

STAKEHOLDER ENGAGEMENT PROCEDURE

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Page No.: 1/10

CONTENTS

1.0	PURPOSE	2
2.0	SCOPE	2
3.0	REFERENCES	2
4.0	DEFINITIONS AND ABBREVIATIONS	2
5.0	RESPONSIBILITIES	3
6.0	IMPLEMENTATION	3
6.1	Determining Stakeholders	3
6.2	Stakeholder Analysis and Mapping	4
6.2.1	Identification of Stakeholders	5
6.2.2	Stakeholder Prioritization	5
6.2.3	Evaluation of Stakeholders	5
6.2.4	Collecting and Evaluating Stakeholder Feedback	7
6.3	Determining Methods of Communication with Stakeholders	7
6.4	Determining Stakeholder Priorities	8
6.5	Establishing a Feedback Recording Mechanism	9
6.6	Monitoring the Performance of the Stakeholder Engagement Process	9
6.7	Stakeholder Capacity Building Plans	9
6.8	Lessons Learned	10
7.0	RELATED DOCUMENTS	10
8 N	REVIEW	10



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Kİ-PR002

Publication Date: 13.11.2023

Rev. Date: 13.11.2023

Rev. No.: 0

Page No.: 2/10

1.0 PURPOSE

The purpose of this procedure is to ensure that individuals and other stakeholders affected by Zorlu Enerji's activities have timely and accessible access to the necessary information. It aims to enable stakeholders to express their views on the Company (Zorlu Enerji), its impacts, and the mitigation measures to be taken through a meaningful consultation process. The stakeholder governance process supports the following areas:

- Identification and inclusion of all potentially affected stakeholders in stakeholder engagement,
- Identification of sensitive/vulnerable groups as part of the identification process,
- Ensuring that all affected parties have the best possible understanding of the Company,
- Developing an engagement strategy involving local stakeholders,
- Early identification of issues that may pose risks to the Company or its stakeholders,
- Ensuring the suitability (feasibility, effectiveness, and efficiency) of mitigation measures,
- Establishing a system for long-term and mutual communication between the project and local communities and customers, serving the interests of all parties,
- Defining resources and responsibilities for the implementation and monitoring of the stakeholder engagement program,
- Establishing a grievance mechanism for stakeholders, including addressing concerns and feedback,
- Development of community development plans within the scope of local stakeholder capacity-building programs,
- Fulfilling Zorlu Enerji's social commitments related to stakeholder governance.

2.0 SCOPE

It is used in all investment, operation, and supply chain stages in all areas where Zorlu Enerji operates.

3.0 REFERENCES

- Smart Life 2030 Sustainability Vision
- Zorlu Enerji Sustainability Strategy
- International ESG Requirements
- Relevant Standards (IR, IFC, EBRD, EP, etc.)
- Relevant Legislation (Environmental Law, etc.)

4.0 DEFINITIONS AND ABBREVIATIONS

IR: Integrated Reporting



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Ki-PR002

Publication Date: 13.11.2023

Rev. Date: 13.11.2023

Rev. No.: 0

Page No.: 3 / 10

• IFC: International Finance Corporation

EBRD: European Bank for Reconstruction and Development

• EP: Equator Principles

• ESG: Environmental, Social, Governance

- Internal stakeholders: Individuals and groups within the company who are affected by or can affect the company. Examples of internal stakeholders include employees and managers of the company.
- External stakeholders: Individuals, groups, or institutions outside the company who benefit from the products and services provided by the company or who are affected by or can affect the company. Examples of external stakeholders include banks, financial institutions, universities, and suppliers.

5.0 RESPONSIBILITIES

<u>Corporate Communications Department:</u> Responsible for implementing the Stakeholder Governance Procedure, communicating it to relevant investments and operations, and reporting complaints to the Company management every 6 months. Supports the preparation of the Stakeholder Engagement Plan for the relevant operations. Responsible for providing capacity development and procedure training to the relevant operation managements.

<u>Sustainability Department</u>: Responsible for establishing the structure of the stakeholder governance procedure, identifying environmental and social risks, communicating regulatory requirements, and determining grievance mechanisms.

<u>Operations and Investments:</u> Comprises power generation plants, electricity distribution operations, and gas distribution operations within Zorlu Enerji. Responsible for incorporating feedback from relevant locations into operational and investment plans. Also responsible for implementing the relevant stakeholder engagement plans.

6.0 IMPLEMENTATION

6.1 Determining Stakeholders

Stakeholders are defined as individuals and organizations that are affected by the company's activities and have or may have a significant impact on its success. Throughout all its operations, Zorlu Enerji prioritizes maintaining transparent and two-way communication with all its stakeholders and works to create value. In its relations with stakeholders, it adheres to the principles of diversity and inclusiveness, trust and open communication, accessibility, and prompt action. It aims to make the benefits provided to all key stakeholders sustainable for sustainable growth.

Zorlu Enerji categorizes its stakeholders under three main headings:



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Ki-PR002

Publication Date: 13.11.2023

Rev. Date: 13.11.2023

Rev. No.: 0

Page No.: 4 / 10

- Directly Affected Stakeholders: Employees, customers, business partners and suppliers, shareholders, investors, and analysts
- 2. **Indirectly Affected Stakeholders**: Financial institutions and organizations, public institutions and regulatory authorities, local governments, trade unions, media, non-governmental organizations, international organizations, and initiatives.
- 3. Stakeholders Bringing New Opportunities, Knowledge, and Understanding: Universities.

In line with these outlines, each power plant, investment, or operation lists and defines all its stakeholders, categorizing them as directly affected, indirectly affected, and those bringing new opportunities.

6.2 Stakeholder Analysis and Mapping

Each stakeholder listed determines their perspective on the business or investment as positive or negative. It maps the relationships between these stakeholders and the business. Stakeholder analysis is the most important tool for ensuring participation. Taking into account the views of the parties the company interacts with regarding the strategic plan helps shape public services according to beneficiary needs, which in turn promotes stakeholder ownership of the strategic plan and increases its success level. Stakeholders are individuals, groups, or institutions that are directly or indirectly, positively or negatively affected by or can affect the company and its products and services. Stakeholders are classified into internal and external stakeholders:

Stakeholder analysis aims to:

- Incorporating stakeholders' opinions, suggestions and expectations into the strategic planning process
- Stakeholder ownership of the plan and increased applicability
- Identifying factors that may hinder the effective delivery of the company's services and taking measures to eliminate them.
- Identifying stakeholders' relationships with each other and possible conflicts of interest
- Obtaining an idea about the company's strengths, weaknesses, opportunities and threats

Stakeholder analysis consists of the following stages:

- Identifying stakeholders
- Prioritizing stakeholders
- Evaluating stakeholders
- Collecting and assessing stakeholder views and suggestions.



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Kİ-PR002

Publication Date: 13.11.2023

Rev. Date: 13.11.2023

Rev. No.: 0

Page No.: 5 / 10

6.2.1 Identification of Stakeholders

In the first stage of stakeholder analysis, the stakeholders of the company are identified. One of the effective ways to initiate the identification process is to conduct a brainstorming session within the strategic planning team. To identify the stakeholders of the company, the following questions are asked:

- Who are the people interested in the company's products/services?
- Who are the users of the company's products/services?
- Who are the people affected by the company's products/services?
- Who are the people influencing the company's products/services?

The company's stakeholders are classified as internal stakeholders and external stakeholders. Additionally, if a stakeholder has subgroups with different characteristics, expectations, and importance, identifying these stakeholders based on these subgroups ensures that the stakeholder analysis is conducted effectively.

6.2.2 Stakeholder Prioritization

The number of identified stakeholders may be so large that effective communication becomes impossible. Therefore, to ensure effectiveness in gathering stakeholder opinions and reflecting them in the plan, it is necessary to prioritize the identified stakeholders.

In prioritizing stakeholders, their degree of influence and importance is taken into account. Influence refers to the company's ability to affect the stakeholder through its activities and services, as well as the stakeholder's power to influence the company through their decisions. Importance refers to the value the company places on meeting the stakeholder's expectations and demands. Using this degree of influence and importance, stakeholders are prioritized using a five-point scale or a rating method determined by the company.

6.2.3 Evaluation of Stakeholders

At this stage, the prioritized stakeholders are evaluated comprehensively. The questions to be answered when evaluating stakeholders are as follows:

- Which product/service of the company is the stakeholder interested in?
- What are the stakeholder's expectations from the company?
- How does the stakeholder influence the company's products/services?
- How is the stakeholder affected by the company's products/services?

Within the scope of stakeholder analysis, stakeholders are associated with the products/services offered by the company. Thus, it becomes clear who benefits from which products/services.



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Ki-PR002
Publication Date: 13.11.2023
Rev. Date: 13.11.2023
Rev. No.: 0

Page No.: 6 / 10

Impact Level	Weak	Strong
Low	Observe	Inform
High	Consider your interests, include them in the work	Work together

Zorlu Enerji conducts comprehensive importance and impact assessments to determine the significance and potential effects of its operations on stakeholders. The latest stakeholder map of Zorlu Enerji is as follows:

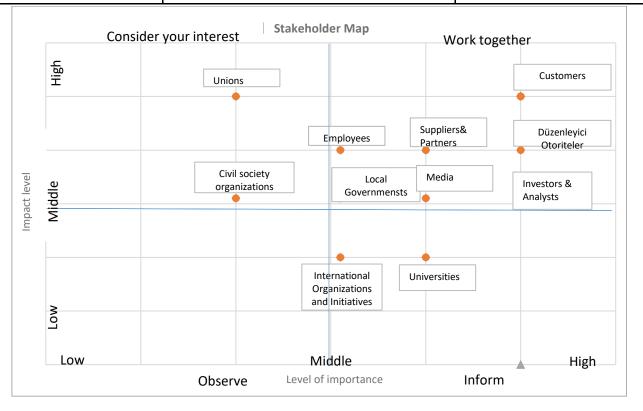
Stakeholders	Level of Importance	Impact Level
Investors and Analysts	5	3
International Organizations and Initiatives	3	2
Local Governments	3	3
Universities	4	2
Civil Society Organizations	2	3
Customers	5	5
Media	3	4
Employees	4	3
Financial Institutions and Organizations	5	5
Stakeholders	5	5
Public Institutions and Regulatory		
Authorities	5	4
Unions	2	5
Suppliers and Partners	4	4



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Ki-PR002
Publication Date: 13.11.2023
Rev. Date: 13.11.2023
Rev. No.: 0

Page No.: 7 / 10



6.2.4 Collecting and Evaluating Stakeholder Feedback

In the process of collecting the opinions and suggestions of prioritized stakeholders about the company, the following questions are answered:

- By which method will opinions and suggestions be collected? Which individuals or units will be consulted?
- Who will be responsible for the process of collecting feedback?
- · When and within what timeframe will the feedback be collected?
- When, how, and by whom will the collected feedback and suggestions be reported and evaluated?

6.3 Determining Methods of Communication with Stakeholders

- Informational meetings
- Public participation meetings
- Visits to local leaders
- · Visits to institutions and individuals
- Informing through announcements
- Surveys



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Ki-PR002

Publication Date: 13.11.2023

Rev. Date: 13.11.2023

Rev. No.: 0

Page No.: 8 / 10

- Complaint and suggestion boxes
- One-way information dissemination through the press
- Mutual communication via email
- Notifications through petitions and phone calls, etc.

6.4 Determining Stakeholder Priorities

The opinions of internal and external stakeholders are collected through surveys to identify priority and highly priority issues. These opinions are then evaluated within Zorlu Enerji's processes. The relevant work is carried out at the corporate level. At a minimum, the study is reviewed every 2-3 years based on the assessment of Zorlu Enerji's Sustainability Department.



In the process of determining priority issues, Zorlu Enerji may seek external resources for sustainability if needed, to identify global risks, conduct surveys, and integrate highly prioritized issues into the strategy.

When defining its sustainability strategy, Zorlu Enerji annually updates and prioritizes the most important issues related to its activities, as valued by its stakeholders, alongside literature reviews. In the process of determining priority issues, the company takes into account global risks, conducts surveys, and integrates highly prioritized issues into its strategy, seeking external support in the field of sustainability if necessary.



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Kİ-PR002

Publication Date: 13.11.2023

Rev. Date: 13.11.2023

Rev. No.: 0

Page No.: 9 / 10

While identifying priority issues, Zorlu Enerji adheres to its sustainability policy, considering global trends, risks, and leading sustainability standards in the sector.

By aligning with this policy and conducting the priority issue determination (prioritization analysis) work, Zorlu Enerji evaluates prominent topics with a holistic approach and identifies the areas of value it will focus on in its long-term value creation journey. When preparing the Stakeholder Governance Plan or engagement plan, the priorities identified in the prioritization analysis detailed above by Zorlu Enerji are taken into consideration.

6.5 Establishing a Feedback Recording Mechanism

To receive, record, prioritize, evaluate, determine the response method, and reply to the requests, complaints, and demands of the stakeholders identified in the above processes, as well as to track the responses and document the processes, a Complaint Form and a Complaint Registration Form should be created.

Feedback is managed within the grievance mechanism defined below.

The Corporate Communication Department will provide a response to the proposal or complaint to the complainant, either directly or after consulting with the relevant unit, within a maximum of 48 hours, both in writing and verbally. If there is an ongoing situation or one that requires a solution, the Corporate Communication Department will ensure the follow-up of the issue and inform the complainant in writing and verbally once it is resolved. The details of the complaints received, the responses given, and any ongoing resolution processes will be reported to the company management every 6 months.

6.6 Monitoring the Performance of the Stakeholder Engagement Process

Performance related to stakeholder engagement is carried out through suggestions and complaints received from relevant stakeholders. The field teams are responsible for collecting complaints specific to the relevant region and sharing them with the Corporate Communication Department if necessary. Two complaints were received in 2023.

6.7 Stakeholder Capacity Building Plans

Plans are being developed to enhance the capacities of local stakeholders to ensure effective communication and collaboration with the company. Capacity building involves improving access to information and communication skills, enabling local stakeholders to effectively convey their concerns, needs, and questions to the company. Investments in the community aim to enhance the effectiveness of these investments by focusing only on areas and services that are truly and timely needed by the community. Capacity building increases community members' access to information and improves their communication skills, ensuring they can effectively communicate their concerns and questions to the company.



STAKEHOLDER GOVERNANCE PROCEDURE

Doc. No.: Kİ-PR002

Publication Date: 13.11.2023

Rev. Date: 13.11.2023

Rev. No.: 0

Page No.: 10 / 10

6.8 Lessons Learned

Lessons learned are addressed through the evaluation of feedback from stakeholders by the relevant business management, upper management, and the Corporate Communication Department. The lessons learned include the following implementation steps:

- Sharing best practices
- Conducting training sessions
- · Cumulative evaluation of feedback at regular intervals

7.0 RELATED DOCUMENTS

- Stakeholder Management Plans
- IFC Performance Standard 1 Environmental and Social Risk Assessment and Management
- Complaint Collection Forms (Simple Suggestion and Complaint Form, Complaint Registration Form)
- · Complaint and Suggestion Procedure
- Zorlu Enerji Integrated Annual Reports
- Zorlu Enerji Pakistan Comprehensive Community Development Plan
- Kızıldere III GPP Capacity Extension Project

8.0 REVIEW

This procedure will be reviewed annually by the Board of Directors, taking into account the results of stakeholder engagement and any concerns that may arise.

Preparer	Control Approval	Enforcement Approval
YEŞİM DANIŞER	BERK TÜRKEL	i. SiNAN AK
Specialist, Sustainability	Manager, Sustainability	Sector President



SIMPLE SUGGESTION AND COMPLAINT FORM

Doc. No.: SÜR-FR009
Publication Tarihi: 1.08.2022
Rev. Date: 1.08.2022
Rev. No.: 0
Page No.: 1/2

SUGGESTION AND COMPLAINT FORM			
Name and Surname of the Person Receiving the Suggestion and Complaint Title			
Tide			
INFORMATION ABOUT SUGGESTIONS AND COMPLAINTS	Suggestion and Complaint Tool		
Name and Surname	Phone		
Phone number	Meetings		
Address	Application Office		
Village	email, Mail 🗆		
Signature of the Suggestion and Complainant (If Possible)	Field Visit ⊕		
	Other		
DETAILS OF THE SUGGESTION	AND COMPLAINT		
CLOSING/CONTI	Damage to Households and		
SUGGESTION AND COMPLAINT EVALUATION Livelihoods			
	Environmental and Social		



SIMPLE SUGGESTION AND COMPLAINT FORM

Doc. No.: SÜR-FR009
Publication Tarihi: 1.08.2022
Rev. Date: 1.08.2022
Rev. No.: 0
Page No.: 2/2

Expropriation **Business** Other $\square No$ **RESULT CLOSING NOTE Company Official Suggestion and Complainant** Name and surname Date and Signature (If possible, if not signed, the reason should be noted)



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Publication Date: 1.08.2022

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COMPLAINT REGISTRATION FORM

Rev. No.: 0
Page No.: 1/1

DATE	SUGGESTION AND COMPLAINING PERSON	SUBJECT	RESOLUTION/RESPOND ACTION	CLOSING/CONTINUATION NOTE



COMPLAINT AND SUGGESTION PROCEDURE

Doc. No.: SÜR-PR015 Publication Date: 1.08.2022 Rev. Date: 1.08.2022 Rev. No.: 0

Page No.: 1/4

CONTENTS

1	PURPOSE AND SCOPE	2
2	REFERENCES	2
3	RESPONSIBILITIES	2
3.1	Responsibility of Municipality and Village Mukhtars	2
3.2	Responsibilities of Zorlu Enerji Group Employees and Field Consultants and Contractors	2
3.3 QH	Responsibilities of Zorlu Enerji Group Operations, Project Management, and SE&Sustainability Directorate	2
4	IMPLEMENTATION	3
4.1	Process to be Followed When a Suggestion or Complaint is Received	3
4.2		
4.3	Enforcement	3
4.4	Özel Hüküm Special Provision	3
5	RELATED DOCUMENTS	3

Bu dokúmanın içeriği ZORLU ENERJİ'nin mülkiyetinde olup, sahibinin yazılı izni olmadan kopya edilemez, çoğaltılamaz ve üçüncü şahıslara açıklanamaz.

Hazırlayan	Kontrol Onayı	Yürürlük Onayı
BERK TÜRKEL Yönetici, Kalite ve İSG-Ç	TAMER SOYLU Kıdemli Yönetici, Çevre ve Kurumsal Sor.	KAAN GENÇEL Müdür, İş Sağlığı Güvenliği ve Çevre



COMPLAINT AND SUGGESTION PROCEDURE

Doc. No.: SÜR-PR015

Publication Date: 1.08.2022

Rev. Date: 1.08.2022

Rev. No.: 0

Page No.: 2/4

1 PURPOSE AND SCOPE

The purpose and scope of this procedure are to enable and strengthen communication between the project/operator owners and individuals (stakeholders) living in or affected by the project in the licensed area of Zorlu Enerji companies, including districts, villages, neighborhoods, etc. This will allow stakeholders to officially report their concerns, questions, requests, suggestions, and complaints.

Zorlu Enerji Group will be easily accessible to stakeholders and will respond to complaints as promptly as possible. It is one of the company's core principles to convey information accurately, transparently, and swiftly.

2 REFERENCES

Relevant IFC & EBRD Standards

3 RESPONSIBILITIES

3.1 Responsibility of Municipality and Village Mukhtars

- Inform stakeholders registered in the district and village population about the suggestion and complaint mechanism procedure.
- Record the stakeholder suggestions and complaints received and initially report them to the QHSE&Sustainability Directorate by phone.
- Ensure that the stakeholder fills out the "Suggestion and Complaint Registration Form (Appendix-1)" (form)
 for the suggestions and complaints received and forward the completed forms to the QHSE&Sustainability
 Directorate at the company headquarters.
- If the suggestion and complaint owner has a disadvantage that prevents them from filling out the form, fill out the form based on the verbal statement received from the stakeholder, have it signed by the stakeholder, and then forward it to the QHSE&Sustainability Directorate at the company headquarters.

3.2 Responsibilities of Zorlu Enerji Group Employees and Field Consultants and Contractors

- Inform stakeholders they communicate with about the suggestion and complaint mechanism.
- Guide stakeholders who wish to use the suggestion and complaint mechanism or forward the form, if any, to the Corporate Communication Department.
- If the suggestion and complaint owner has a disadvantage that prevents them from filling out the form, fill out the form based on the various suggestions and complaints received from the stakeholder, have it signed by the stakeholder if possible, and then forward it.

3.3 Responsibilities of Zorlu Enerji Group Operations, Project Management, and QHSE&Sustainability Directorate

- Establishing, updating, and ensuring the functionality of the procedure.
- Operations and project managers are responsible for implementing the procedure.



COMPLAINT AND SUGGESTION PROCEDURE

Doc. No.: SÜR-PR015

Publication Date: 1.08.2022

Rev. Date: 1.08.2022

Rev. No.: 0

Page No.: 3 / 4

- The procedure and its annex are delivered to district municipalities, village headmen, and the project manager (to be notified to Zorlu Enerji Group employees, consultants, and contractors) by the QHSE&Sustainability Directorate with a report, and they are informed about the mechanism.
- Record and process stakeholder suggestions and complaints received directly or indirectly in writing.
- Follow up and resolve the issue raised in the stakeholder's complaint.
- Ensure that the stakeholder is informed in writing and verbally as soon as possible.
- Share the response given to the stakeholder with the relevant units if necessary.
- Archive the received form and the given response.
- In cases where a different application need arises due to international practices, legislative requirements, or requirements from EBRD, IFC, or other entities, the complaint and suggestion procedure for the specific project and operation can be created under the guidance of the Sustainability & HSE-Ç Directorate, considering this procedure.

4 IMPLEMENTATION

4.1 Process to be Followed When a Suggestion or Complaint is Received

The Corporate Communication Department will respond to the suggestion or complaint either directly or after consulting with the relevant unit within a maximum of 48 hours, informing the complainant both in writing and verbally.

If there is an ongoing situation or one that requires resolution, the Corporate Communication Department will monitor the matter and provide the complainant with written and verbal information once the issue is resolved.

4.2 Reporting

Details of the complaints received, the responses given, and any ongoing resolution processes, if applicable, will be reported to the Company management every three months.

4.3 Enforcement

This procedure comes into force on the date of its publication.

4.4 Special Provision

This procedure will be reviewed and its scope expanded as needed by the QHSE&Sustainability Directorate in accordance with the requirements and structure of the new period when the project transitions from the construction phase to the operational phase.

5 RELATED DOCUMENTS

- Simple Suggestion and Complaint Form
- Suggestion and Complaint Registration Form



COMPLAINT AND SUGGESTION PROCEDURE

Doc. No.: SÜR-PR015 Publication Date: 1.08.2022 Rev. Date: 1.08.2022 Rev. No.: 0

Page No.: 4/4

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