



Project Summary Information

Date of Document Preparation: October 24, 2025	
Project Name	Enerjisa Enerji Sustainability Linked Corporate Loan for Network Modernization, Expansion, and Reconstruction
Project Number	P000812
AIIB member	Türkiye
Sector/Subsector	Energy/Electricity Transmission and Distribution
Alignment with AIIB's thematic priorities	Green infrastructure; Technology-enabled Infrastructure; Private Capital Mobilization
Status of Financing	Approved
Objective	To upgrade and expand Türkiye's regional electricity distribution capacity while reconstructing its earthquake-affected infrastructure, controlling its electricity losses, and promoting gender balance in the sector.
Project Description	Enerjisa Enerji A.Ş. (Enerjisa or the Borrower) is Türkiye's largest electric utility, with a distribution network of over 334,910 kilometers, close to 12.4 million network connections, and 10.9 million retail customers. Enerjisa operates the distribution networks of three Turkish regions: AYEDAŞ (Istanbul Anatolian side), Baskent EDAŞ (Ankara, northern provinces), and Toroslar EDAŞ (Gulf of Adana, southern provinces). Enerjisa also operates three retail companies, each in the same regions as DisCo companies: Enerjisa Toroslar Elektrik Perakende Satış A.Ş. (Toroslar EPSAŞ), Enerjisa Başkent Elektrik Perakende Satış A.Ş. (Baskent EPSAŞ), and Enerjisa İstanbul Anadolu Yakası Elektrik Perakende Satış A.Ş. (AYEPSAŞ) (collectively, the RetCos; individually, a RetCo). In line with the Objective, the Project will support the modernization and expansion of three electricity distribution networks under Enerjisa's management on behalf of the Turkish Electricity Distribution Company (TEDAŞ), as contemplated under Türkiye's Fourth Tariff Implementation Period (TIP-4), approved by the Energy Market Regulatory Authority (EMRA). A significant part of the loan proceeds will support the reconstruction of the Toroslar EDAŞ network, which was severely affected by two earthquakes in February 2023. The financing will be structured as a sustainability-linked loan (SLL) in Turkish lira (TRY) and will use the Turkish Lira Overnight Reference Rate (TLREF) as a benchmark. Its remuneration is linked to defined Sustainable Performance Targets (SPTs) and certain key performance indicators (KPIs). The Project is expected to address key corporate considerations and promote positive behaviors (i.e., control of electricity losses and gender balance) that go beyond the scope of the investments supported by the financing.

Expected Results	The results monitoring framework has been developed in line with the SLL parameters agreed with the Borrower. The results will be based on the SPTs and associated KPIs, i.e., T&L ratios and share of women in management positions as well as net electricity consumption in the beneficiary regions. The intermediate results indicators will focus on capex for network modernization, earthquake reconstruction, and physical capacity added/upgraded in the regions.
Environmental and Social Category	Category B according to IFC Performance Standards (equivalent to Category B under AIIB ESF).
Environmental and Social Information	Applicable Policy and Categorization. The Project is co-financed with the IFC and FMO. To follow a harmonized approach to addressing the environmental and social (ES) risks and impacts of the Project, and as permitted under AIIB's Environmental and Social Policy (ESP), IFC's Policy on Environmental and Social Sustainability (PESS) and relevant Performance Standards (PSs) are applicable for this Project in lieu of AIIB's ESP. The Bank is satisfied that (i) the IFC PESS and PSs are consistent with the Bank's Articles of Agreement and materially consistent with the provisions of AIIB's ESP, including the relevant Environmental and Social Standards (ESSs) and the Environmental and Social Exclusion List (ESEL), and (ii) the monitoring procedures that are in place are appropriate for the Project. IFC has assigned Category B (equivalent to Category B as per AIIB's ESP) to this Project due to the scale and magnitude of ES impacts that can be avoided, mitigated, and/or managed by adhering to relevant PSs, procedures, and guidelines. Environmental and Social Instruments. Enerjisa operates an Environmental and Social Management System (ESMS) with ES plans, policies, and procedures in place, which are implemented at the corporate and DisCo levels. The Project's proceeds will be used for (a) network reconstruction of the earthquake-damaged electricity distribution infrastructure of the Toroslar region and (b) network upgrade and modernization in the Ayedaz, Baskent, and Toroslar regions. As electricity distribution lines and related operations are exempted from Türkiye's Environmental Impact Assessment (EIA) Regulation, Enerjisa's DisCo operations are not required to undertake EIAs. The ES Due Diligence (ESDD) has been undertaken by an independent consultant to (i) identify material ES risks and potential impacts of the Project and (ii) propose appropriate measures to address those ES impacts and risks through an Environmental and Social Action Plan (ESAP). Environmental Aspects. Potential adverse environmental impacts from the Project may include (i) biodiversity impacts of electricity distribution lines and rights-of-way in the vicinity of ecologically sensitive areas, (ii) presence of and/or disposal of polychlorinated biphenyls (PCBs) in old transformers, (iii) contamination of surface water or soil upon exposure to hazardous chemicals, (iv) management of electronic waste, (v) potential leakage of fluorinated greenhouse gases in electric circuit breakers during the operation phase, among others. Enerjisa addresses these adverse impacts by implementing ES management procedures, including (i) waste management procedures, (ii) transformer oil spill response procedure, and (iii) hazardous and non-hazardous electronic waste disposal through licensed third-party facilities. Additionally, the ESAP includes agreed actions and timelines for (i) the development of PCBs and fluorinated GHG inventories, (ii) stormwater

management, (iii) the development of a road traffic safety management plan, (iv) conducting a climate risks assessment, and (v) development and implementation of a Biodiversity Management Plan (BMP). The BMP will follow output from screening procedures conducted for the identification of areas posing high risks for biodiversity and supplemented through continued engagement with experts and stakeholders.

Social and Gender Aspects. The reconstruction and construction of new distribution lines may lead to impacts related to land acquisition, involuntary resettlement, or economic displacement. The ESDD reviewed the corporate procedures and practices on land acquisition and found them to be in line with international standards, with no legacy issues identified so far. However, the investment activities could have community health and safety impacts. These include potential exposure to hazardous waste, mid-voltage electricity lines, heavy traffic, and other safety concerns during the construction and operation of the distribution lines. The Borrower will develop and implement a Community Health and Safety Plan to systematize the existing practices at the corporate and regional levels. In addition, Enerjisa implements multiple policies to prevent discrimination and gender-related violence and harassment, while promoting equal workplace rights. The Borrower commits to complying with all applicable national regulations and the company's Code of Conduct. Following a Gender-Based Violence and Harassment (GBVH) risk assessment, GBVH training will be conducted, and a dedicated gender-sensitive grievance mechanism will be established.

Occupational Health and Safety, Labor, and Employment Conditions. The Project may have potential occupational health and safety (OHS) risks as the construction and operation of the distribution lines include working with live electrical equipment, circuit isolation, working at heights, exposure to hazardous chemicals, electric and magnetic fields, fire hazards, and transportation of heavy equipment. Enerjisa is certified to meet relevant ISO requirements. The Borrower implements Human Resources and Work Ethics Policy and procedures. Relevant measures, including updating the Company's Health and Safety Policy, conducting regular external and internal labour audits, and cascading relevant HSE measures into sub-contractors' scope of work and contracts, have been incorporated into the ESAP to address the gaps and opportunities identified during ESDD.

Stakeholder Engagement and Information Disclosure. Enerjisa implements a corporate Stakeholder Engagement Plan (SEP). The Corporate Communication and Customer Relations departments at DisCos hold primary responsibility for external stakeholder engagement. The SEP outlines both external and internal grievance mechanisms and channels, featuring operational mobile and online feedback systems. Employees of the Company and its contractors can report grievances and ethics violations to the Corporate Department of People, Culture and Labor Relations and the DisCo Compliance Managers. Regional distribution companies conduct, monitor, and report regularly on external stakeholder engagement. Enerjisa has disclosed its corporate ES-related policies (Environmental Policy, Social Performance

	Indicators, Diversity Policy, HR and OHS policies) on its website and has been regularly sharing with stakeholders the ES performance through Sustainability Reports. The Borrower requested deferred public disclosure for the Project prior to signing, as the financing instruments constituted material sensitive information. Following signing of the Project, a summary of ESAP has been disclosed. Project Grievance Redress Mechanism (GRM) and Monitoring Arrangement. The Project has a well-functioning two-tier GRM for external stakeholders, established at both the corporate and regional levels. Enerjisa commits to updating and preparing regional SEPs, including regional GRMs at the DisCo level, as part of the ESAP implementation process. The information on established GRMs and the Bank's Project-affected People's Mechanism (PPM) will be timely disclosed in an appropriate manner. The Borrower will report annually on the Project and ESAP implementation progress in an agreed format. Lenders' ES Consultant will conduct regular monitoring and deliver monitoring reports as well. The Bank will also retain the right to conduct field supervision.			
Cost and Financing Plan	AIIB, the International Finance Corporation (IFC), and the Netherlands Development Finance Company (FMO) will be providing a joint SLL of USD325 million-equivalent in TRY for the Project. ¹			
Borrower	Enerjisa Enerji A.Ş.			
Sponsors	Haci Omer Sabanci Holding A.S. (Sabanci) (40 percent share) E.On SE (E.On) (40 percent share through DD Turkey Holdings Sàrl, a Luxembourg-based entity)²			
Estimated date of last disbursement	September 2026			
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Date of Concept Decision	02/08/24			
Date of Appraisal Decision	04/10/25			

¹ Finance-in-Motion, an impact investor, will be providing through its fund Green for Growth Fund, SA, SICAV-SIF (GGF) a parallel USD15 million-equivalent SLL financing in support of the Borrower's e-mobility business, on a non-pro-rata basis. The GGF tranche is part of the same documentation as the AIIB-IFC-FMO loan, but not part of the Project.

² The remaining 20 percent is free float, traded on the Borsa Istanbul Stock Exchange (BIST).

Date of Financing Approval	04/29/25
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Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP and procedures in situations when their concerns cannot be addressed satisfactorily through Project-level GRM or AIIB Management's processes. For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.
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