gas plays an effective role in reducing air pollution in the cities where it operates.

In the Company's distribution regions, which encompasses 27 provinces and 181 districts and towns, carbon emissions decreased by 6.5 million tons with the use of natural gas instead of coal in just one year. This is equivalent to the amount that only a 4 thousand km² forest of 280 million adult trees can clean.

AKSA ELECTRICITY AND THE ENVIRONMENT

Aksa Electricity Retail Sales Companies

Kazancı Holding electricity retail sales companies strive to establish the necessary framework to help evaluate and minimize their operations' impact on the environment, protect and efficiently use natural resources, and support the efforts aimed at contributing to the environment. To these ends, the Companies eliminated the use of plastic bags in Çoruh and Fırat regions and started using environmentally-friendly nonwoven bags in 2019.

Aksa Electricity Distribution Companies

One of the primary objectives of Aksa Electricity Distribution Companies, which hold ISO 14001 Quality Certification for Environmental Management Systems, is to prevent damage to the environment during their investment, trouble shooting, repair, and maintenance operations.

Therefore, Çoruh EDAŞ and Fırat EDAŞ implemented an Environmental Management Policy composed of the following:

- Taking necessary precautions during business processes to reduce the amount of waste generated as a result of electricity distribution activities at the source;
- Reducing waste via recycling and repurposing at the source;
- Ensuring disposal of waste that cannot be prevented at the source without damaging the environment to prevent pollution;
- Fulfilling all compliance obligations related to the scope of business operations and continuously improving the Environmental Management System;
- Regularly monitoring and controlling the environmental impacts of their business operations;
- Ensuring employee participation in environmental management activities and endorsing environmental awareness and consciousness by all possible means;
- Working to ensure that the environment and natural resources are transferred to the next generations without pollution or damage.

OPERATING IN 27 PROVINCES AND 181 DISTRICTS AND TOWNS, AKSA NATURAL GAS PREVENTED 6.5 MILLION TONS OF CARBON EMISSIONS IN ONE YEAR ONLY VIA USE OF NATURAL GAS INSTEAD OF COAL IN ITS DISTRIBUTION REGIONS.

ENVIRONMENTAL SUSTAINABILITY

MAKING A STEADY PROGRESS TOWARDS ITS GLOBAL OBJECTIVES, AKSA ENERGY BUILT ITS BUSINESS MODEL ON SUSTAINABILITY WITH A HOLISTIC APPROACH.

AKSA ELECTRICITY DISTRIBUTION COMPANIES PAY UTMOST ATTENTION TO COMPLIANCE WITH THE LAWS, REGULATIONS AND OTHER LEGISLATION ON OHS AND THE ENVIRONMENT, AND THEY CONDUCT REGULAR RISK ASSESSMENTS IN THIS REGARD.

Within this framework, Aksa Electricity Distribution Companies carry out all their activities in compliance with applicable regulations, while strictly adhering to the laws, rules and regulations related to OHS and the environment and conducting regular risk assessments.

In line with national occupational standards, operational maintenance staff and Field Technical Operation staff implement environmental protection standards and methods as prescribed by trainings provided as part of environmental preservation efforts. With the aim of reducing environmental risks, Field Technical Operation staff also:

- Conduct sorting and classification processes for the recycling of recyclable materials,
- Separate hazardous and dangerous waste from other materials in compliance with instructions and store them temporarily according to their code by taking precautions as necessary;
- Prevent waste in temporary storage areas from contacting soil and water and store it in accordance with waste management regulations;
- Deliver waste stored properly to licensed waste disposal companies authorized by the Ministry of Environment;

- Ensure necessary occupational health and safety precautions are taken to shield from possible damaging environmental impacts caused by certain functions of the devices, equipment, and instruments used.
- Assess and eliminate security shortcomings inside and outside of buildings within the electricity distribution network,
- Determine locations to securely store flammable and combustible material or support such efforts;
- Attach great importance to preventing environmental impacts within the scope of this environmental management awareness.

AKSA ENERGY AND THE ENVIRONMENT

Making a steady progress towards its global objectives, Aksa Energy built its business model on sustainability with a holistic approach. In this regard, the Company expands its impact area for its stakeholders by implementing environmental and social initiatives.

Aksa Energy is a voluntary advocate for sustainable development on domestic and international platforms. A signatory to the United Nations Global Compact since 2017, Aksa Energy complies with the 10 principles of the Compact in its operations, and manages its environmental, social and

economic impacts. The Company also contributes to seven of the Sustainable Development Goals, which were formulated at the United Nations Sustainability Conference held in 2012.

Aksa Energy pioneers the sector with its exemplary efforts to eliminate its energy generation activities' impact on the environment. The Company also launches environmental management initiatives that cover all the stages of the value chain.

Having formed a Framework Environmental Management System (FEMS) to identify aims and objectives regarding its environmental policy and to shape, monitor, and audit its operations in line with this framework, the Company also holds the following certificates:

- ISO 14001 Environmental Management System,
- ISO 9001 Quality Management System,
- ISO 50001 Energy Management System,
- ISO/IEC 27001:2013 Information Security Management System,*
- OHSAS 18001 Occupational Health and Safety Management System.

In addition to Aksa Energy Head Office, Bolu Göynük Thermal Power Plant and Şanlıurfa Combined Cycle Natural Gas Power Plant are also included in the scope of ISO/IEC 27001:2013 Information Security Management System.

Furthermore, the Company undertook efforts to expand and improve the practices related with Integrated Management Systems, currently effective at the Head Office, also at Bolu

Göynük Thermal Power Plant and Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant. These efforts involved ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 50001 Energy Management System and OHSAS 18001 Occupational Health and Safety Management System. As a result, 95% of the documentation was completed as of year-end 2019. The Company plans to improve field applications during 2020 and obtain these certifications in the first half of the year. In addition, as of 2020, the Company has begun operating at the Ghana Heavy Fuel Oil Power Plant under the ISO 14001 Environmental Management System and ISO 45001 OHS Management System.

Aksa Energy continues without respite to analyze the impact of its existing production units on the environment. The Company regularly conducts environmental impact assessments for new production facilities to be built.

In a clear demonstration of its endorsement of responsible environmental management processes, the Company provides its employees with trainings and raises awareness among its suppliers.

Aksa Energy expedited its environmental investments and recorded a significant TRY 1.96 million in 2019. The Company will continue making these investments in the future to minimize its environmental impact and increase its performance.

**Obtained by Kazancı Holding; Aksa Energy Head Office and the power plants specified are also included in the scope of the certification.*

AKSA ENERGY PIONEERS THE SECTOR WITH ITS EXEMPLARY EFFORTS TO ELIMINATE THE ENVIRONMENTAL IMPACTS OF ITS ENERGY GENERATION ACTIVITIES. THE COMPANY ALSO LAUNCHES ENVIRONMENTAL MANAGEMENT INITIATIVES THAT COVER ALL THE STAGES OF THE VALUE CHAIN.

ENVIRONMENTAL SUSTAINABILITY

AKSA ENERGY SIGNED THE TRILLION TONNE COMMUNIQUE, A GLOBAL DECLARATION BY COMPANIES THAT ACKNOWLEDGE CLIMATE CHANGE-RELATED ISSUES AND DEMAND SIGNIFICANT MEASURES TO COMBAT CLIMATE CHANGE.

1.8

MILLION m³
WATER SAVINGS AT
BOLU POWER PLANT

5.3

EUR MILLION
DECARBONIZATION
INVESTMENTS

37.000

Tons
RECYCLED
HAZARDOUS WASTE



Climate Change

Recognizing the impact of its activities on the environment and climate change, Aksa Energy has been preparing Greenhouse Gas Emission Reports so as to track greenhouse gas emissions at its power plants since 2015. The Company submits its reports to the Ministry of Environment and Urbanization after they are approved by a validation body authorized by the Ministry. The Company's Greenhouse Gas Emission Report for 2019 will be submitted within the timelines specified by the Ministry.

As another sign of its transformation into a sustainable and socially responsible company, Aksa Energy signed The Trillion

Tonne Communiqué, a declaration to the world from companies that are sensitive to climate change and demand measures to combat it. The Company now shapes its investments based on the provisions of the Communiqué. Considering energy efficiency as an indispensable component of its environmental policy, Aksa Energy generates power via use of waste heat thanks to the combined-cycle power plant technologies. This method helps the Company reduce use of energy per unit by 10%. Waste heat is used to derive energy at all natural gas-fired plants and at the Northern Cyprus Kalecik Heavy Fuel Oil Power Plant. The Company uses Oxicat filters at its natural gas-fired power plants in order to reduce greenhouse gas emissions.

Aksa Energy also works to monitor and reduce the levels of other air emissions apart from greenhouse gases. Emissions are monitored on a real time basis via continuous emission measurement systems (CEMS) installed at power plants, and the emissions released by domestic power plants are monitored online by the Ministry of Environment and Urbanization.

Natural Resource Management

At Aksa Energy, there are numerous practices in place to preserve diminishing natural resources, mainly including the efforts to ensure efficient use of water. The Company, which shapes its operations with an effective management system to minimize water consumption, uses water from various sources, including municipal, surface and ground, depending on the region in which the Company's power plants are located.

The decarbonization systems at the Ali Metin Kazancı Antalya Natural Gas Combined-Cycle Power Plant and the Bolu Göynük Thermal Power Plant facilitate the conservation of water during the production processes. Established with an investment worth EUR 5.3 million, the decarbonization facilities at the two plants helped save 272 thousand m³ and over 1.8 million m³ of water at the Antalya plant and Bolu plant, respectively.

Additionally, a process water pond was built at the Bolu Göynük Thermal Power Plant, costing TRY 17.5 million. The seawater desalination system installed at Aksa Energy's Northern Cyprus Kalcık Heavy Fuel Oil Power Plant meets 100% of the facility's water requirements.

Waste Management

Hazardous and non-hazardous waste arising from Aksa Energy's production processes is recycled at the intervals specified in Waste Management Policies. Hazardous waste released by processes is stored in temporary waste storage areas on the plant sites, where its contact with the external environment is cut off to prevent jeopardizing human health and the environment.

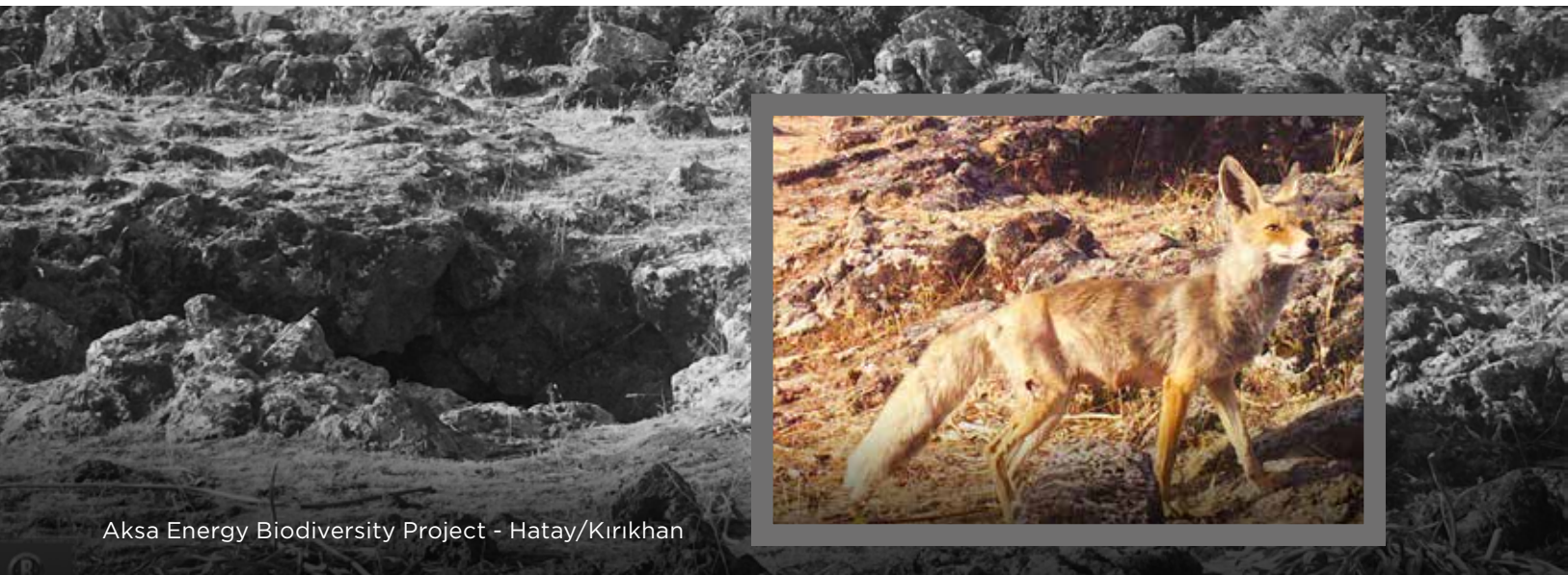
Later, these materials are transported in licensed vehicles to recycling or disposal facilities. Packaging waste is transferred to recycling plants contracted by the local authority in the area in which the facilities are located. Aksa Energy recycled 37,000 tons of hazardous waste in 2019.

The ash originating from the Bolu Göynük Thermal Power Plant is no longer taken to a temporary ash storage area but instead stored in the South Regular Ash Landfill, which was completed in 2017 and granted environmental permit by the Ministry of Environment and Urbanization. Furthermore, over 6,000 seedlings were planted around the plant site to prevent landslide and contribute to the local environment before commissioning of the Plant. In 2019, the Southern External Dump Site, the lifecycle of which ended, was rehabilitated and delivered back to the Ministry of Agriculture and Forestry. The Ministry planted 140,000 saplings on the site.

**THE SEAWATER
DESALINATION SYSTEM
INSTALLED AT AKSA
ENERGY'S NORTHERN
CYPRUS KALECİK HEAVY
FUEL OIL POWER PLANT
MEETS 100% OF THE
FACILITY'S WATER
REQUIREMENTS.**

ENVIRONMENTAL SUSTAINABILITY

AKSA ENERGY CLOSELY MONITORS, EVALUATES AND REPORTS THE IMPACT OF ITS OPERATIONS ON THE ENVIRONMENT AND BIOLOGICAL DIVERSITY.



Aksa Energy Biodiversity Project - Hatay/Kırıkhan

AKSA ENERGY HAS CONDUCTED INITIATIVES TO PRESERVE BIODIVERSITY AT ITS OPERATING REGIONS IN COLLABORATION WITH NATURE CONSERVATION ASSOCIATION OF TURKEY SINCE 2015.

Preserving Biodiversity

Aksa Energy monitors, evaluates and reports the impacts of its operations on biodiversity. Within this scope, the Company has collaborated with the Nature Conservation Association of Turkey (TTKD) since 2015. With its first biodiversity project – Conversation Project for Hatay Mountain Gazelles – Aksa Energy supported conservation of the mountain gazelle species and its native habitat in Hatay, Turkey. In 2016 and 2017, the Company supported a project conducted to identify the current status of striped hyenas (*hyaena hyaena*) in the vicinity of the Gölbaşı village in Kırıkhan, Hatay and obtain information on their habitats and ecologies. Thanks to photo-traps placed in the

region, scientists not only had the chance to observe the striped hyenas but also confirmed that the rock gerbil (*gerbillus dasyurus*), which was thought to be extinct, still lived in Turkey.

As part of the project undertaken in cooperation with TTKD in 2018, a study was carried out to determine the presence (the current condition) and ecology of red deer (*cervus ephalus*) in the vicinity of Yedigöller National Park. The project helped identify the species' population size and density, distribution, habitat, nutrition and food resources, social behavior, relationship with humans, and the elements that pose a threat to the species, as well as the measures to be taken to protect them.

As part of the study, notes were also created and presented to authorities to raise awareness among the public, and to preserve and sustain the population of red deer, the symbol of the region's biological diversity.

In 2019, Aksa Energy conducted activities in Bolu for the preservation of brown bears (*ursus arctos*), which are the largest predatory and single bear species in Turkey. This initiative aims to raise awareness among the public in the Yedigöller region of Bolu, identify the threats that face the species, and devise protection recommendations in the areas where the species are prevalent. As part of protection efforts, placement of informational signage was planned in road networks and areas where tourism activities are conducted; and ecological bridge passages were identified. The Company also plans to share the measures to help preserve the species, and exchange information with, the Nature Conservation and National Park Directorate's Bolu Branch.

AKSA POWER GENERATION AND THE ENVIRONMENT

Aksa Power Generation predicated its sustainability approach on environmental measures and practices. To this end, the Company has established the Environmental Management System, which pledges to:

- Fulfill the legal obligations in Turkey and in other countries, to periodically evaluate them and ensure their continuity,
- Always strive to improve its environmental performance,
- Work to raise environmental awareness of its employees, their families, and society at large,
- Ensure the re-utilization of waste generated as a result of its activities,
- Minimize the amount of waste causing water, air, and soil pollution and undesirable impacts such as noise and vibrations, and to dispose non-recyclable waste in the required manner,

- Ensure that energy, raw materials, and natural sources are used efficiently,
- Consider environmental impacts when evaluating new investments,
- Inform suppliers and subcontractors providing goods and services about the environment.

Aksa Power Generation's environmental protection efforts can be divided into the three categories that follow.

Production

- For drying the cabins and casks it produces, Akxa Power Generation uses TGIC-FREE Triglycidyl Isocyanurate and lead-free polyester powder coatings, which are both ecofriendly and harmless for employee health.
- The waste water generated at the Company's production facilities is discharged to Istanbul Water and Sewerage Administration (İSKİ) after being treated at the treatment plant to prevent any damage to the environment. Within this scope, Akxa Power Generation holds a Quality Control License by İSKİ for discharge processes.
- Upon demand, Akxa Power Generation supplies its customers with diesel engine gensets certified at European EU Stage 2, and American EPA (Environmental Protection Agency) Tier 2 and Tier 3 emission levels.

Recycling

- Akxa Power Generation sends the packaging, nylon and parcel waste from its sold products to ÇEVKO (Foundation for Environmental Protection and Packaging Waste Processing) under the contract signed with this entity. The packaging waste generated during production is collected separately and delivered to licensed recycling facilities for reuse.
- The waste oil generated during engine testing is sent to licensed firms for recycling.

AKSA POWER GENERATION IS THE ONLY GENERATOR COMPANY CAPABLE OF CONDUCTING IN-HOUSE SOUND TESTS.

ENVIRONMENTAL SUSTAINABILITY

AKSA AGRICULTURE REORGANIZED ITS WASTE STORAGE AREA IN 2019 AND UNDERTOOK EFFORTS TO ENSURE THAT IT MEETS THE REQUIREMENTS OF TEMPORARY STORAGE AREAS.

AKSA TOURISM IS COMMITTED TO MINIMIZING ITS WASTE, PREVENTING POLLUTION AT THE SOURCE, REDUCING ITS NEGATIVE IMPACTS ON THE ENVIRONMENT, MONITORING DEVELOPMENTS IN TECHNOLOGY TO PREVENT ENVIRONMENTAL POLLUTION, AND CONTINUOUSLY ENHANCING ITS ENVIRONMENTAL PERFORMANCE.

- The waste sludge generated at the water treatment facility is dispatched to licensed hazardous waste disposal facilities.
- Waste batteries consumed in production or at the staff's homes are being collected and sent to the municipality for recycling.
- The Company collects the cooking oil used in the cafeteria and delivers it to licensed firms for recycling purposes.
- The Company's gensets are manufactured in line with the Waste Electrical and Electronic Equipment (WEEE) and Restriction of Hazardous Substances (ROHS) standards.

Preventing Noise Pollution

As the only Turkish genset manufacturer to conduct its own sound testing, Aksa Power Generation produces 28 different products that comply with the universally accepted IEC 34 (International Electrotechnical Commission) standards and undergoes audits by the notified body Szutest.

AKSA AGRICULTURE AND THE ENVIRONMENT

Aksa Agriculture places great importance on waste management at its İnanlı and Gelemen enterprises. The Company stores animal waste in impermeable places to prevent the contamination of soil, groundwater and surface water before the waste-sorting. Subsequently, the animal waste is separated as solid and liquid waste via separators in

order to use the waste as fertilizer to improve soil quality. The recycling and disposal operations of other waste are conducted by licensed disposal companies.

Aksa Agriculture reorganized its waste storage area in 2019 and undertook efforts to ensure that it meets the requirements of temporary storage areas. In addition, small, container-type waste accumulation sites were constructed in the livestock area to collect waste in a more regular fashion. Hazardous waste is accumulated on these sites in a manner to prevent their contact with the environment and then disposed of/recycled by licensed firms.

In the coming period, Aksa Agriculture plans to complete the necessary infrastructure works (i.e. solid fertilizer sites, liquid fertilizer pools, and the like) and increase the number of waste storage areas depending on future capacity increases. Furthermore, the Company established a biogas facility, which is one of the most ideal waste disposal methods for the environment, at its Gelemen Enterprise in 2018. The Company plans to complete the investment of the biogas facility at the İnanlı Enterprise in 2020.

AKSA TOURISM AND THE ENVIRONMENT

Aksa Tourism is committed to the principles of "sustainable development and sustainable environment" in all processes. The Company is also committed



to minimizing its waste, preventing pollution at the source, reducing its negative impacts on the environment, monitoring developments in technology to prevent pollution, and continuously enhancing its environmental performance. To encourage its stakeholders to embrace the same level of awareness, Aksa Tourism urges supplier firms to take the necessary environmental measures; delivers environment related training programs to its employees; and organizes informative activities for its guests at its three hotels.

Aksa Tourism finalized the preliminary studies for the “Grey Water Project” and put it into practice at the end of 2019. The Project is aimed at saving water via use of waste water from faucets and showers in the toilets of guests’ bathrooms.

Aksa Tourism has set up bulletin boards and panels in its premises to share its environmental consciousness with its guests

and raise their awareness on ecological issues. Keen to learn its guests’ suggestions and ideas on the protection of the natural environment, Aksa Tourism has designed a questionnaire in four languages to collect these.

The Company also aims to reduce electricity consumption and enhance energy efficiency with an investment in an automation system that will help monitor the entire consumption at its Antalya facility.

In line with its waste management plan, Aksa Tourism disposes all types of waste in accordance with legal and regulatory requirements. The Company periodically confirms its environmental protection data via measurements based on statutory guidelines.

In the coming period, Aksa Tourism plans to certify and ensure the continuity of its environment related activities by obtaining Green Star and ISO 14001 Environmental Management System Certifications.

IN THE COMING PERIOD, AKSA TOURISM PLANS TO CERTIFY AND ENSURE THE CONTINUITY OF ITS ENVIRONMENT RELATED ACTIVITIES BY OBTAINING GREEN STAR AND ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM CERTIFICATIONS.

CORPORATE SOCIAL RESPONSIBILITY

KAZANCI HOLDING COMPANIES AKSA ENERGY, AKSA NATURAL GAS, AKSA POWER GENERATION, AND AKSA ELECTRICITY JOINED FORCES FOR “ENERGY FOR TOMORROW,” A SIGNIFICANT SOCIAL RESPONSIBILITY INITIATIVE UNDERTAKEN IN 2019.



WITH THE “ENERGY FOR TOMORROW,” A TEAM OF VOLUNTEERING CORPORATE COMMUNICATIONS EMPLOYEES FROM GROUP COMPANIES TRAVELLED MORE THAN 6,500 KILOMETERS AND REACHED MORE THAN 2,000 STUDENTS IN 2019.

ENERGY FOR TOMORROW

Kazancı Holding companies Aksa Energy, Aksa Natural Gas, Aksa Power Generation, and Aksa Electricity joined forces for an important social responsibility project in 2019. As part of the project “ENERGY FOR TOMORROW,” Corporate Communications teams of the Group Companies travelled to all parts of Turkey and provided energy courses at the middle schools in villages.

A team of volunteering corporate communications employees from Group Companies travelled more than 6,500 kilometers and reached over 2,000 students at 22 village schools in 19 provinces from the project launch in March until the end of the year. In a period as short as 9 months, the team visited village schools in Van, Ağrı, Elazığ, Malatya, Balıkesir, Çanakkale, Trabzon, Rize, Amasya, Tokat, Ordu, Giresun, Zonguldak, Düzce, Bolu, İzmir, Manisa, Bursa and Bilecik in order to provide comprehensive energy education to the students in 5th, 6th, 7th, and 8th grades.

“ENERGY FOR TOMORROW” team provided students with useful information on every aspect of energy, including energy resources, energy efficiency, efficient use of energy, energy literacy, the concept of clean energy, and energy generation, in addition to the Group’s energy operations.

In order to reinforce students’ knowledge, an energy themed math game, developed specifically for the project in line with the math curriculum of the Ministry of National Education and numerous experiments were used to educate the students while having fun. At the end of these events, Energy Encyclopedia - a specially designed illustrated book on energy, various stationery supplies and backpacks were given to students as gifts. Aksa’s “ENERGY FOR TOMORROW” team will continue travelling around Turkey and the TRNC and provide energy education at village schools in 2020.



ŞEHİT NEDİM ÇALIK İLKOKULU - ORTAOKULU



9

MONTHS

19

CITIES

22

VILLAGE SCHOOLS

2,000+

STUDENTS

6,500

Km DISTANCE
TRAVELLED

CORPORATE SOCIAL RESPONSIBILITY

AKSA NATURAL GAS LAUNCHED THE “LIFE COMPANION” INITIATIVE IN 2015 TO FACILITATE THE LIVES OF DISABLED CITIZENS IN TURKEY, REPRESENTING MORE THAN 8 MILLION PEOPLE.

WITH THE LIFE COMPANION PROJECT, AKSA NATURAL GAS PRIORITIZES DISABLED SUBSCRIBERS’ CALLS AND DELIVERS FASTER RESPONSE IN CASE OF EMERGENCY.

AKSA NATURAL GAS

Life Companion

Aksa Natural Gas closely monitors the problems experienced in everyday lives of disabled citizens in Turkey, representing more than 8 million people. In line with this vision, Aksa Natural Gas launched the “Life Companion” initiative in 2015 to facilitate the lives of disabled subscribers by providing much faster service in case of emergency in its distribution regions.

As part of this service, those who register in Aksa Natural Gas’ subscriber system and indicate that they are disabled are given priority in their calls to “187 (Natural Gas Emergency Line)” or “444 4 187 (Solution Center).” These special status subscribers are connected to a customer representative in five seconds on average. In addition, natural gas emergency teams are sent to their location without waiting for an explanation of the request. Providing emergency services for disabled subscribers who live alone in the event of a hazardous situation, Aksa Natural Gas gives priority to disabled subscribers who are connected to a customer representative for support and immediate assistance.

With 3,918 disabled subscribers registered in the Life Companion system, the Company has provided necessary support to 471 calls received to date and responded to the requests of 59 subscribers with emergency teams.

Sponsorship for National Wheelchair Tennis Team Athletes

Aksa Natural Gas is committed to supporting sports in its distribution regions, and combines its corporate vision with the thinking behind the Life Companion project. Within this scope, the Company sponsors the National Wheelchair Tennis Team Athletes since 2018.

“Let It Stay Natural”

Aksa Natural Gas used nonwoven bags while delivering natural gas meters to new subscribers, and thus prevented the production of 3,830 kg of plastic bags on an annual basis. Encouraging subscribers to replace plastic bags with nonwoven bags, which can avoid use of 300 plastic bags, Aksa Natural Gas eliminated the need for the production of over one thousand tons of plastic bags. Featuring a “Let It Stay Natural” print, these bags are an eco-friendly alternative to plastic bags, and can be used more than 100 times, accompanying subscribers in their everyday lives, and not just for carrying their gas meters. Aksa Natural Gas carries on this project in 2020, involving stakeholders in its sensitivity and awareness for environmental sustainability.



Book, Stationery Supplies and Clothing Assistance to Students

Aksa Natural Gas employees regularly visit schools located in distribution regions and provide school supplies, stationery and clothing to students in need.

Visits to Nursing Homes and Child Protection Institutions on Special Days

Aksa Natural Gas personnel visit retirement homes and child protection society centers on special days, to support the individuals living in these facilities.

Blood Donations to Turkish Red Crescent

As part of events organized periodically under the coordination of Aksa Natural Gas, staff members regularly donate blood to Turkish Red Crescent Society.

AKSA ENERGY

With the ultimate goal of creating value for all its stakeholders, Aksa Energy conducts activities that contribute to the economic, social and cultural development of local residents in the Company's impact area.

The required workforce in the areas of operation is recruited from amongst the local population, thus creating employment opportunities for local residents. As of year-end 2019, the Company's local workforce represents 60% in Ghana, 60% in Madagascar, 63% in Mali, and 85% in Cyprus.

For Bolu Göynük Thermal Power Plant, the Company provided direct employment from Bölücekova, Himmetoğlu and Karaardıç villages of the district. When the Company needs additional services at the power plants, it also outsources work to sub-contractors from the region and contributes to the revival of the local labor market creating different sources of income for the people of the region.

AKSA ENERGY'S ULTIMATE GOAL IS TO CREATE VALUE FOR ALL STAKEHOLDERS, AND THEREFORE THE COMPANY CARRIES OUT ACTIVITIES IN ITS OPERATION REGIONS THAT CONTRIBUTE TO THE ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT OF THE COMMUNITIES.

CORPORATE SOCIAL RESPONSIBILITY

EDUCATION IS AKSA ENERGY'S NUMBER ONE PRIORITY AMONG ITS FOCAL SOCIAL RESPONSIBILITY AREAS TO ADD VALUE TO THE SOCIETY.

AKSA ENERGY HOLDS A PHOTOGRAPHY CONTEST NAMED "AKSA FOTOFEST" REGULARLY IN ORDER TO CONTRIBUTE TO THE WORLD OF CULTURE AND ARTS IN NORTHERN CYPRUS AS WELL AS TO SUPPORT PHOTOGRAPHY.

Additionally, lasting value is created through infrastructure works and repair projects which aid the development of the local economy in regions where the Company operates; a specialized feedback mechanism to meet the diverse requirements and demands of stakeholders and the local public enables the assessment of complaints and requests. In this regard, the Company donated TRY 411,853.78 during 2019, TRY 264,603.78 of which was for the purposes of meeting various local needs in its distribution regions, and TRY 147,250 of which was for various foundations, sports clubs and schools.

Cooperation with the Natural Conservation Association of Turkey(TTKD)

Regarding the preservation of biodiversity a strategic sustainability goal, Aksa Energy cooperates with the Natural Conservation Association of Turkey (TTKD) since 2015. As part of this cooperation, the Company has supported projects aimed at preserving numerous species. In 2019, Aksa Energy launched efforts in Bolu to protect the brown bear (*Ursus Arctos*) - the only bear species and the biggest predator living in Turkey - and to contribute to the scientific literature.

Support for Education

Education is Aksa Energy's number one priority among its focal social responsibility areas to add value to the society. The Company continues contributing to the development of the youth by organizing technical trips and training courses every year. Within this scope, Ali Metin Kazancı Antalya Combined Cycle Natural Gas Power Plant, Bolu Göynük Thermal Power Plant, and Şanlıurfa Combined Cycle Natural Gas Power Plant hosted many visitors from various schools and organizations in 2019.

Support for Sports

Aksa Energy supports sports and sports clubs to help raise healthy generations and contribute to social development. The Company donated TRY 101,750 to sports clubs in 2019.

Aksa Fotofest 2019

Aksa Energy holds a photography contest named "Aksa Fotofest" regularly in order to contribute to the world of culture and arts in Northern Cyprus as well as to support the photography. Providing amateur artists from Northern Cyprus the opportunity to represent the local culture in different media with their works, the fourth edition of the contest was themed as "Cyprus Culture" in 2019. At the end of the competition, 11 black-and-white and 11 color photographs were considered to take part in the exhibition.



Madagascar – Orphelinat Etoile du Matin – Orphanage Visit

AKSA ELECTRICITY

Your Energy, Your Painting

Aksa Electricity Retail Sales Companies organized an energy-themed painting contest, “Your Energy, Your Painting,” for middle school students in the nine provinces where they provide services. Planned to be organized every year, the contest is intended to raise middle school students’ awareness on energy and boost their creativity.

ÇORUH ELECTRICITY DISTRIBUTION

Women’s Touch on Çoruh EDAŞ Distribution Panels Make Trabzon Streets Much More Beautiful

Launched with the support of Çoruh EDAŞ, the project helped ornament the streets of Trabzon with arts. Bridge piers,

walls, as well as Çoruh EDAŞ’s distribution panels acquired an aesthetic look thanks to the female artists’ paintings under the project, which is co-run with the Metropolitan Municipality of Trabzon and International Women Artists’ Association Femin&Art.

Zero Waste Project

Çoruh EDAŞ initiated the pilot of the project aimed at contributing to zero waste efforts. As part of this initiative, designated waste containers were placed in the buildings of the Head Office and Trabzon Provincial Directorate, and labels that showed the instructions on how to use the containers were hung on the walls. The Company aims to ensure the continuity of this project, and undertakes efforts to recycle the waste originating from the site.

AKSA ELECTRICITY RETAIL SALES COMPANIES ORGANIZED A PAINTING CONTEST “YOUR ENERGY, YOUR PAINTING” FOR MIDDLE SCHOOL STUDENTS IN THE NINE PROVINCES WHERE THEY PROVIDE SERVICES.

CORPORATE SOCIAL RESPONSIBILITY

UNDER THE “ENERGIZE NATURE” PROJECT, FIRAT EDAŞ PLANTS SEEDLINGS IN TREELESS AREAS IN ITS DISTRIBUTION REGION WITH THE PARTICIPATION OF EMPLOYEES SO AS TO LEAVE AN INHABITABLE GREEN NATURE FOR THE FUTURE.

ÇORUH EDAŞ SPONSORED THE SNOWMAN FESTIVAL HELD IN THE AYDER HIGHLANDS ON JANUARY 25 - 27, 2019 WITH THE MOTTO “YOU ARE UNDER THE WINGS OF OUR ENERGY.”

Let Kites Fly and Let Energy Fill Your City

Çoruh EDAŞ adds value to its distribution region through corporate social responsibility projects. In this regard, the Company organized a kite festival and hosted around 2,000 people at the Hagia Sophia coast of Trabzon in order to encourage sharing, foster the bond between employees, and boost the feeling of unity.

Ayder Snowman Festival

Çoruh EDAŞ sponsored the snowman festival held in the Ayder highlands on January 25-27, 2019 with the motto “You are Under the Wings of Our Energy.” Offering treats at its booth throughout the day, the Company organized entertaining activities whereby stakeholders came together.

Energy Employees’ Week

The Minister of Energy and Natural Resources Mr. Fatih Dönmez declared the second week of November the Energy Employees’ Week. In the first celebration to honor energy employees, Çoruh EDAŞ organized an anchovy grilling party in 5 provinces and 61 districts simultaneously.

Each Drop of Blood Means A Life Saved

Driven by its social responsibility and solidarity mindset, Çoruh EDAŞ aims to raise public awareness on the importance of blood donation. In this regard, the Company’s employees launched a blood donation campaign to support Turkish Red Crescent Society under the motto “Each Drop of Blood Means a Life Saved.”

FIRAT ELECTRICITY DISTRIBUTION

Let’s Color the Schools

As part of the project, Firat EDAŞ carries out the necessary painting and repair works at the village schools in its impact area. Scheduled to continue in the coming years, the project is intended to enable the Company to reach out to different village schools in the region.

Energize Nature

Firat EDAŞ plants seedlings in treeless areas in its distribution region with the participation of employees so as to leave an inhabitable green nature for the future. Thousands of seedlings are re-introduced back to nature under the project held each year.

Donate Blood With Your Energy, Save Lives

Firat EDAŞ supports Turkish Red Crescent Society through regularly organized blood donation campaigns. In addition to blood donations, the Company encourages volunteers to donate stem cells as part of the campaign.

Happy Children for a Bright Future

As part of the initiative, primary school children in need across the provinces of Firat EDAŞ distribution region were identified in cooperation with the Ministry of National Education. Over a thousand students in need were given new clothes. Firat EDAŞ aims to reach an even wider student



Çoruh EDAS - Let Kites Fly and Let Energy Fill Your City

population in the coming years via the project, which is planned to be made permanent.

Free the Birds

As part of the “Free the Birds” social responsibility project, efforts are carried out to prevent the factors that may constitute a hazard for birds’ natural migratory roads. In the distribution region, which is an important migratory bird stopover site, 5,202 lamp posts and power transmission lines on these posts were isolated to help birds fly freely and lead their natural lives. The number of isolations performed only in 2019 is 1,512. Fırat EDAŞ aims to expand the scope of the project for the purposes of sustainability.

Fırat EDAŞ Energy Volunteers

Under this project, the Company targets raising awareness of primary school students on energy efficiency and energy conservation. In the trainings organized to date, 400 students in the schools within the Fırat EDAŞ distribution region were instilled with energy efficiency and energy conservation awareness by Company employees. At the end of the training, complimentary hats with the Fırat EDAŞ logo and the slogan “We Got This Energy” were distributed to participants. Students receiving the hats have become Fırat EDAŞ Energy

Volunteers. The Company aims for the schoolchildren who become Energy Volunteers to disseminate what they have learned about energy efficiency and energy conservation at their schools and ancillary environments. The “Energy Volunteers” initiative has received significant positive feedback to date. To ensure sustainability of the program, Energy Volunteers is planned to be further developed and expanded in the coming years.

We Are Everywhere

The Company organizes a photography exhibition titled as “We Are Everywhere.” The exhibition reveals the challenges Fırat EDAŞ field workers tackle on site and the nice moments they celebrate after they overcome these challenges. The project is intended to inform the general public on how electricity is transmitted to the end consumer and to raise awareness on the challenges of distribution services.

Light It Up Blue for Autism

During Autism Week, the Company supported the efforts to raise public awareness on autism by lighting up Fırat EDAŞ’s building blue. The Company plans to make this initiative, which sparked attention on digital media and among the general public, permanent in the coming years.

AS PART OF THE “FREE THE BIRDS” SOCIAL RESPONSIBILITY PROJECT, FİRAT EDAŞ ISOLATED ENERGY TRANSMISSION LINES ON 5,202 LAMP POSTS THAT ARE LOCATED ON THE NATURAL MIGRATION ROUTES OF BIRDS.

HUMAN RESOURCES

KAZANCI HOLDING SEES HUMAN RESOURCES AS ITS GREATEST COMPETITIVE ADVANTAGE IN CREATING GLOBAL VALUE IN LINE WITH ITS INNOVATIVE CORPORATE CULTURE.

KAZANCI HOLDING'S HUMAN RESOURCES MANAGEMENT AND PRACTICES ARE DESIGNED TO PROVIDE EMPLOYEES WITH A WORKING ENVIRONMENT THAT ENCOURAGES PARTICIPATION AND CONTINUOUS DEVELOPMENT, AND PROMOTES THEIR PERFORMANCE AND ENGAGEMENT.

Kazancı Holding aims to create value on a global scale with its innovative corporate culture. To this end, the Holding considers highly qualified human resources as its greatest competitive advantage. Kazancı Holding demonstrates this perspective in its Human Resources Policy, which is formulated around the approach: "Our most valuable asset is our human capital." The main objectives of Kazancı Holding's human resources activities include:

- Setting a best example in human resources practices in the sector;
- Managing all aspects of human resources related processes effectively in order to create competitive advantage;
- Forming the organizational structure of all Group companies with individuals who are team players, open to change, productive, dynamic, and well-suited to our corporate values;
- Boosting corporate efficiency by implementing practices aimed at improving the performance and development of human resources.

The Group's human resources management approach includes preparing employees for the specific structure and needs of the industries where it operates. The Group also adopts principles and implements practices to ensure that the staff remains dynamic in line with the Holding's strategic objectives.

Kazancı Holding places great importance on a sustainable human resources structure to achieve its long term goals. The Holding's human resources policies are designed for continuous improvement of the Department's capabilities. The policies are modified and amended as needed in line with long-term company goals.

At Kazancı Holding, human resources management and practices are designed to position the organization as the employer of choice for development-oriented and productive professionals among current and potential employees. This objective is achieved by creating a work environment that supports employee participation and continuous development while boosting staff performance and commitment.

The core values that form Kazancı Holding's approach to human resources include:

- Respect for people,
- A sense of belonging,
- Right person for the right job,
- Diversity management,
- Equal opportunities,
- Personal and professional development.

The Human Resources Department provides support for employee selection and placement, remuneration and benefits, training-development, performance



and the running of organizational processes through a centralized human resources structure. The Department serves all Group companies operating under six different business lines.

Kazancı Holding's Human Resources Department ensures that Group companies are prepared for the present and the future by adopting the right strategies best suited to their respective organizational structure. The Department's activities are based on an accurate understanding of the

workforce's human resources related needs, and meeting those needs with the most appropriate and efficient solutions.

HUMAN RESOURCES ACTIVITIES AND EMPLOYEE SATISFACTION

Kazancı Holding employees are open to change and innovation, dynamic, aware of areas of personal and professional improvement. They are members of a team where continuous development and creativity are actively encouraged, efforts are rewarded, and achievements are recognized.

HUMAN RESOURCES PRACTICES AT KAZANCI HOLDING ARE BASED ON AN ACCURATE UNDERSTANDING OF THE WORKFORCE'S HR RELATED NEEDS, AND MEETING THOSE NEEDS WITH THE MOST APPROPRIATE AND EFFICIENT SOLUTIONS.

HUMAN RESOURCES

THE HUMAN RESOURCES DEPARTMENT ENSURES THAT GROUP COMPANIES ARE PREPARED FOR THE PRESENT AND THE FUTURE BY ADOPTING THE RIGHT STRATEGIES BEST SUITED TO THEIR RESPECTIVE ORGANIZATIONAL CULTURE.

**KAZANCI HOLDING
REGARDS THE DIVERSITY
OF ITS HUMAN RESOURCES
AS A VALUABLE PART OF
ITS ORGANIZATIONAL
STRUCTURE AND A
KEY FEATURE OF ITS
INTELLECTUAL CAPITAL.**

Employee satisfaction and a sense of belonging are core components of Kazancı Holding's human resources vision. To this end, the Group continues to develop and implement policies to boost staff loyalty.

Kazancı Holding regards the diversity of its human resources as a valuable part of its organizational structure and a key feature of its intellectual capital. The overarching aim of Kazancı Group's human resources policy is to provide employees with equal opportunities. The Group is firmly against discrimination based on race, religion, language, gender, and sexual orientation. Kazancı Holding embraces universally accepted human rights principles, and staunchly opposes child labor and forced labor.

Kazancı Holding places great importance on employee satisfaction. To this end, certain benefits and discounts are provided to staff members via business partnerships within the Group. Cookshop, one of the Group's brands, and hotels operated by Aksa Tourism provide all Kazancı Holding employees with discounts. Additionally, agreements are signed with various institutions in healthcare, education, and similar sectors.

In 2019, Kazancı Holding was restructured to achieve further productivity and agility. Efforts initiated in 2018 to boost

recruiting effectiveness and hiring the right candidates for the right jobs continued. A competency-based recruitment system was also put into practice. In addition, candidates were selected for the young talent program, which is set to launch in 2020.

During the year, Kazancı Holding prioritized and commenced efforts related to fair remuneration policies, appropriate performance measurement, professional development and career opportunities. A job evaluation and performance system was launched in 2019; rollouts are planned for 2020. As part of this system, Kazancı Holding will identify employee development areas in terms of competencies and technical aspects. Training and development plans are scheduled for implementation under Aksa Academy in 2020. Job evaluations were completed; and a title and grading structure was developed for accurate and effective management of the remuneration policy. Kazancı Holding also developed the HR Self-Service application and manager reporting systems during the operating period.

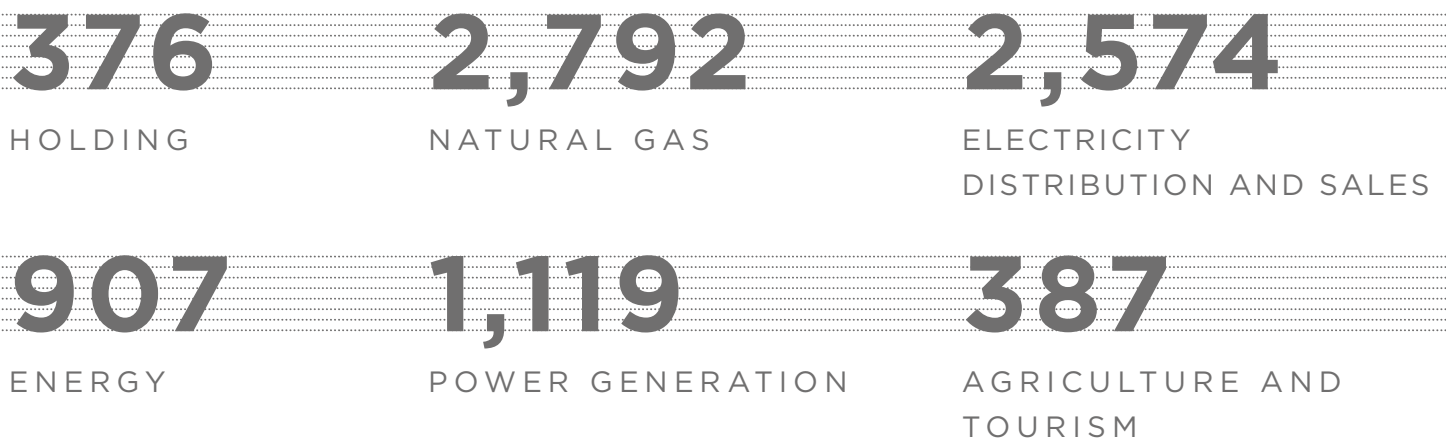
In 2019, Kazancı Holding formed the Aksa Basketball Team - composed of employees from Group companies - to participate in the inter-company basketball tournament.



HUMAN RESOURCES

EMPLOYING 8,155 PEOPLE AS AT THE END OF 2019, KAZANCI HOLDING ALSO CONTRIBUTES TO THE DEVELOPMENT OF TURKEY'S ECONOMY.

COMPANY HEADCOUNT



HEADCOUNT BY GENDER

	NATURAL GAS	ELECTRICITY	ENERGY	HOLDING	POWER GENERATION	AGRICULTURE AND TOURISM	GRAND TOTAL
MALE	2,404	2,324	821	225	951	282	7,007
FEMALE	388	250	86	151	168	105	1,148
GRAND TOTAL	2,792	2,574	907	376	1,119	387	8,155

EMPLOYEE BREAKDOWN BY GENDER (%)

	NATURAL GAS	ELECTRICITY	ENERGY	HOLDING	POWER GENERATION	AGRICULTURE AND TOURISM	GRAND TOTAL
MALE	86	90	91	60	85	73	86
FEMALE	14	10	9	40	15	27	14

HEADCOUNT BY AGE

	NATURAL GAS	ELECTRICITY	ENERGY	HOLDING	POWER GENERATION	AGRICULTURE AND TOURISM	GRAND TOTAL
<25	264	185	64	43	112	64	732
25-34	1,697	1,256	393	165	369	112	3,992
35-49	794	1,015	381	138	582	170	3,080
>50	37	118	69	30	56	41	351
BREAKDOWN OF EMPLOYEES	2,792	2,574	907	376	1,119	387	8,155
GRAND TOTAL	34%	31%	11%	5%	14%	5%	100%

AGE DISTRIBUTION BY COMPANY (%)

	NATURAL GAS	ELECTRICITY	ENERGY	HOLDING	POWER GENERATION	AGRICULTURE AND TOURISM	GRAND TOTAL
<25	10	7	7	11	10	16	9
25-34	61	49	43	44	33	29	49
35-49	28	39	42	37	52	44	38
>50	1	5	8	8	5	11	4

TRAINING (MAN X HOURS)	NATURAL GAS	ELECTRICITY	ENERGY	HOLDING	POWER GENERATION	AGRICULTURE AND TOURISM	GRAND TOTAL
OHS	46,030	82,324	20,229	80	2,659	2,648	153,970
PROFESSIONAL COMPETENCE & OTHER	28,375	51,615	1,392	-	4,476	4,710	90,568
AKSA ACADEMY	-	-	-	8,184	-	-	8,184

HUMAN RESOURCES

AKSA ACADEMY TRAININGS

	NUMBER OF PARTICIPANTS
Blockchain Technology and Crypto Currencies in 90 Minutes	108
Artificial Intelligence and Industry 4.0	103
Blockchain Technology and Crypto Currencies	18
An Aviation Story from Local to Global	97
Reading Body Language and Body Language in Communication	11
Train the Trainer	10
Finance for Everyone	41
How is Law Relevant for Managers	64
HR for Non-HR People	13
First Aid Training	40
Specific Cases for Generators	31
Process Analysis and Improvement with Makigami	33
Analysis of Financial Statements	34
Mobile Photography	8
Customer Satisfaction	13
Performance Management System	142
Competency-Based Performance Assessment	44
Problem Solving Techniques	16
Stress and Coping Mechanisms	14
Global Sustainability Trends and Reporting Non-Financial Data	12
Process Simplification Workshop	13
Basic Tax Training	24
5S in Lean Production	9
Quality Perception in the New World	11
Customer Acquisition in Overseas Markets	14
Fundamental Disaster Awareness	113



OCCUPATIONAL HEALTH AND SAFETY

IN ADDITION TO ADHERING TO OHS RELATED LEGAL AND REGULATORY REQUIREMENTS IN COUNTRIES AND REGIONS OF OPERATION, KAZANCI HOLDING FOLLOWS GLOBAL BEST PRACTICES AND STRIVES TO CONTINUOUSLY IMPROVE ITS PERFORMANCE.

SHAPING ITS OHS POLICY AROUND RAISING EMPLOYEE AWARENESS AND ENSURING OCCUPATIONAL HEALTH, THE GROUP PROVIDES OHS TRAINING TO THE WORKFORCE IN ITS OPERATIONAL AREAS AND AT HEADQUARTERS.

Kazancı Holding attaches great importance to Occupational Health and Safety (OHS) especially given the industry where it operates. As a result, the Group continuously raises its OHS standards via ongoing efforts related to infrastructure, practices and documentation. In addition to adhering to OHS related legal and regulatory requirements in countries and regions where it operates, Kazancı Holding also adopts OHS global best practices and strives to continuously improve its performance. The Holding implements the OHS Management System; identifies risks associated with its business activities; performs risk assessments; sets various goals to minimize identified risks; and continuously monitors progress toward these goals.

Shaping its OHS policy to raise employee awareness and ensure occupational health, the Group provides OHS training to the workforce in its operational areas and at headquarters. OHS activities are conducted by the OHS Board of Kazancı Holding.

In 2019, Kazancı Holding provided 118,730 man x hours of OHS training at its headquarters, including employees of Group companies. In addition, periodic health screenings and emergency drills are conducted to protect the health and safety of staff members across the organization.

OHS TRAININGS

Group	Training Duration (man x hour)
HOLDING	80
NATURAL GAS	46,030
ELECTRICITY	47,084
POWER GENERATION	2,659
ENERGY	20,229
OTHER	2,648
TOTAL	118,730

AKSA NATURAL GAS

Aksa Natural Gas aims to deliver uninterrupted natural gas distribution services in every province and district where it holds a license. 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.

The Central Occupational Health and Safety initiative, launched in March 2015 to ensure sustainability of the OHS Management System, continues to improve every day with the help of the best experts and physicians from across Turkey.

Occupational health and safety efforts at Aksa Natural Gas are centered around “AKSAoHS Software,” which is specially designed to meet the Company’s specific requirements. Developed in accordance with Law No. 6331 on Occupational Health and Safety and the OHSAS 18001:2007 Management System, AKSAoHS dynamically monitors and checks all activities carried out by 2,186 employees at the 21 distribution companies. AKSAoHS centrally controls and reports all OHS activities related to an employee from the moment of recruitment onwards. The software also simultaneously measures the occupational health and safety performance of the 21 Aksa Natural Gas distribution companies.

Aksa Natural Gas continues to work for an upgrade to the new version of ISO 45001:2018 Occupational Health and Safety Management System, which is a key element of organizational change management and continuous improvement. The 21 distribution companies transitioned to the final stage of the system in 2019.

To identify and prevent any external hazard, annual risk assessments are conducted in all distribution regions. Any negative findings are addressed expeditiously with the participation of employees. Disabled, pregnant and breastfeeding staff members are given priority in risk assessments.

In 2019, Aksa Natural Gas collaborated with 21 license regions to develop an Emergency Plan against natural disasters such as earthquake, flood, landslide, explosion and fire, as well as risk factors such as electricity, line faults, sabotage.

The Emergency Plan was finalized and launched during the year. The plan covers all emergency response instructions to ensure the safety of Aksa Natural Gas subscribers, civil society, and company staff.

In addition to OHS trainings, Aksa Natural Gas engaged in the following OHS activities during the year:

- Annual study and annual evaluation reports,
- Employee representative meetings,
- Professional Competence training programs,
- Planned OHS training programs
- OHS training for new hires,
- Planned health screenings,
- Health examinations for new hires,
- Field OHS audits,
- Maintenance and checking of equipment that requires periodic controls,
- Grounding measurements and electrical installation checks,
- Work hygiene measurements at newly opened locations,
- Lightning rod measurements and checks,
- Emergency team training,
- Emergency evacuation drills,
- First aid training.

A special OHS fund was created from the budgets of the distribution regions to proactively reduce losses that may occur due to occupational accidents and diseases.

Positive results were obtained in the root cause analyses of occupational accidents monitored since 2016. The Accident Frequency Rate (AFR) and Accident Incident Rate (AIR) as defined by ILO dropped 5% year-on-year; meanwhile, the Accident Severity Rate (ASR) fell 13% at the Company. Aksa Natural Gas targets a 15% reduction for 2020.

OHS EFFORTS AT AKSA NATURAL GAS ARE CENTERED AROUND “AKSAoHS SOFTWARE,” WHICH IS SPECIALLY DESIGNED TO MEET THE COMPANY’S SPECIFIC REQUIREMENTS.

OCCUPATIONAL HEALTH AND SAFETY

AKSA ENERGY OPERATES WITH THE GOAL OF ZERO WORK ACCIDENTS, IMPLEMENTS ALL NECESSARY SAFETY PRECAUTIONS AND TAKES ACTIONS TO PREVENT OCCUPATIONAL DISEASES.

AKSA POWER GENERATION IS COMMITTED TO ADOPTING AND IMPLEMENTING NECESSARY PRECAUTIONS IN ALL OPERATIONS TO PROTECT THE HEALTH AND SAFETY OF ALL EMPLOYEES AND VISITORS AT ITS FACILITIES.

AKSA ENERGY

Operating over an extensive geographic area, Aksa Energy adopts an OHS management approach that guarantees compliance with domestic and international regulations and other applicable requirements to ensure that employees work in a healthy and safe environment. The Company carries out all OHS activities with the goal of zero work accidents, implements all necessary safety precautions and takes actions to prevent occupational diseases.

Recording a downtrend in its Accident Frequency Rate since 2015, Aksa Energy reduced its AFR by 48% year-on-year in 2019. No fatal occupational accident occurred at the Company during the year.

OHS related assessment and improvement efforts are carried out by the OHS Committee at Aksa Energy. The Committee is comprised of Aksa Energy employees and represents the entire company workforce. All Aksa Energy staff are represented on the committee. The Chairman of the OHS Committee reports directly to the COO.

AKSA POWER GENERATION

Aksa Power Generation carries out comprehensive OHS related measures to protect the health and safety of employees and visitors at its facilities during business operations. These

measures are implemented on an ongoing basis. The Company also requires its subcontractors and other contracting enterprises to comply with OHS principles.

Aksa Power Generation organizes OHS trainings for employees and subcontractors and provides all resources required to this end. In addition, all necessary measures are taken to prevent injuries and occupational diseases during electrical, mechanical, chemical and test processes and at all other stages of business operations. As part of Aksa Power Generation's OHS Policy:

- Internal environment measurements are conducted periodically at the plants and other facilities. Conditions and values of the work environment, including lighting, dust, vibration, noise, temperature, chemicals, and VOC, are reviewed after these measurements are taken and improved if deemed necessary.
- Personal protective equipment is used at factories and facilities.
- All employees regularly undergo health screenings that the Workplace Physician and OHS Specialist deem appropriate each year.
- OHS trainings are provided to all employees.

AKSA ELECTRICITY

Aksa Electricity operates with an approach that focuses on serving people. The Company strives to be a responsible corporate citizen and bases its OHS Policy on respect for people and the environment where they live. Aksa Electricity takes all necessary measures in line with the "Employee Health and Safety First" principle during electricity sales and distribution activities.

As part of its OHS Policy, Aksa Electricity is committed to:

- Taking all kinds of measures in compliance with applicable OHS regulations and other OHS related requirements, making relevant tools and personal protective equipment available and ensuring that they are used when necessary in the work environment and extensions in order to safeguard the health and safety of employees, subcontractors, visitors and staff working outside the workplace;
- Determining and eliminating beforehand unsafe conditions and behaviors that may cause occupational accidents and diseases and result in possible accident risks in the work environment and extensions by conducting an effective risk assessment;
- Reducing risks to an acceptable level in accordance with emergency action plans (e.g. earthquake, fire, flood, civil defense);
- Identifying risks that may cause occupational accidents and diseases in the workplace, ensuring the health, safety and social welfare of employees, visitors, subcontractors at all levels, and reducing all kinds of pecuniary losses and intangible damages that may arise in the future for themselves and their families;
- Training employees with respect to occupational health and safety and ensuring that the staff has a well-developed sense of occupational health and safety awareness;
- Ensuring that subcontractors and visitors serving in the workplace comply with rules laid down by Aksa Electricity related to occupational health and safety.

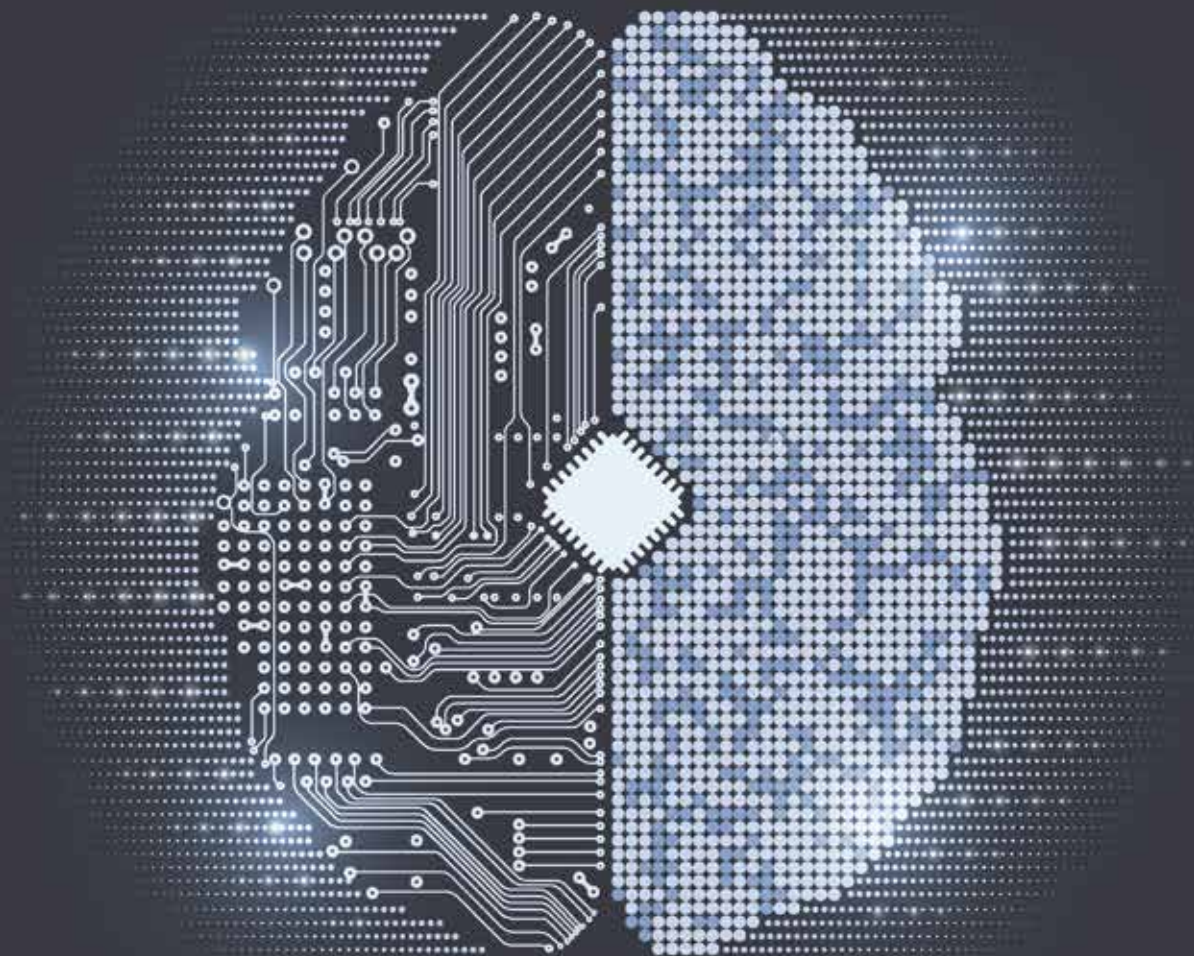
Aksa Electricity sees the health and safety of its employees as one of its top priorities. Health screenings are regularly performed for staff members at the Company. In 2019, 47,084 hours of OHS training was provided to employees in order to raise their awareness on OHS.

IN 2019, AKSA
ELECTRICITY PROVIDED
47,084 HOURS OF
TRAINING TO RAISE
EMPLOYEE AWARENESS ON
OHS ISSUES.

“WITH THE SINGULARITY,
AI MACHINES WILL “TAKE
OVER” THE WORLD.
FROM 2030 ONWARDS,
PEOPLE WILL TRANSFER
THEIR MEMORIES TO THE
INTERNET.”

Ray Kurzwei

American futurist and technology expert



OUR VALUES

OUR CORPORATE VALUES INCORPORATE ALL THE ELEMENTS OF OUR VISION AND MISSION STATEMENTS. KAZANCI HOLDING'S VALUES ALSO DEFINE OUR CULTURE, OUR WAYS OF DOING BUSINESS AND OUR FUTURE OBJECTIVES.

Since its founding in the 1950s, Kazancı Holding has strived to offer reliable and high quality products and services. The trust our stakeholders place in our brand has driven our aspiration to achieve better each day and to continuously expand the value we create.

Forming the basis of our corporate culture, our values have been shaped in light of our over a half-century of experience. We did not simply establish values and follow them. Instead, we embraced what nurtured us, what brought us together toward shared goals, what moved us forward to where we are today, and what will keep us together in the future. These experiences helped form Kazancı Holding's values.

Our corporate values incorporate all the elements of our vision and mission statements, which serve as a compass for the Company. Kazancı Holding's values also define our culture, our ways of doing business and our future objectives. As we unified employees from diverse cultures, countries and backgrounds under the umbrella of Kazancı Holding values, we have based our competencies on these values.



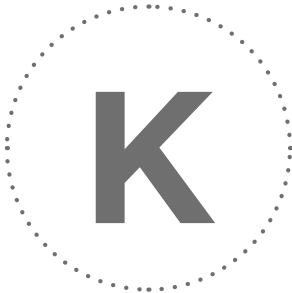
OUR CORE VALUES ARE AT THE HEART OF OUR COMPETENCIES



Sense of Belonging

We are committed to our company and core values.

- We safeguard the interests of the Company in all business activities and processes.
- We strive to use our individual strengths in a way that facilitates the Company's success.
- We feel responsible for the results the Company can achieve.
- We are committed to the Company's goals and our fellow employees.



Creating Added Value

We pursue efficiency and other benefits in all our business activities.

- We contribute to customers' achievements.
- We encourage our employees to make most of their potential.
- We continuously improve our products and business processes.
- We are well aware of our social responsibilities and contribute to Turkey's economy as an organization that respects people and the environment. We adopt an innovative and sustainable environmental approach in all our business activities.



Respect

We build our relationships on respect.

- We value and trust each other.
- We promote open, honest and direct feedback and mutual communications.
- We respect diversity and value every individual regardless of their religion, language, race or gender.



Action

Using time efficiently, we make decisions and take action swiftly.

- We do not resist change; we embrace change and see it as beneficial to the Company.
- We are proactive when it comes to matters that pertain to our business. We assume responsibility, consider the risks, and demonstrate courage in taking the initiative for the business to run smoothly.
- We generate ideas and suggestions to identify, prevent, and resolve problems, or improve the situation at hand when necessary.
- We actively seek out opportunities and take action within our area of responsibility.

STRATEGIC GOALS

KAZANCI HOLDING'S STRATEGIC PRIORITY FOR DOMESTIC OPERATIONS IS TO INCREASE THE QUALITY OF ITS PRODUCTS AND SERVICES THROUGH INVESTMENTS, WHILST ITS INTERNATIONAL PRIORITY IS TO EXPAND ITS PRESENCE IN MORE COUNTRIES.

THE PRIMARY OBJECTIVE OF KAZANCI HOLDING IS TO ENSURE THE LONG-TERM SUSTAINABILITY OF THE GROUP'S OPERATIONS BY STRIKING A BALANCE BETWEEN RETURN, GROWTH AND RISK.

Kazancı Holding's Board of Directors reviews the Holding's strategic goals every year, sets targets for the following year, and executes the necessary action planning to achieve these targets.

The primary objective of Kazancı Holding is to ensure the long-term sustainability of the Group's operations by striking a balance between return, growth and risk. At its periodic meetings, the Board of Directors conducts a comparative analysis of the financial performance of the Group companies and their budgets and examines whether these strategic targets are being met. The Board of Directors also aims to develop new business strategies, make investment decisions and revise previous decisions in line with the new opportunities and needs identified.

As a global energy group, Kazancı Holding's strategic domestic priority is to increase the quality of its goods and services through investments, whilst its international priority is to expand its presence in more countries.

The Board of Directors of Kazancı Holding is committed to performing its activities in a transparent, accountable, fair and responsible manner. The Board of Directors monitors compliance with applicable laws, rules and regulations, the Articles of Association, internal regulations and policies in all kinds of Holding transactions and procedures.



RISK MANAGEMENT, INTERNAL AUDIT AND CONTROL

To deliver the highest possible value to its stakeholders, Kazancı Holding places utmost importance on the early detection and effective management of corporate risks that may pose a threat to its existence. Corporate risk management is well integrated into the Company's strategies and corporate culture. Kazancı Holding aims to ensure that all employees focus on risk management, opportunities and obligations alongside their everyday work responsibilities. The workforce is expected to contribute to the Company's sustainable growth in this way.

The Board of Directors of Kazancı Holding is responsible for consolidated monitoring of all risks associated with Group companies and making holding-wide decisions related to these risks.

Risks faced by Kazancı Holding are managed centrally, and the CFO Office assists the different levels of management in this regard. Operating in an investment-oriented sector, the Holding finances its investments via long-term syndication loans. Developments in the market, liquidity, exchange rate and interest rate risks are monitored regularly. When deemed necessary, the financial risks and opportunities faced are effectively managed through policy adjustments. Protective instruments are purchased within

the framework of the policies set by the senior management; meanwhile, efforts are expended to limit the extent of risk exposure to the Holding. The CFO Office engages in various activities such as determining and implementing measures related to potential risks, and managing and monitoring these in accordance with a risk management system, and reporting these efforts to the Board of Directors. Group companies are required to adapt this model to their own organizations, monitor the risks of their enterprises, and take measures to counteract these risks.

Kazancı Holding's risk management and internal control system is regularly reviewed and audited to achieve the following objectives:

- Protection of company assets;
- Compliance with laws, rules, regulations and contracts;
- Operational efficiency and productivity;
- Accuracy and reliability of financial and operational information;
- Elimination or control of activities and transactions that contain previously identified and reported risk elements within the framework of recommendations approved by the management.

The Company's operational results, the degree of attaining the objectives, and the evaluations and reporting regarding the risks that the Holding faces are evaluated at Board of Directors' meetings held periodically with the participation of the relevant managers.

Kazancı Holding's Internal Audit Department strives to assess and improve the effectiveness of its control and governance processes. Internal Audit reports its activities to the Board of Directors. With a risk-focused approach, audits are conducted regarding the reliability of the financial reporting system; the compliance of the Holding and Group companies with legal and internal regulations; the effectiveness and efficiency of their activities; and the security and reliability of their IT systems. Both central internal audit activities and on-site internal audit activities were carried out in 2019.

The audits verified that the effectiveness of internal control and corporate governance processes was at an adequate level. Additionally, the audits recommended various actions to the management units about specific control shortcomings that were identified, and monitored whether the actions were implemented on time.

INFORMATION TECHNOLOGIES

Kazancı Holding's Information Technologies (IT) activities are focused on integrating the latest technological developments with the business practices of Group companies. Business effectiveness, efficiency and continuity are regularly reviewed in accordance with this vision. Pursuant to the Group's sustainability, operational excellence, customer satisfaction and profitability targets, Kazancı Holding's IT efforts focus on digital transformation and information security across the organization.

In 2019, Kazancı Holding boosted its strategic investments aimed at information technology systems infrastructure. The main projects and activities undertaken by Group companies during the fiscal year include:

Horizon21 SAP Transition Project

Under the Horizon21 SAP Transition project, relevant feasibility, licensing and project design processes were completed for migrating Aksa Natural Gas's invoicing, collection, customer and field operations to SAP end-to-end. Launched in fourth quarter 2019, the project's conceptual design was finalized in early 2020. The project is scheduled to be deployed in the natural gas regions by the end of the year.

Efforts were also initiated to recreate all Group companies' ERP systems on SAP S/4HANA. All ERP processes, finance and logistics in particular, are being redesigned in line with Kazancı Holding's centralization, simplification and singularization strategies. The conceptual design

was completed in March 2020; the adaptation and development stages are ongoing.

Octopus (Budget Planning & Consolidation) Project

The Octopus Project is designed to ensure that budget modeling is based on relevant sales, production, purchasing, expense, investment, financing and taxation data. All budget planning processes are to be conducted via the system.

Teams responsible for budgeting create all budgets via this application. The project allows for consolidation, preparation of legal and virtual consolidated income statement, balance sheet and cash flow statement on industry/company basis. Automation of manual processes is conducted in a controlled way.

DYNAMO (Aksa Power Generation CRM) Project

Under the DYNAMO Project, Aksa Power Generation's sales, service, spare part, rental and second-hand processes were moved to SAP Hybris end-to-end. In addition, affiliated generator management processes were renewed. The project also helped identify potential customers and create opportunity projections. DYNAMO enabled monitoring of personnel on a map in addition to assigning work to field technicians in line with their competencies.

100 tablets for use by sales teams and 300 hand-held terminals and printers for service processes were procured under the DYNAMO project.

Network Monitoring, Supervision and Outage Management System (OMS) Project

OMS was developed and launched in 2018 to monitor and manage power outages at Aksa Electricity Distribution Companies. In 2019, OMS data quality and accuracy was improved, while the automation level was raised upon integration with the Automatic Meter Reader System (AMRS) and invoicing system. Data stored is also automatically reported to EMRA and TEDAŞ via the reporting systems.

Signals processed from these integrated applications are instantly turned into work orders in the field. This feature helps the Company manage power outages in the fastest and most effective manner, resulting in higher customer satisfaction and lower operational costs.

WORKFLOW AND WEB APPLICATIONS

Paper-Free Offices

For all Group companies, business processes that involved use of paper were migrated to workflow and document management systems. This effort helped the Companies report and track these processes in a much faster, paper-free manner. All workflows and processes – including progress payments, provisional acceptance, connection application flows, execution proceedings, refund of security deposits, management approvals and invoicing procedures – were automated.

INFORMATION TECHNOLOGIES

E-Commerce Website for Aksa Power Generation

An e-commerce application for household and workplace generators was developed and launched for Aksa Power Generation.

Legal Portal

A legal database was developed to serve the corporate memory, enabling legal requests to be monitored, reported and audited efficiently.

Contract Automation

As part of Contract Automation efforts, standard contract templates were created for easy approval and use. Contracts are now created based on these templates and submitted for approval. This innovation helps maintain and manage the corporate memory under a single framework.

BUSINESS INTELLIGENCE APPLICATIONS

Natural Gas Data Warehouse

Subscriber data and the notifications from the Geographical Information System and Paperwork are operationally reported via the Business Intelligence platform. The BI platform enables analyses to be conducted more easily and provides faster data access.

Transfer of EPIAŞ Data to BI Environment

Time loss resulting from operational reporting in Microsoft Excel has been avoided. Visualization in the Business Intelligence (BI) environment has improved the analysis process.

Management Dashboard

The Management Dashboard platform was established to analyze credit types and segments via financial reports; quickly access debt amounts via the debt registry report

for all groups; and reach transactions in the application at a glance via the Collective Payment System report. Reports are created where all processes in the supply chain, from purchase request to invoicing, will be monitored; stock inventory status will be displayed; and performance of team members will be evaluated. The credit monitoring report also enables creation of detailed reports by credit type. The process is ongoing for the generation of management reports with human resources data.

EDVARDS

The Electricity Distribution Data Warehouse Reporting System (EDVARDS) was developed for Çoruh EDAŞ and Firat EDAŞ to provide a platform where their regulatory reports can be forwarded to EMRA.

Human Resource Reports

Data from Humanist by HR used to be evaluated only via intensive calculations. Now, results can be directly generated by the system. Report definition language (RDL) reports are created at certain defined intervals.

Projection Efforts

An electricity demand projection model was developed for Turkey, which provides weekly and monthly projections. In addition, K3 Solar Energy estimations were developed. These efforts eliminated the need for operations that required long hours of work. Formerly error-prone platforms started to run more consistently and efficiently.

MOBILE TRANSFORMATION PROJECTS

EDAŞ Mobile Applications

Mobile transformation efforts commenced with emergency calls, push-to-talk and activation-

cancellation applications in 2018. The process was further expanded to include index reading and additional applications to help manage all work orders in 2019. Mobile apps were also integrated with the geographical information systems. Materials used in the field can now be instantly reduced from inventory records on SAP systems.

A mobile app for geographical information systems was developed. This application features open source code to respond to the requirement of instant data entries from the field.

EDAŞ and EPSAŞ Customer Mobile Apps

Key customer processes – such as bill creation, bill collection, instant planned outage monitoring, outage records, street lighting records and meter replacement requests – can soon be carried out by customers via special apps developed for their use. The application development stage is now complete; the testing phase is underway. The applications are planned to be launched for customers in second quarter 2020.

Natural Gas Mobile Applications

Natural gas emergency response applications, planned maintenance applications, and meter reading applications were rolled out and started to be used extensively in all regions.

These mobile apps are now in active use. Meanwhile, field teams are able to coordinate with the Center and in the field much more effectively thanks to over 3,000 new smart devices. These devices are managed centrally via the Mobile Device Management (MDM) application. This effort has also resulted in much faster and quality service provision to customers.



INFRASTRUCTURE AND SECURITY PROJECTS AND IMPROVEMENTS

As part of Group-wide upgrade efforts, expired lifecycle and slow-running devices were replaced. On-site network and wireless network infrastructure failing to comply with applicable standards were revamped. As a result, the Kazancı Holding systems infrastructure was enhanced and network security increased. The IP telephone infrastructure was also upgraded with an expanded capacity. The Holding's login security infrastructure was bolstered against cyberattacks.

In 2019, Kazancı Holding cooperated with an external consulting firm for the ISO 27001 project. The ISO 27001 documentation process was revised.

An audit was conducted by an external audit firm in selected regions of Kazancı Group companies.

No major finding was obtained from these audits; 15 minor findings were discovered. Findings were closed after taking and implementing necessary action; these were submitted to the audit firm.

As a result, certifications were renewed and obtained.

To disseminate the ISO 27001 process in the field and conduct more frequent internal audit activities, about 40 staff members from among all the regions were provided with ISO 27001 training at headquarters.

Participants identified the risks in the field, notified them to headquarters, and made preparations for the internal audit.

THE ISO 27001 DOCUMENTATION PROCESS WAS REVISED AND TRAININGS WERE ORGANIZED TO DISSEMINATE THE ISO 27001 PROCESS IN THE FIELD AND CONDUCT MORE FREQUENT INTERNAL AUDIT ACTIVITIES.

CODE OF ETHICS

1. MAIN ETHICAL PRINCIPLES

1.1. Respect for Human

Respecting human rights and freedoms is our primary principle.

1.2. Integrity, Honesty, Transparency

Whilst conducting our operations, any transactions within the impact area are overseen by the principles of integrity, honesty, and transparency.

1.3. Impartiality, Fairness

We approach all our stakeholders with fairness and impartiality without distinction.

When fulfilling our duties and responsibilities, we do not discriminate individuals based on language, race, color, gender, political views, beliefs, religion, caste, or similar differences.

When making decisions, we decide independently of persons and institutions outside of the corporation.

1.4. Confidentiality

We make sure that confidential information relating to our corporation and all stakeholders is kept private. We share confidential information within the scope of predetermined authorizations with relevant individuals.

1.5. Public Good and Respect for Environment

All our operations embrace the principles of looking out for the public good and respecting the environment as well as profitability.

1.6. Compliance with Global Principles

Kazancı Holding's mission and objectives are in accordance with the fundamental principles of the UN Global Principles Agreement, which we follow when conducting our operations.

2. OUR RESPONSIBILITIES

2.1. Legal Responsibilities

We conduct all our activities in Turkey and abroad within the scope of Republic of Turkey laws, international laws, and legal regulations of the countries with which we are doing business; we provide authorities with the information they request in an accurate, complete, and intelligible manner.

2.2. Responsibilities to Customers

We operate with the aim of providing the fastest service to our customers in line with their requirements and demands. We approach our customers with respect, politeness, fairness, and equality.

2.3. Responsibilities to Employees

We approach employees in a fair and honest manner, and pledge to provide a workplace that is non-discriminatory, safe, and healthy. We will not allow any of our employees to be subjected to mobbing, and we place importance on the business life-private life balance.

We make the necessary efforts for the personal development of our employees, and support them should they wish to volunteer in suitable social and public activities and social responsibility projects.

2.4. Responsibilities towards Shareholders

We place paramount importance on the sustainability of our Company and the goal of creating value for our shareholders. To this end, we refrain from taking unnecessary or unpredictable risks, and aim for sustainable profitability. We act within the framework of financial discipline and accountability, and manage our Company's resources and assets with efficiency and prudence.

We inform our shareholders, the public, and relevant institutions regarding financial results, strategies, investments and risks in a timely, accurate, complete, and intelligible manner.

2.5. Responsibilities to Suppliers/Business Partners

We behave in a fair and respectful manner to our suppliers/business partners, and take the necessary care to fulfill our obligations in a timely manner. We do not give out confidential information about individuals and institutions we do business with.

2.6. Responsibilities to Competitors

We compete actively only in legal and ethically sound markets, and we refrain from unfair competition.

We support competitors' efforts that will benefit the good of the public, and wish to be included in any related structures.

2.7. Responsibilities to the Public and Humanity

It is important for us to protect human rights, the environment, and democracy, and to eradicate corruption and crime. We act sensibly as leaders in social issues, and become involved in efforts that will benefit the public. In Turkey and other countries in which we undertake international projects, we show sensitivity towards national and regional customs and the cultural fabric. We do not give out nor receive goods and services in exchange for bribes, ostentatiously costly gifts, etc.

3. CODE OF ETHICS TO BE FOLLOWED BY EMPLOYEES

It is the primary responsibility of all employees to ensure that our Company remains synonymous with professionalism, honesty, and trustworthiness, and that such values are promoted even further. In this context, standards of ethical conduct expected from employees have been outlined below:

- Always obeying the laws,
- Fulfilling one's duties in line with fundamental ethical and human values,
- Behaving with fairness, good intentions, and understanding in all relationships to create mutual benefit,
- Never obtaining ill-gotten gains or receiving or handing out bribes from any individual or institution regardless of the circumstance,
- When fulfilling duties, acting in a manner suited to the relevant work ethics principles and any other supporting practical principles,
- Unless explicitly instructed to do so, refraining from actions, statements or written communications which might render the Company responsible,
- Refraining from behaviors which might disturb and/or cause harm to other employees, not disrupting the work flow,
- Being attentive to all tangible and intangible assets of the Company, including information and information systems so as to protect them from possible loss, harm, misuse, abuse, theft, and sabotage,
- Refraining from exploiting working hours and company resources directly or indirectly for personal gain and/or political activities or gain.

3.1. Asset and Information Management

3.1.1. Intellectual Property Rights

- Making sure the relevant legal procedures are initiated and completed in time to secure the intellectual ownership of newly developed products, processes, and software.
- Refraining from -knowingly- making unauthorized use of patents, copyrights, trade secrets, brands, computer software or other intellectual and industrial property rights belonging to other companies.

3.1.2. Information Management

- Ensuring all legal records are kept in the proper manner,
- Not responding to requests of information from third parties regarded as classified by the Company unless given approval by the executive management,
- Taking the necessary care so that the Company's declarations and reports reflect the reality of the situation.

3.1.3. Confidentiality

- Acting with the awareness that financial and commercial secrets, information which might weaken the Company's competitive edge, personnel rights and information, and agreements with business partners are confidential, and making sure they are kept as secure and private.
- Not sharing any information derived or any documents possessed as part of one's job with unauthorized individuals or authorities within or outside the Company regardless of the purpose, refraining from using those for speculation directly or indirectly,
- Not using information unavailable to the public regarding the Company, its customers, and other individuals and companies with which the

Company conducts business other than its intended purpose under any circumstances, refraining from sharing those with third parties unless the necessary permissions are obtained.

3.2. Refraining from Conflict of Interest

Conflict of interest refers to any kind of advantage created for oneself, one's relatives, friends, or any other person or establishment one might have a relationship with and the state of having a financial or personal interest, which will or might hinder employees from fulfilling their duties in an impartial manner.

3.2.1. Not Performing Transactions for One's Own Benefit or the Benefit of Relatives

If employees own shares in another company or partake in investments thereof, they are obligated to inform this when they are recruited. Employees must inform their immediate supervisor about any changes which might occur in their circumstances, or any other issues which might be regarded as conflict of interest, and the information must be shared with at least two supervisors with higher seniority.

- Not creating unfair advantage for oneself, one's relatives, or third parties by using one's title and authority,
- When making personal investments, taking care to not create conflict of interest with one's current employer,
- Ensuring that any personal investments or other pursuits outside of one's duties do not hinder the amount of time and attention allocated to one's present job duties, and refraining from such situations which might prevent focusing on major tasks,
- If an employee and a person with decision-making authority in the customer/supplier company involved in the same project are immediate family, the immediate supervisor must be informed and written permission must be obtained.

CODE OF ETHICS

- Informing the immediate supervisor and obtaining written permission in the event of discovering that his/her relatives have shares or financial interests in another company with which the Company has business relations.

3.2.2. Representation and Attending Events

Attendance at events organized by individuals or establishments with which the Company has or could potentially have a business relationship which are not open to the general public (except conferences, receptions, promotional events, seminars etc.), and which might influence or be regarded as being influential in the decision-making process, such as sports events, national/international trips, etc. are subject to the approval of the Group President or the Group Vice President.

3.2.3. Receiving Gifts

When conducting relations with private or official individuals or establishments that wish to commence or continue a business relationship with the Company:

No gifts, cash, cheques, assets, free travels, special discounts, and similar which might place the Company or the recipient under liability are to be accepted. Gifts which cost more than TRY 50 and which are regarded as not influential in the decision-making process can be accepted provided that an immediate supervisor is informed. The total cost of gifts which can be accepted in this manner cannot exceed TRY 500 under any circumstances.

3.2.4. Insider Trading

Knowing that trying to obtain any type of commercial gain including the direct or indirect trading of shares in the stock exchange by using

confidential information relating to our Company or by providing third parties with such information is illegal, and must never be attempted.

3.2.5. Working and Taking On

Duties Outside the Company
Employees cannot accept an official or private, temporary or permanent, paid or unpaid job or engage in trade without obtaining permission from the Company.

3.3. Employee Health and Occupational Safety

Our Company's goal is to ensure occupational safety and employee health in all aspects at the workplace and during working hours.

- Employees comply with rules and instructions in this regard and take the necessary precautions.
- Employees are not to keep in the workplace any possession or material which can put the workplace and/or employees in danger or which is illegal.
- Apart from those in possession of a valid medical certificate, employees are not to keep any tranquillizing, addicting, physically or mentally limiting or disrupting substances at the workplace, and will not perform their job or remain in the workplace under the influence of such substances.

4. IMPLEMENTATION PRINCIPLES FOR RULES OF ETHICAL CONDUCT

4.1. Notification Obligation Concerning Violations

- Employees are expected to notify the relevant managers/departments when faced with any behavior which they regard as incompatible with the law or in-house regulations, without the fear of being

subjected to a negative reaction.

- Employees must warn colleagues who behave in a manner incompatible with the law or in-house regulations.
- Employees are obligated to report any situation which they perceive or suspect to be incompatible with the law or unethical.
- Reports by employees about illegal or unethical activities are investigated by the authorized person(s) in the shortest time possible.
- When a company employee is found to have performed a transaction or behavior that is unethical, the repercussions will be determined by the Ethics Committee.
- Anyone who reports a behavior can rest assured that they will receive a response and will not face any repercussions due to their report.

4.2. Ethics Hotline

When a situation that contravenes the Code of Ethics is observed/discovered at any unit of the Group/Company, the 0850 511 11 12 Ethics Hotline must be called.

Calls to this line concern behaviors outlined above which can be considered unethical or arouse suspicion.

- The hotline is completely independent. Calls are shared only with the Audit Directorate and the Board of Directors.
- Any information given is completely confidential.
- When submitting a report, information must be clear and detailed, and must be solidified by specifying the person, time, and location concerned, as well as by providing documents.
- A report must not be regarded as revealing another's secrets, placing them in a difficult situation, or gossip.
- Calls are anonymous. Callers are not mandated to give out their name.
- The phone line is open 24/7.

4.3. Ethics Committee

The Audit Directorate begins the inquiry concerning the subject of the violation reported to the ethics line. When the inquiry is complete, the Ethics Committee is invited to a meeting to reach a decision.

The Committee makes the decision, implements it, and records it in the decision logbook. Decisions are established by a majority vote.

The employee is notified of the decision within six working days of the committee's verdict, and if necessary, the required actions are taken. Until the Ethics Committee can clearly judge the situation and make a decision, the employer is deemed to be unaware of the situation, and the employee is deemed to be innocent of the matter of the inquiry.

The Ethics Committee is formed of the following personnel:

- Member of the Holding's Board of Directors,
- Relevant Group President,
- Relevant Department's Director for matters concerning joint units within the Holding,
- Audit Director,
- Human Resources Director,
- Legal Director.

The following penalties are given for the breach of the rules of ethical conduct:

- If it is a purposeful abuse of power, dismissal as per the relevant articles of the labor law, and if necessary, legal action. (Previous useful deeds performed by anyone who is found to purposefully create unfair advantage cannot provide grounds for a partial or complete pardon.)
- If there is no abuse of power, or if it is a case of negligence due to carelessness or ignorance, a written or verbal warning depending on the severity of the impacts.

5. EFFECT

The Code of Ethics shall become effective as of 29.09.2017.

In all other situations not outlined above, the Company's Disciplinary Code and the Company's Senior Management are consulted when making a decision.

6. INFORMING THE PUBLIC

Kazancı Holding is obligated to present its Code of Ethics to the public and all its employees. The same obligation holds if any changes are made to these principles.

INFORMATION SECURITY POLICY

For the execution of Kazancı Holding's business processes, only Kazancı Holding information resources are used. The basis of the utilization of these resources is directly related to the research, development, service and managerial/administrative activities of Kazancı Holding. Utilization of Kazancı Holding resources cannot be contrary to what is legally required and Kazancı Holding's policies and procedures. For the utilization of Company assets, transactions are carried out by taking into consideration information classifications, which were determined as per legal requirements, confidentiality, integrity and accessibility concepts, and possible security risks specific to them.

Kazancı Holding's Information Security Policy is implemented under the topics below:

PERSONAL USE

Kazancı Holding personnel are obligated to obey relevant Republic of Turkey laws, particularly Law no. 5651, international law, and general ethical codes when using and providing all information systems and communication means, including internet and voice communication. Staff members refrain from performing actions that are not included in their job descriptions, such as providing unauthorized access to information and tools they possess and looking for weaknesses.

ACCOUNTABILITY

Access information and tools assigned to a user cannot be shared with anyone under any circumstances, including technical staff.

INTERNET USE

Users shall not provide information about the Company's location and phone number, employee names, titles, email addresses and other personal information when posting on internet discussion groups, chat rooms, and other forums, unless necessary for their job requirements or legal obligations. Internet access is provided in accordance with the connection settings and access restrictions provided by Kazancı Holding. Internet users do not have access to illicit or unlawful sites.

USE OF MESSAGING SERVICES

Electronic messaging rules are the same regardless of whether the exchange takes place in written or face to face. Electronic messaging is used when face to face communication is not possible. When sending messages to a group of recipients in the address list, one shall ensure that all recipients would like to receive the outgoing message.

OFFICE EQUIPMENT, PRINTED DOCUMENTS, AND PORTABLE DATA STORAGE DEVICES

When printing highly confidential documents, users shall remain by the printer to avoid the document being read or seized

by unauthorized individuals. Regardless of whether they are confidential or not, and whether they are stuck in the machine, originals and copies of documents shall not be abandoned inside printers or photocopiers.

SURVEILLANCE AND RECORDING ACTIVITIES, PRIVACY

Kazancı Holding reserves the right to examine any information kept on its systems and relayed through Kazancı Holding systems. Personal information of the users stored on Kazancı Holding systems or transmitted through Kazancı Holding systems are processed in accordance with the Law No. 6698 on the Protection of Personal Data.

GENERAL DATA PROTECTION AND CLASSIFICATION RESPONSIBILITIES

Information exchange within Kazancı Holding can take place only amongst users who require access to the data because of their job requirements. Sharing of information with public institutions and members must be done by competent employees in accordance with the legal requirements.

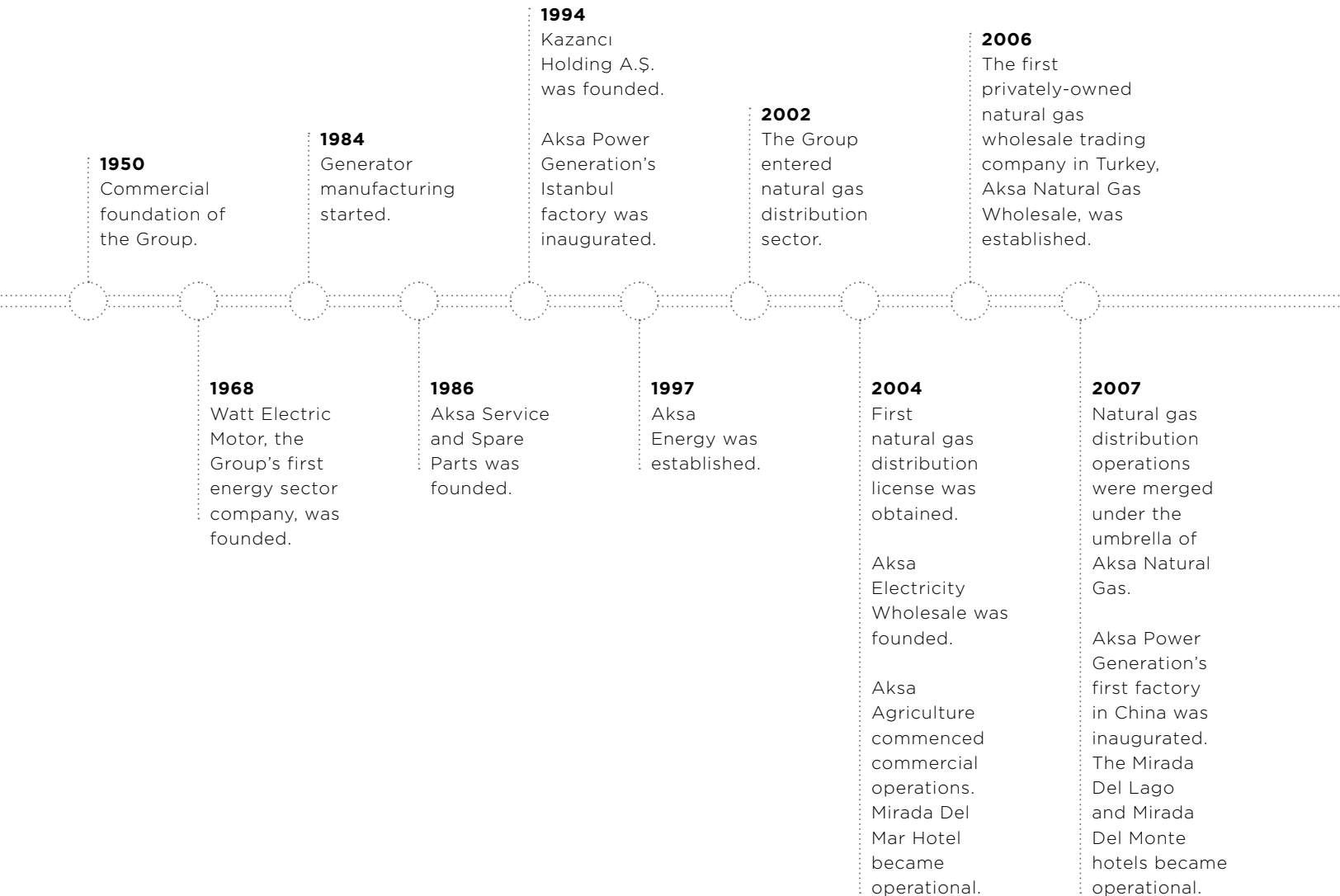
VIOLATION NOTIFICATION

When employees determine any actions that are not compatible with Kazancı Holding's policies and procedures, they shall notify the Information Security Committee immediately.



MILESTONES

STRIVING TO ACHIEVE BETTER FOR OVER HALF A CENTURY, KAZANCI HOLDING CONTINUES ITS SUSTAINABLE DEVELOPMENT JOURNEY TAKING NOVEL STEPS.



2010

Aksa Energy's IPO took place.

The Group assumed control over Çoruh and Fırat electricity distribution regions.

2012

Aksa Power Generation inaugurated its power generator factory in China, which has the world's largest production capacity.

2015

Bolu Göynük Thermal Power Plant, Turkey's second private lignite-fired power plant, became operational.

Aksa Aksen Energy Trading was founded.

Aksa Energy entered the African market by executing a power plant construction and guaranteed energy sales agreement with the Republic of Ghana.

2017

Aksa Energy's Ghana, Madagascar and Mali heavy fuel oil power plants commenced commercial operations.

2019

Aksa Power Generation established a joint venture with Mitsubishi to produce high-tech generators.

Aksa Energy reached 24 MW installed capacity at the Madagascar CTA-2 Heavy Fuel Oil Power Plant.

Aksa Energy signed a preliminary MoU to develop an electricity generation project in Cameroon.

Aksa Energy obtained preliminary licenses for two natural gas-fired energy generation and sales projects in the Republic of Congo.

Aksa Power Generation obtained accreditation from Turquality, Turkey's most prestigious brand program.

Aksa Power Generation's online sales portal was launched.

2011

Ali Metin Kazancı Antalya Natural Gas Combined Cycle Power Plant reached an installed capacity of 1,150 MW.

2013

Aksa Power Generation's factory in the USA was inaugurated.

2016

Aksa Energy executed agreements on power plant construction and energy sales with the Republic of Madagascar and Republic of Mali.

2018

Aksa Energy signed an Operation & Maintenance contract for the rehabilitation and operation of the 24 MW Madagascar CTA-2 HFO Power Plant. Some 12 MW of the facility's capacity was commissioned and began commercial operations.

The installed capacity of Ghana Heavy Fuel Oil Power Plant rose from 280 MW to 370 MW.

Aksa Natural Gas added 36 new districts to its service network, increasing its network to 180 districts and towns.

Aksa Power Generation's Miami and Uzbekistan sales offices were inaugurated.



KAZANCI HOLDING

Rüzgarlıbahçe Mahallesi, Özalp Çıkmaızı No: 10

34805 Kavacık Beykoz - ISTANBUL/TURKEY

T +90 (216) 681 00 00

F +90 (216) 681 57 84

www.kazanciholding.com.tr



KAZANCI HOLDING

aksa