

## Akbank Non-Financing Activity List

Our Bank is very sensitive about the implementation of environmental and social policy requirements and elements by customers with whom it has a loan relationship. Companies that are in the Very High (A Category), High (B1) and Medium (B2) risk categories as a result of the Environmental and Social Impact Assessment System, but do not agree to take actions to eliminate the identified risks, are not financed.

However, we do not credit activities that we know are included in the list below, with no amount limit and no environmental and social impact assessment required. The activities that we do not finance are as follows:

- Production or trade of any product or service deemed illegal in accordance with national legislation and international agreements to which our country is a party
- Production and trade of weapons of mass destruction<sup>1</sup>, land mines, and weapons that may endanger national/international security and violate human rights<sup>2</sup>
- Arms trade activities in countries that pose a high risk for human rights violations<sup>3</sup>
- Activities involving illegal child labor and human rights violations
- Unchained (prohibited) production or trade of asbestos
- Production or trade of products that deplete the ozone layer<sup>4</sup> (products within the scope of the Regulation on Reduction of Substances that Deplete the Ozone Layer, which entered into force by being published in the Official Gazette dated 07.04.2017 and numbered 30031)
- Production or trade of products containing PCB<sup>5</sup> (polychlorinated biphenyl) - a group of highly toxic chemicals - regardless of industry (Products within the scope of Article 5 ("General Principles") of the Regulation on the Control of Polychlorinated Biphenyls and Polychlorinated Terphenyls, published in the Official Gazette dated 27.12.2007 and numbered 26739)
- Cross-border trade of wastes and waste products to comply with the Basel Convention on the Control of Transboundary Transport and Disposal of Hazardous Wastes and the relevant international conventions to which our country is a party
- Production or trade of any product or service subject to international prohibitions/embargoes, such as pharmaceuticals, insecticides, pesticides<sup>6</sup>
- Fishing activities with nets longer than 2.5 km, using explosives or poisonous substances
- Project activities refusing to submit all Independent Consultant<sup>7</sup> reports required for construction projects such as excavation, embankment, flooding, canal or dam in an area greater than 25 km<sup>2</sup>
- Commercial activities using rainforests, trade in CITES<sup>8</sup>-restricted wildlife elements and products
- Activities in regions defined by the Alliance for Zero Extinction (AZE)<sup>9</sup>

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<sup>1</sup> Cluster munitions, nuclear, chemical and biological weapons.

<sup>2</sup> Includes activities related to arms trade in countries and groups under arms embargo by the United Nations, European Union and/or the USA, and companies that sell arms to these countries or groups.

<sup>3</sup> It does not apply to affiliates of the Turkish Armed Forces, Ministry of National Defense and General Directorate of Security, public institutions and organizations providing services to these organizations, and organizations that provide goods and services to the armed forces or police forces of EU and NATO member countries.

<sup>4</sup> Ozone Depleting Substances (OTM): Chemical compounds that react with ozone in the stratosphere, depleting ozone, causing the commonly referred to "ozone holes". The Montreal Protocol on Substances that Deplete the Ozone Layer lists ozone-depleting substances and their respective target reduction and phase-out dates. A list of chemical compounds regulated by the Montreal Protocol, including aerosols, refrigerants, foam spray agents, solvents and fire protection agents, is available from the United Nations Environment Program, with detailed information on signatory countries and phase-out target dates.

<sup>5</sup> PCBs: Polychlorinated biphenyls are a group of highly toxic chemicals. PCBs can be found in oil-filled electrical transformers, capacitors, and switchgears from 1950 to 1985.

<sup>6</sup> Reference documents are Council Regulation 2455/92/EEC on the Import and Export of Certain Hazardous Chemicals, as amended from time to time, the United Nations Consolidated List of Products whose Consumption and/or Sale is Prohibited, Withdrawn, Strongly Restricted or Not Approved by Governments; Rotterdam Convention on Prior Notification Acceptance for International Trade in Certain Hazardous Chemicals and Pesticides; the Stockholm Convention on Persistent Organic Pollutants and the World Health Organization (WHO) Classification of Pesticides by Hazard Level.

<sup>7</sup> The best international environmental and social impact consultants, known by our bank for their expertise

<sup>8</sup> CITES: Convention on Trade in Endangered Species. A list of CITES listed species is available from the CITES secretariat.

<sup>9</sup> As of the effective date of this framework, Güllük Mountain (Antalya), Bolkar Mountains (Konya, Niğde and Mersin) and Lower Orontes (Asi) Hydro Basin (Hatay).

- Activities related to diamond mines and diamond trade in countries not included in the Kimberley process<sup>10</sup>
- Activities that do not comply with local legislation and international agreements on the protection of biodiversity resources and cultural heritage<sup>11</sup>
- Activities that threaten the cultural heritage qualities of regions defined as UNESCO World Cultural Heritage
- Activities involving the production and trade of palm oil that do not hold a Certificate of Sustainable Palm Oil Formation (RSPO)
- The production or trade of wood and other forestry products from forestry activities that are not sustainably managed
- Production or trade of radioactive products (except for the purchase of medical equipment, quality control (measurement) equipment, or other equipment whose radioactive source is insignificant and/or adequately protected)
- Ship dismantling operations
- Activities prohibited by relevant legislation, such as casinos or accommodation facilities that include casinos.
- Activities prohibited by relevant legislation, such as pornography, prostitution, drug production and trafficking
- Activities carried out in areas designated as Ramsar areas within the scope of the Convention on Wetlands of International Importance (RAMSAR)<sup>12</sup>
- New coal mining investments
- New coal-fired thermal power plant projects and projects that will increase the production capacity of existing coal power plants
- Unconventional oil and gas activities (exploration, production, and transportation) in the Arctic Ocean Exploration, production, and transportation of tar sands
- Activities that cause any forcible removal or displacement<sup>13</sup>
- Fur production and all activities related to fur production
- Activities involving force-feeding of geese and ducks
- Genetic engineering and genetic modifications in animals for non-medical reasons
- Illegal wildlife trade
- Animal fights
- Activities involving all kinds of tests and experiments on endangered creatures and non-human primates
- Whaling
- Shark fin trade

In addition, the following activities are not financed specifically for SME segment customers:

- Production or trade of weapons and ammunition<sup>14</sup>
- Coal mining, coal transport (such as port and railway operations transporting to coal-fired power plants) and coal-fired power plants<sup>15</sup>

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<sup>10</sup> It is an international control system initiated to prevent the entry of conflict zone diamonds in African countries, to protect the legal diamond trade, and not to allow the import and export of rough diamonds by countries that are not involved in this process.

<sup>11</sup> Activities for flora and fauna species considered threatened by Convention on Biological Diversity, Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention-CMS), European Convention on the Conservation of Wildlife and Habitats (Bern Convention), Convention for the Protection of the World Cultural and Natural Heritage (Paris Convention) and IUCN.

<sup>12</sup> Ramsar Convention on Wetlands of International Importance, Especially as Waterfowl Habitat.

<sup>13</sup> Except for expropriation processes

<sup>14</sup> This does not apply to companies whose main activity is not within the scope of hunting, camping equipment sales, or the production and trade of non-offensive products and services for the defense industry. The key requirement here is that a significant portion of the company's revenue (e.g., 20% or more) must come from activities not within this scope.

<sup>15</sup> Production and trade such as heating and charcoal are not within this scope.