

Welcome to your CDP Water Security Questionnaire 2023

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

As Akbank T.A.Ş, we were established in Adana on January 30, 1948, as a privately owned commercial bank to provide resources and support to cotton producers in the city. We opened our first Istanbul branch on 14 July 1950 in Sirkeci. After our Headquarters was moved to Istanbul in 1954, we rapidly increased the number of our branches and in 1963 we automated all banking transactions. With our public offering in 1990 and a secondary public offering in 1998, we started to be traded in international markets as American Depository Receipt (ADR). We continue to serve our customers in corporate and investment banking, commercial banking, SME banking, retail banking, payment systems, private banking, investment services and treasury transactions. We are able to develop innovative product solutions for our customers' different financial needs via our affiliates Akbank AG, AkLease, Ak Investment, Ak Asset Management and AkÖde. We own products and services that make a difference in the national and international banking sector, such as Axess, Wings and Private Banking, which are associated with Akbank's identity. We serve more than 10.8 million customers through our extensive service network and technological infrastructure with our Head Office, Data, and Life Center in Istanbul, 19 Regional Directorates in Turkey, 711 branches and over 12 thousand employees. Akbank creates value for its customers through its digital channels, including Akbank Internet, Akbank Mobile, Call Center, 5,900 ATMs, and 734 thousand POS terminals. Additionally, Akbank operates internationally through its subsidiary Akbank AG in Germany and its branch in Malta. Akbank has a 74-year history of providing ethical and socially responsible financing and has identified four focus areas within its sustainability strategy: sustainable finance, people & community, ecosystems management, and climate change. Akbank has committed to providing 200 billion TL of sustainable loan financing to Turkey by 2030 and increasing the AuM of sustainable investing funds to 15 billion TL by the same year. With these commitments, Akbank became the first deposit bank in Turkey to set long-term targets for sustainability. The bank has established a Sustainable Finance department and offers 16 sustainable finance products, including the Blue Financing product, which minimizes the environmental footprint in the tourism, port, and transportation sectors. Akbank is committed to creating long-term value for all stakeholders while complying with legal regulations and principles of sustainable and responsible banking. The bank manages its risks and opportunities effectively through a professional corporate management approach. Akbank's

sustainability strategy is focused on four areas: Sustainable Finance, Ecosystems Management, People & Culture, and Climate Change. Akbank identified and announced long-term, actionable targets in 2021, becoming the first Turkish deposit bank to announce commitments. We periodically monitor our long-term, measurable, and traceable performance targets in our four strategic focus areas: Sustainable Finance, People & Community, Ecosystem Management, and Climate Change. To govern and oversee Akbank's sustainability performance at the board level, we have established a Sustainability Committee as of January 2021. The members of the committee are the Executive Board Member, Independent Board Member, CEO, CFO, and SVP of Investor Relations and Sustainability. The committee convenes at least two times a year and oversees the efforts of all business units to achieve shared sustainability goals. Thanks to measurable solid targets and consistent implementation of its sustainability action plan, Akbank improved its scores in leading Sustainability Indices. In 2022, our MSCI ESG assessment increased by two points from B to BBB-. In 2022, we took place in the "Low Risk" category in the Sustainalytics ESG risk assessment. Akbank became a member of UNEP FI and a signatory of Responsible Banking Principles. Akbank also became a TCFD Supporter, a member of Valuable 500, and one of the founding members of UNEP FI Financial Health and Inclusion. Some of the awards received by Akbank in 2022 are as follows World's Best Private Bank Awards 2022 by Global Finance, PWM Wealth Tech Awards 2022, Awards for Excellence and Market Leaders from Euromoney. We endeavor to integrate sustainability into all our operations and banking processes. In this direction, we manage our environmental and social risk assessment processes that we actively carry out, with our Environmental and Social Risk Framework, which we developed and updated in 2022.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1, 2022	December 31, 2022

W0.3

(W0.3) Select the countries/areas in which you operate.

Turkey

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

TRY

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
All branches, subsidiaries, credit cards sales offices, regional headquarters and foreign regions	Last year, we started the initiatives for the establishment of the Integrated Management System covering ISO 14001 Environment, ISO 50001 Energy Efficiency and ISO 45001 Occupational Health and Safety Management Systems. Within this framework, we carried out some revisions by adopting a proactive approach in all our processes and performance indicators. We completed the establishment, operation, and supervision processes of our Integrated Management System in our Head Office, Akbank Banking Centre and 313 branches. We aim to include our 250 branches in the scope of the Integrated Management System in 2023. Moreover, we achieved our internationally recognized accreditation and certification processes through an independent certification agency also this year.

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	TRAAKBNK91N6
Yes, a Ticker symbol	AKBNK

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good	Important	Important	With our Integrated Management system project, we started to monitor wastewater discharge for

<p>quality freshwater available for use</p>			<p>our bank. We carry out periodic tests, monitoring and measurement practices for wastewater. Municipal water (in sinks, showers) is used in the facility, and a river osmosis device is used for sensitive air conditioning moisture tanks, and the relevant company performs periodic control monthly. Every three months, kitchen usage water and cafeteria drinking water are sent for analysis to the Public Health Laboratory under the Provincial Health Directorate, in accordance with the relevant regulation (Regulation on Water Intended for Human Consumption). We have identified the degree of importance as "important" for our direct operations, particularly regarding employee hygiene. To assess the significance of good quality freshwater for our indirect operations (portfolio impact), we have started utilizing the WRI Aqueduct tool. This tool enables us to project the potential medium- and long-term adverse effects of water stress in Turkey.</p>
<p>Sufficient amounts of recycled, brackish and/or produced water available for use</p>	<p>Neutral</p>	<p>Neutral</p>	<p>Firstly, at our Akbank Data Center, rainwater is stored in underground storage tanks and reused in reservoirs and irrigation of landscape when it is needed. 2.5 megaliters of water collected and used as landscape irrigation. Since the quality of water is not so important for this purpose, we classified "neutral" for sufficient amounts of recycled, brackish and/or produced water available for use throughout our direct operations. Secondly, our bank's indirect operations (our portfolio impact) do not have a strong connection with recycled, brackish and produced water. As a result of that it is stated as "neutral" during the reporting period</p>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	<p>% of sites/facilities/operations</p>	<p>Frequency of measurement</p>	<p>Method of measurement</p>	<p>Please explain</p>
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Water withdrawals – total volumes	100%	Monthly	We effectively monitor and assess our overall water consumption. We use the water supplied from urban networks for our cleaning activities and irrigation of our landscape. We started to monitor the wastewater withdrawal for our Bank within the scope of our Integrated Management System initiatives.	We monitor our water withdrawals monthly follow-up in line with the reporting boundary, indicated in W0.5 (6 locations) As of the year ends, we consolidate all the data and control the consumption amounts the for accuracy of data. We monitor the total amount of water withdraws through water meters and invoices.
Water withdrawals – volumes by source	100%	Monthly	We monthly monitor and assess our overall water consumption. We use the water supplied from urban networks for our cleaning activities and irrigation of our landscape. We started to monitor the wastewater withdrawal for our Bank within	The mains water of the municipalities in which the locations we have included in the scope of the reporting in W0.5 (6 locations) are located are utilized.

			the scope of our Integrated Management System initiatives.	
Water withdrawals quality	100%	Continuously	Municipalities continuously undertake multiple treatment processes before water distribution through the city mains.	Water withdrawal quality is assured and controlled by the municipalities we located and reported in W0.5 (6 locations). Municipalities implement various treatments to ensure high-quality water in the city mains. These treatments comply with regulations outlined in the drinking water treatment plant legislation. It is their responsibility to maintain good water quality. Additionally, a city mains water purification system is employed to further enhance the water's quality and safety. The city mains water undergoes a series of treatment stages before being utilized in various parts of the building. After the backwash and reverse filter processes, the water is directed to the WC siphons. The water passes through a sand filter, softening device, salt tank, and chlorine dosage

				stages before being sent to the utility water tank. It is distributed to other areas, such as WC kitchen faucets.
Water discharges – total volumes	100%	Monthly	Calculated the water discharge from bills by monthly.	100% of all our water discharge is measured monthly from discharge details in bill.
Water discharges – volumes by destination	100%	Monthly	The wastewater from our designated locations at W0.5 (3 locations) is discharged into the sewage system and undergoes treatment at municipal treatment plants for processing	Our wastewater from locations we defined at W0.5 (6 locations) was discharged to the sewage and it goes to directly to the municipal treatment plants. There is no option to track down which treatment plant is used.
Water discharges – volumes by treatment method	Not relevant			
Water discharge quality – by standard effluent parameters	Not relevant			
Water discharge quality – emissions to water (nitrates, phosphates, pesticides,	Not relevant			

and/or other priority substances)				
Water discharge quality – temperature	Not relevant			
Water consumption – total volume	100%	Yearly	Our rainwater management method involves utilizing an efficient rainwater collection system, which effectively stores the rainwater in underground storage tanks. The measurement of amount of rainwater collected is monitored by yearly.	At the Akbank Data Center, we have implemented a rainwater collection system that stores rainwater in underground storage tanks. This collected rainwater is utilized for various purposes, including reservoirs and landscape irrigation, as and when required. 2.5 megaliters of water have been collected and allocated specifically for landscape irrigation. Regarding water consumption, we solely consider the portion utilized for landscape irrigation. By accurately measuring and monitoring this specific usage, we ensure that the water resources are efficiently utilized for maintaining the landscape's irrigation needs while minimizing wastage.
Water recycled/reused	100%	Yearly	Our method for rainwater	At the Akbank Data Center, we have

			<p>management involves the utilization of an efficient rainwater collection system, which effectively stores the rainwater in underground storage tanks. The measurement of amount of rainwater collected is monitored by yearly.</p>	<p>implemented a rainwater collection system that stores rainwater in underground storage tanks. This collected rainwater is utilized for various purposes, including reservoirs and landscape irrigation, as and when required. 2.5 megaliters of water have been collected and allocated specifically for landscape irrigation. Regarding water consumption, we solely consider the portion utilized for landscape irrigation. By accurately measuring and monitoring this specific usage, we ensure that the water resources are efficiently utilized for maintaining the landscape's irrigation needs while minimizing wastage.</p>
<p>The provision of fully-functioning, safely managed WASH services to all workers</p>	<p>100%</p>	<p>Monthly</p>	<p>The Integrated Management System initiatives are implemented to ensure the provision of fully-functioning and safely managed WASH (Water,</p>	<p>We provide comprehensive Water, Sanitation, and Hygiene (WASH) services to all our employees. We prioritize monitoring and enforcement of quality and safety standards for drinking water, so we regularly conduct tests,</p>

		<p>Sanitation, and Hygiene) services to all workers.</p>	<p>monitoring, and measurements of wastewater. Within our facilities, city mains water is utilized for sinks & showers. We employ reverse osmosis devices for sensitive air conditioning moisture tanks, with the relevant company conducting monthly controls to ensure optimal performance. Monthly laboratory analyses are performed, evaluating monitoring parameters for cafeteria drinking water, utility water, & floor water dispensers. We place emphasis on maintaining water-related hygiene controls through our dedicated health and safety professionals. Their expertise ensures water-related issues are effectively addressed and managed. We delivered training sessions covering topics such as sustainability, water management, personal & occupational hygiene, with 4,719 views in 2022.</p>
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W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	47.23	Much lower	Divestment from water intensive technology/process	Lower	Facility closure	During the reporting period, the total water withdrawal for our operations amounted to 47.23 megaliters/year. This withdrawal encompasses the sum of consumption from various sources, including municipal water, wells (44.73 megaliters/year), and water supplied from rainwater collectors and municipal water specifically used for landscape irrigation (2.5 megaliters/year). It's important to note that total water

						<p>withdrawal is calculated by adding the discharge and consumption values. Compared to the previous year, there has been a decrease of 28.4% in total water withdrawal (calculated by comparing the decrease from 66 megatonnes to 47.23). This significant decrease in water usage in 2022 can be attributed to the implementation of water-saving initiatives. For instance, sensor-type armatures have been installed in washbasins, and daily failure follow-ups are conducted across all areas to minimize losses and leakages. Prompt responses to</p>
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						<p>any failures are ensured on the same day.</p> <p>Furthermore, maintenance and repair activities have been performed on the plumbing system to prevent water leaks. Faucets in washbasins have been replaced with photocell faucets to reduce water consumption. In the data center, water valves are equipped with photocell sensors and adjusted to minimum water flow, reducing unnecessary water usage. We also utilize a gray water tank for reservoirs and filter and use rainwater to further conserve water resources.</p> <p>announcemen</p>
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						<p>t of the hybrid working model, which resulted in a significant number of employees working from home. As a result, our direct (operational) water consumption decreased as expected. We consider any increase or decrease of more than 10% to be categorized as "much higher" or "much lower" respectively. Our monitoring process includes tracking the total water withdrawal through water meters and invoices.</p>
Total discharges	43.73	Much lower	Divestment from water intensive technology/process	Lower	Divestment from water intensive technology/process	The wastewater is discharged into the municipal sewage system. We closely monitor our

						<p>water discharges by analyzing water bills and focusing on the locations specified as W0.5 (6locations). There has been a significant decrease in total water discharge withdrawal from 2021 64 megatons to 2022 43.7 megatones. This decrease represents a decrease of 31.7%.</p> <p>We consider any increase or decrease of more than 10% to be categorized as "much higher" or "much lower" respectively. The increase in water use observed in last reporting year, 2021 can be attributed to the resumption of operations from office</p>
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					<p>premises as the number of COVID-19 cases decreased, leading to an overall increase in water consumption. However, we had already implemented practices aimed at reducing water usage.</p> <p>In 2022, several measures were taken to further decrease the total withdrawal and consumption of water. Firstly, maintenance and repair activities were conducted on the plumbing system to prevent water leaks. Additionally, the faucets in washbasins were replaced with photocell faucets, enhancing water</p>
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						conservation efforts. Moreover, the implementation of a hybrid working model, with a significant number of employees continuing to work from home, is expected to contribute to a reduction in our direct (operational) water discharge.
Total consumption	3.5	Much higher	Increase/decrease in business activity	Lower	Divestment from water intensive technology/process	In the Sabancı Center cooling system, approximately 1 megaliter of blowdown water from the cooling towers is repurposed for irrigation purposes in the garden. Additionally, at our Akbank Data Center, rainwater is collected and stored in underground tanks for later use in reservoirs and irrigation of

						<p>green areas as needed. Throughout the reporting year, a total of 2.5 megaliters of water was utilized for these purposes.</p> <p>When comparing the water consumption data from 2021 (1.5 megaliters) to that of 2022 (3.5 megaliters), there has been an increase of $(3.5 - 1.5) / 1.5 * 100\% = 133.3\%$. This indicates a significant increase in total water consumption. Based on our classification, an increase of over 10% is considered "much higher." Therefore, the increase in water consumption from 1.5 to 3.5 megaliters exceeds this</p>
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						threshold and is classified as a "much higher" increase.
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W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	51-75	Much lower	Divestment from water intensive technology/process	Lower	Divestment from water intensive technology/process	WRI Aqueduct	The WRI Aqueduct Identification tool was used to assess withdrawals from areas with water stress. Once we assessed our water stresses line with our water withdrawals, we have used the mean to calculate overall water stress from the areas

								<p>which we have used in disclosure. Average out our 6 locations in terms of WRI Aqueduct water stress levels is approximately 63.33% (40% + 80% + 80% + 20% + 80% + 80%) / 6 = 380% / 6 = 63.33% . The findings include the percentage of withdrawals from stressed areas, a comparison with the previous reporting year, a five-year forecast, and the primary reasons for conducting the comparison and</p>
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								<p>forecasting. The significant decrease in water usage from 2021 can be attributed to the implementation of a hybrid working model and the adoption of water-saving technologies in our facilities</p> <p>Data center & Akbank Banking Center: Physical Risks Quantity: Extremely High (4-5) Water Stress: High (40-80%) Drought Risk: Medium (0.4-0.6) Riverine Flood Risk: High (6 in 1,000 to 1 in 100) Regulatory</p>
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								& Reputation al Risks: Low- Medium (1- 2) Sabancı Center (headquart er): Physical Risks Quantity: Extremely High (4-5) Water Stress: Extremely High (>80%) Drought Risk: Medium- High (0.6- 0.8) Riverine Flood Risk: Low (0 to 1 in 1,000) Regulatory & Reputation al Risks: Low- Medium (1- 2) Silivri Archive: Physical Risks Quantity: Extremely High (4-5) Water Stress: Extremely
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								<p>High (>80%) Drought Risk: Medium-High (0.6-0.8) Riverine Flood Risk: Low (0 to 1 in 1,000) Regulatory & Reputational Risks: Low-Medium (1-2) Zonguldak Branch (Black Sea region): Physical Risks Quantity: High (3-4) Water Stress: Medium-High (20-40%) Drought Risk: Medium (0.4-0.6) Riverine Flood Risk: High (6 in 1,000 to 1 in 100) Regulatory & Reputational Risks: Medium-High (2-3)</p>
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								<p>Gönen Branch (Mediterranean region):</p> <p>Physical Risks</p> <p>Quantity: Extremely High (4-5)</p> <p>Water Stress: Extremely High (>80%)</p> <p>Groundwater Table Decline: Low-Medium (0-2 cm/y)</p> <p>Interannual Variability: Low-Medium (0.25-0.50)</p> <p>Seasonal Variability: Low-Medium (0.33-0.66)</p> <p>Drought Risk: Medium (0.4-0.6)</p> <p>Riverine Flood Risk: Low (0 to 1 in 1,000)</p> <p>Regulatory & Reputational Risks: Low-Medium (1-2)</p>
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								<p>6.For our İstoç Branch in the Marmara Region:</p> <p>Physical Risks Quantity: Extremely High (4-5) Water Stress: Extremely High (>80%) Groundwater Table Decline: Insignificant Trend Interannual Variability: Low - Medium (0.25-0.50) Seasonal Variability: Low - Medium (0.33-0.66) Drought Risk: Medium - High (0.6-0.8) Riverine Flood Risk: Low (0 to 1 in 1,000) Coastal Flood Risk: Low (0 to 9 in</p>
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								1,000,000) Regulatory and Reputation al Risk: Low - Medium (1-2) Unimproved/no drinking water: Low (<2.5%) Unimproved/no sanitation: Low (<2.5%) Peak RepRisk country ESG risk index: High (60-75%)
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W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant				Fresh surface water, including rainwater, water from wetlands, rivers, and lakes, is not relevant to our water usage practices. We do not anticipate any consumption from

					this water source in the future.
Brackish surface water/Seawater	Not relevant				Brackish surface water/seawater is not relevant to our water usage. We do not anticipate any consumption from this water source in the future.
Groundwater – renewable	Relevant	2.5	This is our first year of measurement		At our Akbank Data Center, groundwater is stored in underground storage tanks and reused in reservoirs and irrigation of landscape when it is needed. 2.5 megaliters of water collected and used as landscape irrigation.
Groundwater – non-renewable	Not relevant				Groundwater – non-renewable is not relevant to our water usage. We do not anticipate any consumption from this water source in the future
Produced/Entrained water	Not relevant				We do not anticipate using Produced/Entrained water and not expect any change in water withdrawal source, since it

					has access to municipal water source in our facilities. We do not anticipate any consumption from this water source in the future.
Third party sources	Relevant	44.73	Much lower	Increase/decrease in efficiency	Total water supplied from third part resources came from municipalities' water wells which correspond to megaliters. Supplied water is decreased by 19.01% compared to the last year (2021: 53.99 megaliters). We classified a decrease of >10% to be "much lower".

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Not relevant				Our wastewater from locations we defined at W0.5 (6 locations) was discharged to the sewage and it goes to directly

					to the municipal treatment plants. There are no options provided by the municipality to track down which treatment plant is used.
Brackish surface water/seawater	Not relevant				Our wastewater from locations we defined at W0.5 (6 locations) was discharged to the sewage and it goes to directly to the municipal treatment plants. There are no options offered by the municipality to track down which treatment plant is used.
Groundwater	Not relevant				Our wastewater from locations we defined at W0.5 (6 locations) was discharged to the sewage and it goes to directly to the municipal treatment plants. There are no options offered by the municipality to track down which treatment plant is used.
Third-party destinations	Relevant	43.73	Much lower	Increase/decrease in business activity	The wastewater is discharged

					<p>into the municipal sewage system. We monitor our water discharges through water bills, and the specific locations are as follows: W0.5 (6 locations). In the year 2021, the data shows a water discharge of 64.5 megaliters, while in 2022, it decreased to 43.73 megaliters. We classify a decrease of more than 10% as "much lower". The significant decrease in water usage in 2021 can be attributed to the implementation of a hybrid working model and the adoption of water-saving technologies in our facilities.</p>
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W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	1,147,294,000,000	47.23	24,291,636,671.607	Akbank closely monitors water usage data. It is aimed that the values will decrease in the

				coming years with water efficiency practices.
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W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	As a bank, we do not have any products or operations that contain hazardous substances.

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement
Suppliers	Yes
Other value chain partners (e.g., customers)	

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

Yes, we assess the impact of our suppliers

Considered in assessment

Procurement spend

Number of suppliers identified as having a substantive impact

133

% of total suppliers identified as having a substantive impact

1-25

Please explain

We receive commitments from our suppliers regarding the implementation of all the elements in the United Nations Global Compact, also by our suppliers. The UN Global Compact includes environmental objectives such as "Water and Sanitation.

We strive to provide annual survey form in order to evaluate the working conditions of 3rd-party employees we receive service within scope of their commitments to international organizations. We prioritize the suppliers working with more sensitive systems to the society and environment in the provision of the services. In accordance with our terms and conditions for engagement, we have developed a supplier questionnaire that aligns with the requirements set by the International Finance Corporation (IFC). It includes questions such as whether the organization has a designated officer responsible for environmental management, whether an environmental management system is in place, and if any environmental accreditations such as ISO14001 have been obtained.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?

	Suppliers have to meet specific water-related requirements
Row 1	Yes, water-related requirements are included in our supplier contracts

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Water-related requirement

Complying with going beyond water-related regulatory requirements

% of suppliers with a substantive impact required to comply with this water-related requirement

100%

% of suppliers with a substantive impact in compliance with this water-related requirement

100%

Mechanisms for monitoring compliance with this water-related requirement

Supplier self-assessment

Response to supplier non-compliance with this water-related requirement

Retain and engage

Comment

In our Supplier Code of Conduct, we expect our suppliers to act in accordance with Akbank's environmental and social policies & principles. They should cooperate when necessary & take corrective measures when required. Additionally, they are expected to comply with applicable legislation and regulations concerning the protection of the

environment and the transportation & usage of dangerous and harmful substances. Our suppliers must commit to adhering to the established rules outlined in this document. Moreover, it is crucial that our suppliers diligently ensure that their own suppliers are aware of these principles and also act in alignment with these objectives. As stated in our supplier contracts, we also expect our suppliers to adhere to standards such as ISO 14001 and ISO 50001 to the greatest extent possible.

Water-related requirement

Other, please specify
Complying with ISO 14001

% of suppliers with a substantive impact required to comply with this water-related requirement

100%

% of suppliers with a substantive impact in compliance with this water-related requirement

100%

Mechanisms for monitoring compliance with this water-related requirement

Supplier self-assessment

Response to supplier non-compliance with this water-related requirement

Retain and engage

Comment

In our Supplier Code of Conduct, we expect our suppliers to act in accordance with Akbank's environmental and social policies & principles. They should cooperate when necessary & take corrective measures when required. Additionally, they are expected to comply with applicable legislation and regulations concerning the protection of the environment and the transportation & usage of dangerous and harmful substances. Our suppliers must commit to adhering to the established rules outlined in this document. Moreover, it is crucial that our suppliers diligently ensure that their own suppliers are aware of these principles and also act in alignment with these objectives. As stated in our supplier contracts, we also expect our suppliers to adhere to standards such as ISO 14001 and ISO 50001 to the greatest extent possible.

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement

Information collection

Details of engagement

Collect water management information at least annually from suppliers

% of suppliers by number

100%

% of suppliers with a substantive impact

100%

Rationale for your engagement

We believe that the economic and social value we create through our banking activities will increase exponentially with the participation of our stakeholders. The economic value we create in cooperation with various stakeholder groups

Impact of the engagement and measures of success

To our suppliers, through the payments we make to our employees, for social investments, and to the government, our investors and suppliers has reached 67,729 million TL, an increase of 179% compared to the end of 2021.

Comment

We establish valuable collaborations in the ecosystem with various stakeholders, from non-governmental organizations to start-ups, from universities]

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.**Country/Area & River basin**

Turkey

Other, please specify

West Black Sea Basin

Type of impact driver & Primary impact driver

Acute physical

Flood (coastal, fluvial, pluvial, groundwater)

Primary impact

Closure of operations

Description of impact

In the reporting year, a flood disaster occurred in the western Black Sea region of Turkey. In this flood disaster, 8 bank branches in the provinces of Sinop, Kastamonu

and Bartın in the Western Black Sea region were flooded. Financial costs were incurred due to the discharge of water and cleaning operations as a result of the flood disaster. However, some of our equipment and ATM was damaged and the cost was 127.500 TL because of the flood in Kastamonu. Expenses were made for the purchase of new equipment and cleaning operations. The scale of the negative impact resulting from the flood is not very large compared to the company's expenses. However, disruption of operations or damage to capital goods creates a financial cost.

Primary response

Develop flood emergency plans

Total financial impact

127,500

Description of response

Our insurance policy includes capital in ATM's but if this insurance policy had been used, the no-claim discount would have been forfeited. Thus, 127.500 TL was added Operational Risk Loss Event Database because no-claim discount provides more advantage than using insurance policy to take 127.500 TL from the insurance company. Moreover, Operating Costs were increased for infrastructure development, isolation, and maintenance expenses of damaged bank branches. However, emergency plans have been developed. Physical damages in branches were fixed quickly. Employees were informed about the flood disaster and ways of protection. Some goods and resources were moved from areas at risk of flooding.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Comment
Row 1	No	

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

Identification and classification of potential water pollutants	How potential water pollutants are identified and classified

<p>Row 1</p>	<p>Yes, we identify and classify our potential water pollutants</p>	<p>We identify and classify our potential water pollutants across our business operations and products.</p> <p>In our Environmental and Social Impact Assessment system and Environmental Policy, we state that we do not finance ship demolition activities due to their high pollutants and irreversible effects, caused by hazardous materials. For water pollutants, where applicable, we also request documentation for proof of compliance for limits stated in international and national standards, such as IFC EHS Standards and Water Pollution Control Regulation. We also request precautionary measures to prevent hazardous materials to blend into aquatic environments, where applicable.</p> <p>While we offer loan/project financing we are constantly monitoring our water use and conducting evaluation studies. In our loan portfolio, agriculture sector's share in total loans is less than 3%. (Agriculture sector uses water intensively.) Therefore it is possible to say that we identified and classified the potential water pollutants that may have detrimental impacts over water bodies.</p> <p>As for our own operations, the wastewater from locations is discharged to the sewage, going directly into the municipal treatment plants. In this process, there are some water quality parameters defined in the regulation, related to municipality drinking water treatment plants. It is the municipalities' responsibility to ensure good quality of water discharges.</p>
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W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Oil

Description of water pollutant and potential impacts

We defined our potential water pollutants across our activities as the cooking oil used in our headquarters.

Value chain stage

Direct operations

Actions and procedures to minimize adverse impacts

- Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
- Reduction or phase out of hazardous substances
- Requirement for suppliers to comply with regulatory requirements

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Please explain

Cooking oil used in our headquarters for serving food to our employees is preserved in two ways: Frying oil is accumulated in cans and delivered to oil waste companies. Other cooking oils discharged via kitchen drains are decomposed in the grease traps located in the drains and delivered to oil waste companies. These oil waste companies are licensed in line with Ministry of Environment's rules. The system used for waste procedures and documentation are also Ministry of Environment's own system. Menus at the cafeteria are designed to minimise cooking oil use, both for environmental and health concerns. The total amount of oil waste in 2022 was 540 kg.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

Tools on the market

Tools and methods used

WRI Aqueduct

Contextual issues considered

Water availability at a basin/catchment level

Water quality at a basin/catchment level
 Stakeholder conflicts concerning water resources at a basin/catchment level
 Implications of water on your key commodities/raw materials
 Water regulatory frameworks
 Status of ecosystems and habitats

Stakeholders considered

Customers
 Local communities
 Regulators
 Water utilities at a local level
 Other water users at the basin/catchment level

Comment

In 2021, we started the installation of the Integrated Management System covering ISO 14001 Environment, ISO 50001 Energy Efficiency and ISO 45001 Occupational Health and Safety Management Systems. By adopting a proactive approach within the Integrated Management System, we aimed to combine our way of doing business with our understanding of combating the climate and water crisis by making revisions in all our processes and performance indicators. We completed the installation, operation and audit processes of our Integrated Management System at our Head Office, Akbank Banking Center and 313 branches in 2022. Within the scope of the organizational boundaries 5 facilities of Akbank located in Turkey are taken into account, since as explained above only for these 3 facilities (Data center & Akbank Banking Center, Sabancı Center (headquarter), Silivri Archive and 2 branches in different geographical regions of Turkey) reliable data collection could be performed. In 2022, We started to monitor the wastewater discharge for our Bank within the scope of our Integrated Management System initiatives. In this regard, we carry out our monitoring and measurement activities through periodical tests for wastewater.

We use WRI Aqueduct to measure, map and analyze our water-related risks such as water stress and flooding since 2021. We identify the environmental risks (physical risks, water stress, drought risk and river flood) and the regulatory and reputational risks for our centre buildings and branches with the use of the tool. We monitor the risks of water existence and water quality at the reservoir level, the impact of water on raw materials, water regulation frameworks and their impact on the ecosystem which are available in our supply and value chain through various means, data, standards and internal methods according to the environmental risk assessment procedure. In 2022, we evaluated the risks of 5 more branches, apart from our 3 specific buildings where we evaluated their water-related risks in 2021.

Value chain stage

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Annually

How far into the future are risks considered?

1 to 3 years

Type of tools and methods used

Tools on the market

Tools and methods used

WRI Aqueduct

Contextual issues considered

Water availability at a basin/catchment level

Water quality at a basin/catchment level

Stakeholder conflicts concerning water resources at a basin/catchment level

Implications of water on your key commodities/raw materials

Water regulatory frameworks

Status of ecosystems and habitats

Stakeholders considered

Customers

Local communities

Regulators

Water utilities at a local level

Other water users at the basin/catchment level

Comment

In 2021, we started the installation of the Integrated Management System covering ISO 14001 Environment, ISO 50001 Energy Efficiency and ISO 45001 Occupational Health and Safety Management Systems. By adopting a proactive approach within the Integrated Management System, we aimed to combine our way of doing business with our understanding of combating the climate and water crisis by making revisions in all our processes and performance indicators. We completed the installation, operation and audit processes of our Integrated Management System at our Head Office, Akbank Banking Center and 42 branches. Within the scope of the organizational boundaries 3 facilities of Akbank located in Turkey are taken into account, since as explained above only for these 3 facilities (Data center & Akbank Banking Center, Sabancı Center (headquarter), Silivri Archive) reliable data collection could be performed. We aim to bring 250 branches under the Integrated Management System until 2023, and all locations until 2024. Risks originated from the internal environmental effects of the Bank arising from operational consumption are followed by WRI Aqueduct.

For Data center & Akbank Banking Center location, Environmental risks and Regulatory & Reputational Risks are determined by the WRI including as follows: Physical Risks Quantity (Extremely High (4-5)), Water Stress High (40-80%), Drought Risk (Medium (0.4-0.6)) and Riverine flood (High (6 in 1,000 to 1 in 100)). Regulatory & Reputational

Risks: Regulatory and Reputational Risk (Low - Medium (1-2)), Peak RepRisk country ESG risk index (High (60-75%))

For Sabanci Center (headquarter), Environmental risks and Regulatory & Reputational Risks are determined by the WRI including as follows: Physical Risks Quantity (Extremely High (4-5)), Water Stress (Extremely High (>80%)), Drought Risk (Medium - High (0.6-0.8)) and Riverine flood Low ((0 to 1 in 1,000)). Regulatory & Reputational Risks: Regulatory and Reputational Risk (Low - Medium (1-2)), Peak RepRisk country ESG risk index (High (60-75%))

For Silivri Archive Environmental risks and Regulatory & Reputational Risks are determined by the WRI including as follows: Physical Risks Quantity (Extremely High (4-5)), Water Stress (Extremely High (>80%)), Drought Risk (Medium - High (0.6-0.8)) and Riverine flood Low ((0 to 1 in 1,000)). Regulatory & Reputational Risks: Regulatory and Reputational Risk (Low - Medium (1-2)), Peak RepRisk country ESG risk index (High (60-75%))

Value chain stage

Other stages of the value chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

- Tools on the market
- Enterprise risk management
- Other

Tools and methods used

- WRI Aqueduct
- Internal company methods
- Other, please specify
 - IFC Environmental and Social Performance Standards

Contextual issues considered

- Water availability at a basin/catchment level
- Water quality at a basin/catchment level
- Stakeholder conflicts concerning water resources at a basin/catchment level
- Implications of water on your key commodities/raw materials
- Water regulatory frameworks
- Status of ecosystems and habitats

Stakeholders considered

Customers
Local communities
Regulators
Water utilities at a local level
Other water users at the basin/catchment level

Comment

We conducted a review of climate change on the operations and credit portfolio in 2022, representing around 90% of Akbank's loan portfolio. We utilized scenario models to identify vulnerabilities within our portfolio, in order to take a snapshot in time to assess vulnerabilities related to different temperature trajectories. Scenarios used in the assessment included changes in precipitation, and increased likelihood of extreme weather events such as droughts and floods.

In terms of acute physical vulnerabilities, we have established that droughts will impact water availability for many sectors, determining operations disruptions for water intense sectors such as cement production, mining and refinery. Areas interested by water tourism will see a decline in sales, while transport by river waters can be interrupted. This will potentially also require new investments for increasing water consumption efficiency.

As for chronic physical vulnerabilities, we have established that water scarcity and sea level rise could both be responsible for operations disruptions, e.g. for water-intense industries and for assets close to sea. As a consequence, physical locations may need to relocate. A chronic increase in temperatures will lead into workers safety issues for some sectors that require outdoor activities. Indoor activities will see a high demand of electricity for air conditioning, leading to higher cost of operations.

We have also a Sustainable Finance Framework covering our own financing needs and loan portfolio. The framework provided by the TCFD was employed to assess risks and opportunities associated with these vulnerabilities. Within the TCFD risk categories, water-related subcategories such as water scarcity, the rise of sea level, regulation/pricing in water usage, and resource shortage were considered.

We evaluate our lending activities through our Environmental Social Impact Assessment (ESIA) system. With our Environmental and Social Impact Assessment System (ESIA), we subject our customers' loan requests to environmental and social risk assessments. It is also in line with the IFC Performance Standards. Akbank's Environmental Policy also addresses water-related risks and issues.

Value chain stage

Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Every three years or more

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Other

Tools and methods used

Internal company methods

Nation specific databases, tools, or standards

Contextual issues considered

Water availability at a basin/catchment level

Water quality at a basin/catchment level

Stakeholder conflicts concerning water resources at a basin/catchment level

Implications of water on your key commodities/raw materials

Water regulatory frameworks

Status of ecosystems and habitats

Stakeholders considered

Local communities

Regulators

Suppliers

Water utilities at a local level

Other water users at the basin/catchment level

Comment

At Akbank, we act in line with our published policies and ethical rules in all our procurement processes. We have published our "Supplier Code of Conduct" publicly on our website. (please see the link at our website:

<https://www.akbankinvestorrelations.com/en/corporate-governance/detail/Supplier-code-of-conduct/638/1619/0>)

Supplier working and behaviour principles have been determined in accordance with legal regulations, our bank's policies and regulations, and international regulations and principles that are referred to in this document.

We expect our suppliers to:

- o Act in line with Akbank's environmental and social policies and principles, cooperating when necessary and taking corrective measures,
- o Act in accordance with the applicable legislation and regulations regarding the protection of the environment and the transport and use of dangerous and harmful substances,
- o Evaluate the environmental impacts of its activities during its work and take the necessary measures to minimize the negative effects, if any, on the environment.
- o Show sensitivity to issues such as the protection of biological diversity, sustainable natural resources, cultural heritage and sensitive protected areas.

We reserve the right to demand that they determine their environmental policies, objectives and targets, determine the evaluation systems that will measure the impact of

their activities, in line with Akbank's environmental policies, and choose to terminate our business relationship if a situation contrary to these arises.

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	<p>We approach positive environmental impact, inspired by the EU Taxonomy's focus areas and identify sustainable finance transactions through a detailed set of eligible project categories under six different themes. Sustainable use and protection of water and marine environment is one of these themes. We conduct water-related risk assessments across our direct operations, supply chain partially and other stages of the value chain. We follow and assess water-related risks such as water availability, water stress, flooding or water quality as a result of climate. For our direct operations we use WRI Aqueduct tool to understand and manage our water</p>	<p>Water availability at a basin/catchment level and water quality at a basin/catchment level are very important indicators while managing water-related risks. Therefore, we monitor the risks of water existence and water quality at the reservoir level, the impact of water on raw materials, water regulation frameworks and their impact on the ecosystem which are available in our supply and value chain through various means, data, standards and internal methods according to the environmental risk assessment procedure. We consider the data released by official regulatory bodies and follow any legislation changes to comply with water and environmental regulations. We take necessary steps and initiatives to protect the natural status of</p>	<p>As Akbank, we examine the environmental and social impacts of the projects in our loan portfolio and the commercial activities of our customers. We carry out our lending activities through the Environmental and Social Management System and our Environmental Social Impact Assessment system, and we subject our customers' loan requests to environmental and social risk assessment. We expect our suppliers to act in line with Akbank's environmental and social policies and principles, cooperating when necessary and taking corrective measures, act in accordance with the applicable legislation and regulations regarding the protection of the</p>	<p>We evaluate our lending activities through our Environmental Social Impact Assessment (ESIA) system. With our Environmental and Social Impact Assessment System (ESIA), we subject our customers' loan requests to environmental and social risk assessments. Based on customer answers to questions, new investment loans or project finance requests shall be classified as low, medium- or high-risk. The Environmental and Social Impact Assessment Team will report the studies (number of projects, risk categories and number of visits, etc.) within the scope of the ESIA for the reporting period in the sustainability report, integrated report or integrated annual</p>

<p>related risks and integrate them into decision-making process. We identify the environmental risks (physical risks, water stress, drought risk and river flood) and the legislator and reputational risks for our Data Centre, Akbank Banking Centre, Head Office and Silivri Archive buildings with the use of the Aqueduct tool of the World Resources Institute (WRI). Also, We monitor environmental an social risks through Environmental Social Impact Assessment (ESIA) which is our company tool.</p>	<p>ecosystems and habitats against water-related risks.</p>	<p>environment and the transport and use of dangerous and harmful substances, evaluate the environmental impacts of its activities during its work and take the necessary measures to minimize the negative effects, if any, on the environment and show sensitivity to issues. Non-compliance with regulations poses reputational and regulatory risk threats for Akbank. Therefore, We regularly consult and publish reports to regulatory bodies about environmental-related risks. We strictly follow environmental legislation and make necessary revisions to ensure compliance. We organized basic sustainability training to raise awareness of social and environmental sustainability issues for all our corporate and commercial branch employees (10,655 people). Water-related risks and problems were included in that training too.</p>	<p>report of the bank. The environmental and social risk assessment system is in line with the IFC Performance Standards. Akbank's Environmental Policy also addresses water-related risks and issues. We have also a Sustainable Finance Framework covering our own financing needs and loan portfolio. The Framework is in accordance with the ICMA Green Bond Principles (GBP) 2021, with June 2022 Appendix 1 (Use of Proceeds Transactions), ICMA Sustainability Bond Guidelines (SBG) 2021, LMA Green Loan Principles 2023, LMA Social Loan Principles 2023, ICMA Harmonized Framework for Impact Reporting 2020, ICMA Harmonized Framework for Impact Reporting for Social Bonds 2022 and IFC Guidelines for Blue Finance.</p>
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W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Akbank has made significant efforts in recent years to strengthen its commitment to sustainability. The bank has created internal platforms to effectively manage climate change-related risks and opportunities in the short, medium, and long term. These platforms serve as a foundation for carrying out necessary initiatives and ensuring the best possible management of anticipated risks while transforming threats into opportunities. As part of this commitment, Akbank conducted a comprehensive review of the qualitative and quantitative impacts of climate change on the operations and loan portfolio in 2022. The bank utilized scenario models like "Representative Concentration Pathways" (RCPs) and "Shared Socio-economic Pathways" (SSPs) to identify vulnerabilities within the credit portfolio. The bank utilized scenario models to identify vulnerabilities within our portfolio, in order to take a snapshot in time to assess vulnerabilities related to different temperature trajectories. Scenarios used in the assessment included changes in precipitation, and increased likelihood of extreme weather events such as droughts and floods. In terms of acute physical vulnerabilities, Akbank has established that droughts will impact water availability for many sectors, determining operations disruptions for water intense sectors such as cement production, mining and refinery. Areas interested by water tourism will see a decline in sales, while transport by river waters can be interrupted. This will potentially also require new investments for increasing water consumption efficiency. As for chronic physical vulnerabilities, Akbank has established that water scarcity and sea level rise could both be responsible for operations disruptions, e.g. for water-intensive industries and for assets close to sea. As a consequence, physical locations may need to relocate. A chronic increase in temperatures will lead into workers' safety issues for some sectors that require outdoor activities. Indoor activities will see a high demand of electricity for air conditioning, leading to higher cost of operations. The framework provided by the Task Force on Climate-related Financial Disclosures (TCFD) was employed to assess risks and opportunities associated with these vulnerabilities. Risks were categorized into various types, including Physical, Legal and Regulatory, Market, Reputation, Technological, and Social Risks. Within these categories, water-related subcategories such as water scarcity, rise of sea level, regulation/pricing in water usage, and resource shortage were considered. Akbank also developed a methodology to identify, measure, and monitor climate change risks as part of the Internal Capital Adequacy Assessment Process (İSEDES), as required by Banking Regulatory and Supervisory Agency of Turkey. The bank actively tracks its water impact and performance by responding to the CDP Water Security questionnaire. To ensure effective governance and oversight, Akbank established a Sustainability Committee comprising key members from the

executive board, investor relations, and sustainability departments. The committee meets at least twice a year to monitor and report on sustainability activities and performance. The bank's IR & Sustainability Department prepares meeting agendas and tracks the implementation of committee decisions. Moreover, Akbank strives to integrate sustainability into all operations and banking processes. The bank actively manages environmental and social risk assessment processes through its Environmental and Social Risk Framework, which was developed and updated in 2022. Akbank offers innovative financing products that support the low-carbon transformation of companies and customers, positioning itself as a leading institution in its country and region in terms of sustainability-related borrowing transactions. In 2022, Akbank increased the coverage in its Environmental and Social Management System and started to implement sector based environmental and social risk scoring with this revised system, allowing the bank to monitor its entire commercial portfolio (including SMEs) in terms of environmental and social risks.

Akbank also uses an additional Environmental and Social Impact Assessment System (ESIA) for high risk activities, as well as new investment loan requests with investment amount over USD 10 million, hence defining a threshold for substantive financial or strategic impact.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	6	100	As part of the reporting, analysis was conducted with WRI for 6 of our facilities.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Turkey

Other, please specify

Marmara Basin

Number of facilities exposed to water risk

4

% company-wide facilities this represents

76-99

% company's total global revenue that could be affected

100%

Comment

We used WRI Aqueduct tool to understand and manage our water related risks:

For Data center & Akbank Banking Center location, Environmental risks and Regulatory & Reputational Risks are determined by the WRI including as follows: Physical Risks Quantity (Extremely High (4-5)), Water Stress High (40-80%), Drought Risk (Medium (0.4-0.6)) and Riverine flood (High (6 in 1,000 to 1 in 100)). Regulatory & Reputational Risks: Regulatory and Reputational Risk (Low - Medium (1-2)), Peak RepRisk country ESG risk index (High (60-75%))

For Sabancı Center (headquarter), Environmental risks and Regulatory & Reputational Risks are determined by the WRI including as follows: Physical Risks Quantity (Extremely High (4-5)), Water Stress (Extremely High (>80%)), Drought Risk (Medium - High (0.6-0.8)) and Riverine flood Low ((0 to 1 in 1,000)). Regulatory & Reputational Risks: Regulatory and Reputational Risk (Low - Medium (1-2)), Peak RepRisk country ESG risk index (High (60-75%))

For Silivri Archive Environmental risks and Regulatory & Reputational Risks are determined by the WRI including as follows: Physical Risks Quantity (Extremely High (4-5)), Water Stress (Extremely High (>80%)), Drought Risk (Medium - High (0.6-0.8)) and Riverine flood Low ((0 to 1 in 1,000)). Regulatory & Reputational Risks: Regulatory and Reputational Risk (Low - Medium (1-2)), Peak RepRisk country ESG risk index (High (60-75%)).

For our İstoç Branch in the Marmara Region: Physical Risks Quantity: Extremely High (4-5) Water Stress: Extremely High (>80%) Groundwater Table Decline: Low-Medium (0-2 cm/y) Interannual Variability: Low-Medium (0.25-0.50) Seasonal Variability: Low-Medium (0.33-0.66) Drought Risk: Medium (0.4-0.6) Riverine Flood Risk: Low (0 to 1 in 1,000) Regulatory & Reputational Risks: Low-Medium (1-2)

Country/Area & River basin

Turkey

Other, please specify

Mediterranean Basin

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

% company's total global revenue that could be affected

100%

Comment

Based on the assessment using the WRI Aqueduct tool, the Gönen Branch in the Mediterranean region faces an extremely high quantity of physical water risks: Physical Risks Quantity: Extremely High (4-5)

Water Stress: Extremely High (>80%)
Groundwater Table Decline: Low-Medium (0-2 cm/y)
Interannual Variability: Low-Medium (0.25-0.50)
Seasonal Variability: Low-Medium (0.33-0.66)
Drought Risk: Medium (0.4-0.6)
Riverine Flood Risk: Low (0 to 1 in 1,000)
Regulatory & Reputational Risks: Low-Medium (1-2)

Country/Area & River basin

Turkey
Other, please specify
Black Sea Basin

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

% company's total global revenue that could be affected

100%

Comment

In the Black Sea region, for the Zonguldak Branch, water stress in the area is rated as medium to high: Physical Risks Quantity: High (3-4)
Water Stress: Medium-High (20-40%)
Drought Risk: Medium (0.4-0.6)
Riverine Flood Risk: High (6 in 1,000 to 1 in 100)
Regulatory & Reputational Risks: Medium-High (2-3)

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Turkey
Other, please specify
Black Sea

Type of risk & Primary risk driver

Acute physical
Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact

Impact on company assets

Company-specific description

Riverine flood risk was accounted through using WRI Aqueduct tool (Riverine flood (High (6 in 1,000 to 1 in 100)) and measures the percentage of population expected to be affected by Riverine flooding in an average year, accounting for existing flood-protection standards. Higher values indicate that a greater proportion of the population is expected to be impacted by Riverine floods on average. According to Disaster and Emergency Management Presidency's (AFAD-Turkey) flood occurrence mapping in Turkey, Northeastern Anatolia region is more prone to re-occurrence of flooding incidents.

In the reporting year, a flood disaster occurred in the western Black Sea region of Turkey. In this flood disaster, 8 bank branches in the provinces of Sinop, Kastamonu and Bartın in the Western Black Sea region were flooded. Financial costs were incurred due to the discharge of water and cleaning operations as a result of the flood disaster. However, some of our equipment and ATM was damaged and the cost was 127.500 TL because of the flood in Kastamonu. Expenses were made for the purchase of new equipment and cleaning operations. The scale of the negative impact resulting from the flood is not very large compared to the company's expenses. However, disruption of operations or damage to capital goods creates a financial cost.

Timeframe

Current up to one year

Magnitude of potential impact

Low

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

127,500

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Financial costs were incurred due to the discharge of water and cleaning operations as a result of the flood disaster. However, some of our equipment and ATM was damaged and the cost was 127.500 TL because of the flood in Kastamonu. Expenses were made for the purchase of new equipment and cleaning operations.

Primary response to risk

Improve monitoring

Description of response

Our insurance policy includes capital in ATM's but if this insurance policy had been used, the no-claim discount would have been forfeited. Thus, 127.500 TL was added Operational Risk Loss Event Database because no-claim discount provides more advantage than using insurance policy to take 127.500 TL from the insurance company. Moreover, Operating Costs were increased for infrastructure development, isolation, and maintenance expenses of damaged bank branches. However, emergency plans have been developed. Physical damages in branches were fixed quickly. Employees were informed about the flood disaster and ways of protection. Some goods and resources were moved from areas at risk of flooding.

Cost of response

127,500

Explanation of cost of response

Our insurance policy includes capital in ATM's but if this insurance policy had been used, the no-claim discount would have been forfeited. Thus, 127.500 TL was added Operational Risk Loss Event Database because no-claim discount provides more advantage than using insurance policy to take 127.500 TL from the insurance company. Moreover, Operating Costs were increased for infrastructure development, isolation, and maintenance expenses of damaged bank branches. However, emergency plans have been developed. Physical damages in branches were fixed quickly. Employees were informed about the flood disaster and ways of protection. Some goods and resources were moved from areas at risk of flooding.

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Turkey

Other, please specify

Marmara

Stage of value chain

Supply chain

Type of risk & Primary risk driver

Acute physical

Drought

Primary potential impact

Changing revenue mix and sources

Company-specific description

USD 1,092.23 mn investment in renewable energy projects (renewable energy loans, cash and non-cash total) Akbank actively contributes to facilitating Turkey's transition to a low-carbon economy by reducing the country's dependence on foreign energy sources. As part of its sustainable financing efforts, Akbank is increasingly supporting renewable energy and energy-saving projects in its investment portfolio. The share allocated to renewable energy in our total portfolio became 76%. As of 2022, of the energy projects we have financed so far, 3,163 MW consisted of HPP, 1,037 MW consisted of WPP, 320 MW consisted of GPP, 181 MW consisted of SPP, and 21 MW consisted of biomass plants. This equals to, renewable energy portfolio total installed power 4,722 MW. This equals to reduction of approximately (15 GWh * 0,457 ton CO₂e / MWh * 1000 MWh/ GWh) 7,000 tons of CO₂e emissions. Akbank initially focused on financing hydroelectric power plants (HPP) for renewable energy projects. However, considering the high-water stress in certain regions of Turkey, including the basins our investments located in which identified as having a high water stress risk using the WRI Aqueduct Tool, Akbank acknowledged the water-based credit risk associated with HPP facilities. Consequently, to address this risk assessment, Akbank balanced its renewable energy loan distribution in 2022 by supporting wind power plants (WPP), solar power plants (SPP), biomass power plants (BPP), and HPP projects, respectively. Akbank performed a study to analyze physical risks related with climate change impacts for its Project Finance portfolio by considering IPCC's climate scenarios. Two different climate scenarios were applied: SSP 1-2.6 (best case) and SSP 5-8.5 (worst case). Within the scope of drought risks, 32 and 29 hydropower projects are foreseen to be affected negatively in SSP 1-2.6 and SSP 5-8.5 scenarios, respectively. Considering water scarcity risks, 23 and 21 hydropower projects are foreseen to be affected negatively in SSP 1-2.6 and SSP 5-8.5 scenarios.

According to the meteorological drought map and drought assessments prepared for 2022 with MGM Standard Precipitation Index (SPI), drought of varying severity has been effective in different areas in 7 regions of our country.

Timeframe

More than 6 years

Magnitude of potential impact

High

Likelihood

Likely

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

Potential financial impact figure - minimum (currency)

Potential financial impact figure - maximum (currency)

Explanation of financial impact

Akbank performed a study to analyze physical risks related with climate change impacts for its Project Finance portfolio by considering IPCC's climate scenarios. Two different climate scenarios were applied: SSP 1-2.6 (best case) and SSP 5-8.5 (worst case). Within the scope of drought risks, 32 and 29 hydropower projects are foreseen to be affected negatively in SSP 1-2.6 and SSP 5-8.5 scenarios, respectively. Considering water scarcity risks, 23 and 21 hydropower projects are foreseen to be affected negatively in SSP 1-2.6 and SSP 5-8.5 scenarios.

- In the field of energy production, we have provided loans only for renewable energy production starting in 2016. In order to reduce foreign dependency on energy, while we closely monitored different technologies such as battery investments, capacity increase, and hybrid power plant investments in the field of storage that has become widespread with the development of technology and regulation and incentive packages, we continued to safeguard the strength of our renewable energy portfolio in 2022 as well. The share allocated to renewable energy in our total portfolio became 76%. As of 2022, of the energy projects we have financed so far, 3,163 MW consisted of HEPP, 1,037 MW consisted of WPP, 320 MW consisted of GPP, 181 MW consisted of SPP, and 21 MW consisted of biomass plants. By the end of 2022, the number of renewable energy projects we supported reached 185.

- Greenhouse gas emissions prevented through renewable energy investments is around 3.8 Million tCO_{2e}

Primary response to risk

Upstream

Other, please specify

Develop new product or markets

Description of response

Akbank initially focused on financing hydroelectric power plants (HPP) for renewable energy projects. However, considering the high-water stress in certain regions of Turkey, including the basins our investments located in which identified as having a high water stress risk using the WRI Aqueduct Tool, Akbank acknowledged the water-based credit risk associated with HPP facilities. Consequently, to address this risk assessment, Akbank balanced its renewable energy loan distribution in 2022 by supporting wind power plants (WPP), solar power plants (SPP), biomass power plants (BPP), and HPP projects, respectively.

You can find our policy on the management of water risks in our Akbank Environmental and Social Risk Framework on page 14 under the heading 4.3 "Water Security, Protection of the Sea and Coasts". Water-intensive activities, particularly HEPP projects

and agricultural loans, are examined in detail on a project-by-project basis.

- With the ESRF, which was launched in 2022, we started to analyze projects in detail, ecosystem management and cumulative impact assessments, taking into account the climate change factor in HEPP projects to be financed.
- Water, which is a limited resource for agricultural production, must be used effectively and with a high application efficiency. Adequate moisture in the plant root zone during the growing season is very important for plant development. In irrigation practices, when a certain area is opened to irrigation, the most suitable irrigation method is first selected, then the system required by this method is planned, installed and operated. These irrigation methods are surface irrigation, sprinkler irrigation and drip irrigation. In general, the irrigation method to be selected should ensure a uniform distribution of water, minimize losses such as deep infiltration and surface runoff, not cause soil erosion, not hinder agricultural mechanization, and help wash away salts in areas with salt problems.

Cost of response

32,516.15

Explanation of cost of response

The potential risks associated with water resources give rise to inherent risks in funded projects within this domain. Consequently, we offer financial support to alternative renewable energy projects with the objective of mitigating the impact of these risks. Our work to respond to the risk consists of site visit expenditures related to the ESIA System execution under ESRF. Accordingly, the field visits of our ESIA Team cost approximately 32,516.15 TL in 2022.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

As a result of all our activities and business processes, we ensure that the resources we consume are used in the most efficient way. Within this scope, we effectively monitor

and assess our overall water consumption. We use the water supplied from urban networks for our cleaning activities and irrigation of our green areas. In our Akbank Data Centre, rain water is collected in underground tanks and used in reservoirs and irrigation of green areas in case of need. We use the mains water in our business units and thus, there is no special source of water affected by our water consumption. We started to monitor the wastewater discharge for our Bank within the scope of our Integrated Management System initiatives. In this regard, we carry out our monitoring and measurement activities through periodical tests for wastewater.

In order to achieve efficiency in our data collection system, we have invested in the AKE-4 system, which enables the bank to store water consumption data in our 700+ facilities. We plan to finalize this project in 2023, for which we have invested about 9 million TL.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

5,092

Potential financial impact figure – minimum (currency)**Potential financial impact figure – maximum (currency)****Explanation of financial impact**

We monitor our water consumption through annual and monthly follow-ups. We consolidate all data at the end of the year and check the consumption amounts for the accuracy of data. We monitor the total water quantity drawn through water meters and bills. We replaced all taps with photocell types in order to minimize the water consumption in our Data Centre. We use sensor type armatures in the washbasins, and we conduct daily failure follow-ups in all areas to minimize losses/leakages and we respond to any failures in the same day.

We collect rainwater and store it in large underground tanks. This stored rainwater is used as needed, in accordance with the LEED Gold Standards. The financial impact of this project was calculated by multiplying the volume of stored rainwater (190,000 m³) by the average cost of water consumption in Istanbul in 2022 (26.80 TRY/m³). The result of this calculation is 5,092 Turkish Lira (TRY).

Type of opportunity

Products and services

Primary water-related opportunity

Sales of new products/services

Company-specific description & strategy to realize opportunity

In 2021, Akbank started to offer Türkiye's first and only Blue Financing Product Package, focusing on sustainable tourism, marine activities, and port development. The package includes financing options for new hotel construction, hotel refinancing, building renovations, sustainability investments, waste management, biodiversity studies, water and wastewater management, energy efficiency, port construction and refinancing, circular economy initiatives, and purchasing eco-friendly sea transportation vehicles. These initiatives align with Sustainable Development Goals 12, 13, 14, and 15. Additionally, we provide drip irrigation credit to prevent wild irrigation, provide efficient irrigation, and safeguard water resources.

We continued to strengthen our green and social loan portfolio in all our units with 16 sustainable finance products as of 2022. 60 billion TL sustainable finance loans were granted in 2022.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential financial impact

Low-medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)**Potential financial impact figure – minimum (currency)****Potential financial impact figure – maximum (currency)****Explanation of financial impact**

Akbank's Blue Financing Product Package, focusing on sustainable tourism, marine activities, and port development, has notable financial impacts. By offering financing for hotel construction, renovations, sustainability investments, waste management, and more, it attracts investments, stimulates economic growth, and improves businesses' financial performance. Additionally, providing drip irrigation credit safeguards water resources and enhances cost savings for farmers. With 16 sustainable finance products, Akbank strengthens its green and social loan portfolio, demonstrating a commitment to responsible banking practices. 60 billion TL sustainable finance loans were granted in 2022.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Sabancı Center Headquarter

Country/Area & River basin

Turkey

Other, please specify

Marmara Basin

Latitude

41.08

Longitude

29.01

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

19.82

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

17.32

Total water discharges at this facility (megaliters/year)

16.32

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

16.32

Total water consumption at this facility (megaliters/year)

3.5

Comparison of total consumption with previous reporting year

Much higher

Please explain

Annual changes smaller than 5% were considered "about the same." Annual changes from 5% to 10 % were considered "higher"/"lower". Annual changes greater than 10% were considered "much higher"/"much lower". Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers. Third party destination is the municipal sewage system.

Facility reference number

Facility 2

Facility name (optional)

Akbank Banking Center & Data Center

Country/Area & River basin

Turkey

Other, please specify

Marmara Basin

Latitude

40.87

Longitude

29.39

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

25.88

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

25.88

Total water discharges at this facility (megaliters/year)

25.88

Comparison of total discharges with previous reporting year

Much lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

25.88

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

Much lower

Please explain

Annual changes smaller than 5% were considered "about the same." Annual changes between 5% and 10 % were considered "higher"/"lower". Annual changes over 10% were considered "much higher"/"much lower". Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers. Third party destination is the municipal sewage system. In 2021, there was a substantial increase in water usage compared to the previous year. This rise can be attributed to the higher number of employees working at the bank's facilities, which was a result of the declining number of COVID-19 cases. The decrease in pandemic-related restrictions led to more staff members utilizing water resources, thereby increasing overall water consumption.

However, in 2022, we were able to reduce our water usage significantly. This reduction was primarily due to the diminishing impact of COVID-19, and our efforts to implement water-saving technologies in our facilities. Our commitment to utilizing natural resources efficiently across all our operations and business processes also played a crucial role in this achievement. By prioritizing the responsible use of water, we were able to optimize our practices and minimize water wastage, resulting in a notable decrease in water consumption.

Facility reference number

Facility 3

Facility name (optional)

Silivri Archive

Country/Area & River basin

Turkey

Other, please specify

Marmara Basin

Latitude

41.07

Longitude

28.09

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

1.07

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

1.07

Total water discharges at this facility (megaliters/year)

1.07

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

1.07

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Volumes are sourced from the water bills and third party suppliers. Withdrawal from third party sources include municipal suppliers. Third party destination is the municipal sewage system.

Facility reference number

Facility 4

Facility name (optional)

Bati Karadeniz - Zonguldak Branch

Country/Area & River basin

Turkey

Other, please specify

Black Sea

Latitude

41.45

Longitude

31.78

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

0.25

Comparison of total withdrawals with previous reporting year

This is our first year of measurement

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.25

Total water discharges at this facility (megaliters/year)

0.25

Comparison of total discharges with previous reporting year

This is our first year of measurement

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.25

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

This is our first year of measurement

Please explain

This year, we have initiated the measurement process in Zonguldak Branch (203) located in the Black Sea Basin. As a result, we are enhancing our scope by gathering water accounting data to improve our understanding and management of water resources.

Facility reference number

Facility 5

Facility name (optional)

Aegea- Gönen Branch

Country/Area & River basin

Turkey

Other, please specify

Mediterranean Basin

Latitude

40.11

Longitude

27.67

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

0.09

Comparison of total withdrawals with previous reporting year

This is our first year of measurement

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.09

Total water discharges at this facility (megaliters/year)

0.09

Comparison of total discharges with previous reporting year

This is our first year of measurement

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.09

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

This is our first year of measurement

Please explain

This year, we have initiated the measurement process in Gönen Branch located in Mediterranean Basin. As a result, we are enhancing our scope by gathering water accounting data to improve our understanding and management of water resources.

Facility reference number

Facility 6

Facility name (optional)

Güneşli - İstoç Branch

Country/Area & River basin

Turkey

Other, please specify

Marmara Basin

Latitude

41.03

Longitude

28.82

Located in area with water stress

Yes

Total water withdrawals at this facility (megaliters/year)

0.12

Comparison of total withdrawals with previous reporting year

This is our first year of measurement

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0.12

Total water discharges at this facility (megaliters/year)

0.12

Comparison of total discharges with previous reporting year

This is our first year of measurement

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.12

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

This is our first year of measurement

Please explain

This year, we have initiated the measurement process in Güneşli Regional Branch located in Marmara Basin. As a result, we are enhancing our scope by gathering water accounting data to improve our understanding and management of water resources.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

ISEA 3000

Water withdrawals – volume by source

% verified

76-100

Verification standard used

ISEA 3000

Water withdrawals – quality by standard water quality parameters

% verified

Not relevant

Please explain

Water discharges – total volumes

% verified

76-100

Verification standard used

ISEA 3000

Water discharges – volume by destination

% verified

76-100

Verification standard used

ISEA 3000

Water discharges – volume by final treatment level

% verified

Not relevant

Please explain

Water discharges – quality by standard water quality parameters

% verified

Not relevant

Please explain

Water consumption – total volume

% verified

Not relevant

Please explain

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	<p>Description of the scope (including value chain stages) covered by the policy</p> <p>Description of business dependency on water</p> <p>Description of business impact on water</p> <p>Commitment to align with international frameworks, standards, and widely-recognized water initiatives</p> <p>Commitment to prevent, minimize, and control pollution</p> <p>Commitment to reduce water withdrawal and/or consumption volumes in supply chain</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities</p> <p>Commitment to water stewardship and/or collective action</p> <p>Commitment to the conservation of freshwater ecosystems</p> <p>Reference to company water-related targets</p> <p>Acknowledgement of the human right to water and sanitation</p> <p>Recognition of environmental linkages, for example, due to climate change</p>	<p>At Akbank, we have incorporated our water policy into our environmental and sustainability policies, aligning with international benchmarks. To monitor the progress of our policies, we rely on KPIs and follow GRI standards. We ensure that all our actions and policies are consistent with related SDGs as we manage our water policy. Our publicly available environmental policy includes our approach to water and other environmental resources. We monitor our water use, conduct evaluation studies, and work to minimize our environmental footprint through responsible consumption in our value chain and operations. We report our consumption regularly through remote monitoring. We identify the environmental risks (physical risks, water stress, drought risk and river flood) and the legislator and reputational risks for our Data Centre, Banking Centre of Akbank, Head Office and Silivri Archive buildings with the use of the Aqueduct tool of the World Resources Institute (WRI). We determine the possible impacts of the project on aquatic, terrestrial, and avionic species through these reports, designate the mitigation measures to be taken in order to reduce the impact, monitor the success level of mitigation measures with monitoring studies, and ensure their regular follow-up through key performance indicators. We also assessed how climate change could affect our customers' operations and credit portfolio in 2022, using scenario models like "Representative Concentration Pathways" (RCPs) and "Shared Socio-economic Pathways" (SSPs). In line with our Water efforts, we provide drip irrigation loan product to prevent wild irrigation, encourage efficient irrigation, and safeguard water resources. Providing access to basic sanitation, such as septic tanks and treatment facilities, as well as water infrastructure, in areas with low socio-economic development and limited access to water is also part of our policy which align with WASH initiative.</p> <p>For the year 2022, a 2% reduction in water use was set as a target. As of year-end figures, water consumption increased 27% in 2022. This change was due to increase of office uses by the end of the pandemic.</p>

			Similarly for 2023, we have set a target to reduce water consumption in our operations by 2%.
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W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
Board-level committee	Established at the beginning of 2021, our board-level sustainability committee (SC) is the highest-level body for the sustainability management and has oversight responsibility for all social, governance, environmental issues, including climate and water related matters for the Bank. Under this Committee, there are four sub-committees that we formed based on our strategic focus areas such as sustainable finance, climate change, ecosystem management, and people and communities. With our Sustainability Committee, we ensure that our sustainability activities and performance are monitored and reported on behalf of the Board of Directors. Our Executive Board Member, Independent Board Member, CEO, CFO, SVP of Investor Relations (IR), and Sustainability are among the permanent members of our Sustainability Committee. Our committee meets at least twice a year. Upon the decision of our Committee and Board of Directors, we completed our Sustainable Finance and Climate Change project in 2022. Thanks to it, we updated our Environmental and Social Risk Framework and conducted our portfolio heat map study. Also, upon the senior management's decision, we started the roadmap development project preparations for our Bank's 2050 Net Zero Target. It is widely recognized that the negative impacts of climate change have significant implications for water resources, Given the critical role of water in sustaining life and supporting human well-being, it is imperative that we prioritize effective water management as one of the key components of our Sustainable Finance Framework.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain

<p>Row 1</p>	<p>Scheduled - all meetings</p>	<p>Monitoring implementation and performance Monitoring progress towards corporate targets Overseeing and guiding public policy engagement Overseeing major capital expenditures Overseeing the setting of corporate targets Providing employee incentives Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Setting performance objectives</p>	<p>he Sustainability Committee (SC) at Akbank, consisting of Executive and Independent Members of the Board, CEO, CFO, and Head of Investor Relations and Sustainability, meets biannually to discuss Akbank's goals for Climate Change, while a Climate Change Sub-Committee of Executive Vice Presidents reports directly to the CEO and informs the SC of its activities. The SC is responsible for preparing a sustainability strategy aligned with the bank's business strategy, integrating sustainability into all aspects of the bank's operations, monitoring compliance with sustainability principles and legislation, establishing relationships with relevant organizations, maintaining transparent communication with stakeholders, and ensuring that sustainability reports and promotional materials adhere to corporate governance and sustainability principles. The Bank's performance scorecard incorporates Sustainability Key Performance Indicators (KPIs), specifically addressing climate and water-related actions. All employees, including senior management and the CEO, are incentivized to actively contribute towards achieving these KPIs. We integrate sustainability into its banking functions by developing new procedures, amending existing ones, engaging stakeholders, and aligning processes. The bank aims to incorporate climate and water-related risks and opportunities into its operations, allowing for effective mitigation of financial risks and identification of financing opportunities for climate actions. This integration involves identifying climate and water risks and opportunities in the portfolio, assessing impacts based on different scenarios, and creating action plans to reduce negative environmental impacts and enhance resilience. Akbank's memberships in key organizations facilitate dialogue with governmental bodies and contribute to Turkey's sustainable future, overseeing and guiding public policy engagement. We actively collaborate with public institutions and industry organizations like the Banking Regulatory and Supervision Association, Turkish Banks Association, Ministry of Environment and Climate Change, and Business Council for Sustainable Development Turkey to actively</p>
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			participate in public policy and industry activities concerning climate and water.
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W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	Our CEO, Sustainability Committee member and member of Board of Directors, has significant knowledge on sustainability due to his role in the bank as a spokesperson in the field of sustainability since he started working in Akbank. Since he has been following up the bank's sustainability agenda and performance closely, he has started to investigate the ways to increase the bank's water security mitigation and adaptation capabilities.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Sustainability committee

Water-related responsibilities of this position

- Assessing water-related risks and opportunities
- Managing water-related risks and opportunities
- Setting water-related corporate targets
- Monitoring progress against water-related corporate targets

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Board-level sustainability committee (SC) is highest-level body for sustainability management and has oversight responsibility for all ESG issues, including E&S impact of the Bank. We set more than 100 ESG actions (Around 90% of these were met in 2022) Last year, SC decided to be a signatory of TCFD and UNEP FI PRB, to disclose CDP Water Security to track our water impact and performance transparently. Upon the decision of our Committee and Board of Directors, we completed our Sustainable Finance and Climate Change project in 2022. Thanks to this development, we updated our Environmental and Social Risk Framework and conducted our portfolio heat map study.. As a part of our framework, we focus on the Green Eligible Projects, including

Sustainable Water and Wastewater Management and pollution prevention (volume of groundwater and soil remediated) to our criteria. Sustainable Finance Allocation Committee, which has EVP-level members, oversees the implementation of this framework.

Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

Water-related responsibilities of this position

- Assessing water-related risks and opportunities
- Managing water-related risks and opportunities
- Setting water-related corporate targets
- Monitoring progress against water-related corporate targets

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

With our Sustainability Committee, we ensure that our sustainability activities and performance are monitored and reported on behalf of the Board of Directors. Our Executive Board Member, Independent Board Member, CEO, CFO, SVP of Investor Relations (IR), and Sustainability are among the permanent members of our Sustainability Committee. Our committee meets at least twice a year. Our IR & Sustainability Department, responsible for the general sustainability coordination and monitoring of the Bank, prepare our meeting agenda and the functional status of the decisions taken. Upon the decision of our Committee and Board of Directors, we completed our Sustainable Finance and Climate Change project in 2022. Thanks to it, we updated our Environmental and Social Risk Framework and conducted our portfolio heat map study. Also, upon the senior management’s decision, we started the roadmap development project preparations for our Bank’s 2050 Net Zero Target.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	The Bank's performance scorecard incorporates Sustainability Key Performance Indicators (KPIs), specifically addressing climate and water-related actions. All employees, including senior management and the CEO, are incentivized to actively contribute towards achieving these KPIs. 2022 KPI's included the successful completion of a project aimed at enhancing the bank's infrastructure for precise monitoring of water consumption. Additionally, an expert was appointed within the Architectural Solutions team to oversee and coordinate the bank's

	environmental performance, particularly in terms of the ISO 14001 certification, which encompasses water-related issues and performance. In 2022, we furthered our commitment to water conservation by utilizing the Aqueduct tool from the World Resources Institute.
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W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization’s water commitments	Please explain
Monetary reward	Board chair Director on board Chief Executive Officer (CEO)	Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations Increased access to workplace WASH – supply chain Implementation of water-related community project	By collecting rainwater and storing it in underground tanks, Akbank is reducing the need for water withdrawals and can use the collected water for cleaning activities and irrigation of green areas. We ensure that no special water source is affected by its water consumption. Akbank can make informed decisions to reduce water consumption volumes and improve water efficiency by monitoring water consumption and identifying environmental risks. Moreover, Akbank is proactively raising awareness of water-related issues through employee training and awareness campaigns. We can build a culture of sustainability and empower its workforce to take action to reduce water consumption both in the workplace and at home. Akbank is reducing water waste and promoting sustainable water	Our CEO, Sustainability Committee member and member of Board of Directors, has significant knowledge on sustainability due to his role in the bank as a spokesperson in the field of sustainability since he started working in Akbank. Since he has been following up the bank’s sustainability agenda and performance closely, he has started to investigate the ways to increase the bank’s water security mitigation and adaptation capabilities. The Bank’s performance scorecard involves Sustainability KPIs, which include climate and water-related actions. All employees, including senior management and CEO, are incentivized to support the completion these KPIs

			<p>management practices by providing credit for efficient irrigation. Additionally, Akbank is taking steps to increase access to workplace WASH, which is a critical component of water security. By ensuring that its employees have access to clean and safe water, the bank is promoting health and well-being in the workplace. Akbank will continue prioritizing water security and sustainability as core aspects of its operations and strategy. By implementing these initiatives and strategies, Akbank will reduce water consumption and improve its overall environmental performance.</p>	
Non-monetary reward	<p>Board chair Director on board Chief Executive Officer (CEO)</p>	<p>Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations Increased access to workplace WASH – direct operations Implementation of employee awareness campaign or training program</p>	<p>By collecting rainwater and storing it in underground tanks, Akbank is reducing the need for water withdrawals and can use the collected water for cleaning activities and irrigation of green areas. We ensure that no special water source is affected by its water consumption. Akbank can make informed decisions to reduce water consumption volumes and improve water efficiency by monitoring water consumption and identifying environmental risks. Moreover, Akbank is proactively raising awareness of water-related issues through employee</p>	<p>Our CEO, Sustainability Committee member and member of Board of Directors, has significant knowledge on sustainability due to his role in the bank as a spokesperson in the field of sustainability since he started working in Akbank. Since he has been following up the bank’s sustainability agenda and performance closely, he has started to investigate the ways to increase the bank’s water security mitigation and adaptation capabilities</p>

		<p>on water-related issues</p>	<p>training and awareness campaigns. We can build a culture of sustainability and empower its workforce to take action to reduce water consumption both in the workplace and at home. Akbank is also committed to positively impacting the communities it serves by implementing water-related community projects. Akbank is reducing water waste and promoting sustainable water management practices by providing credit for efficient irrigation. Additionally, Akbank is taking steps to increase access to workplace WASH, which is a critical component of water security. By ensuring that its employees have access to clean and safe water, the bank is promoting health and well-being in the workplace. Akbank will continue prioritizing water security and sustainability as core aspects of its operations and strategy. By implementing these initiatives and strategies, Akbank will reduce water consumption and improve its overall environmental performance.</p>	
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W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations
- Yes, other

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?


We recognize that our actions have the potential to directly or indirectly influence public policy on water. Therefore, we disclose our participation in policy-making processes of environmental institutions and non-governmental organizations, as well as our collaborations with these institutions, to the public.

With our memberships, we maintain dialogue with important governmental bodies and trade associations such as the Banks Association of Türkiye's Working Group on the Role of the Financial Sector in Sustainable Growth, Corporate Governance Association of Türkiye (TKYD), Business Council for Sustainable Development Turkey and the Turkish Industrialists and Businessmen Association (TUSIAD). TWe broke new ground in Türkiye by receiving ESG ratings from Refinitiv and MSCI for each of this four sustainability-themed funds of ours. We aim to develop and continue the sustainability assessment studies through independent institutions for our sustainable investment funds in the forthcoming period. Impact investing that involves shareholders, investors, and analysts, as well as local communities, non-governmental organizations, international finance institutions, and university youth, is one of the activities aimed at influencing policy and is consistent with our water policy and commitments.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

 akbank_integrated_annual_report_2022.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	As a bank operational water consumption is not significant for Akbank, whereas water is an important renewable energy source that might have an impact on Akbank's lending activities. With this perspective, Akbank aims to

			<p>integrate physical and transitional risks and also opportunities related to water security issues into its portfolio management practices. The long-term business objectives of Akbank will be aligned with the identified risks and opportunities meaning that its objectives with regard to lending activities will be determined accordingly. Akbank conducted a scenario analysis for climate related risks, which includes water scarcity as a vulnerability both in transition and physical risk categories. The time horizon in assessing these risks is 2030.</p> <p>Last year, Akbank started to offer Türkiye's first and only Blue Financing Product Package, focusing on sustainable tourism, marine activities, and port development. The package includes financing options for new hotel construction, hotel refinancing, building renovations, sustainability investments, waste management, biodiversity studies, water and wastewater management, energy efficiency, port construction and refinancing, circular economy initiatives, and purchasing eco-friendly sea transport vehicles.</p>
<p>Strategy for achieving long-term objectives</p>	<p>Yes, water-related issues are integrated</p>	<p>5-10</p>	<p>To address water scarcity and related risks, Akbank has planned several initiatives. Akbank aim to raise awareness about water-related issues among customers, clients, and the general public through training and social media programs. Collaborating with civil society through corporate social responsibility projects is another avenue they plan to explore. Akbank is actively working towards full compliance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Akbank integrates climate risks, including water-related risks, into their default credit risk modelling, adopting a more systematic approach to risk management. Akbank offers innovative financing products that support the low-carbon transformation of companies and customers, positioning itself as a leading institution in its country and region in terms of sustainability-related borrowing transactions. Akbank also updated its environmental and social credit policies in 2022, expanding its scope and content. It developed the Environmental and Social Management System (ESMS) and Environmental and Social Impact Assessment (ESIA) System to identify and manage environmental and social risks and opportunities arising from the financing it provides. With Our Sustainable</p>

			Finance we use green and social criteria to categorize projects to provide sustainable financing.
Financial planning	Yes, water-related issues are integrated	5-10	<p>Akbank conducted a climate change risk analysis on its credit portfolio, considering physical and transitional risks in line with TCFD recommendations. To enhance risk management, Akbank plans to integrate climate risks into its credit risk modeling, particularly regarding water-related risks. This integration will enable scenario analyses and stress tests beyond a 5-year period. The scenario analysis included water-related vulnerabilities such as droughts, water scarcity, sea level rise, and regulatory changes in water usage pricing. By considering water-related risks, Akbank aims to analyze and monitor changes in revenue, expenditures, and assets more effectively, leading to improved financial planning.</p> <p>Since 2016, we have exclusively provided loans for renewable energy production, aiming to reduce foreign energy dependency. In 2022, we maintained a strong renewable energy portfolio, allocating 76% of our total portfolio to renewables. By that time, we had financed a variety of energy projects, including 3,163 MW of HEPP, 1,037 MW of WPP, 320 MW of GPP, 181 MW of SPP, and 21 MW of biomass plants. The total number of renewable energy projects supported by the end of 2022 was 185. These investments have resulted in the prevention of approximately 3.8 million tCO₂e in greenhouse gas emissions.</p>

W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

10

Anticipated forward trend for CAPEX (+/- % change)

10

Water-related OPEX (+/- % change)

60

Anticipated forward trend for OPEX (+/- % change)

50

Please explain

While we evaluate our water consumption reduction activities within CAPEX, we evaluate the changes in water bills within the year within OPEX.

Our Data Center and Headquarters buildings were constructed in line with LEED standards.

In this respect, all urinals and batteries have photocell infrastructure. Grey water is used in reservoirs. Sprinkler systems are mainly sourced by rain water.

In order to prevent water leaks, all our buildings, flush and faucets maintenance / repair is regularly carried out.

(Please note that the increase in capex and opex is related to inflation levels in Turkey.)

W7.3**(W7.3) Does your organization use scenario analysis to inform its business strategy?**

	Use of scenario analysis	Comment
Row 1	Yes	<p>Risks originated from the internal environmental effects of the Bank arising from operational consumption are followed by WRI Aqueduct. We evaluate our lending activities through our Environmental Social Impact Assessment (ESIA) system. With our Environmental and Social Impact Assessment System (ESIA), we subject our customers' loan requests to environmental and social risk assessments.</p> <p>Akbank also reviewed the qualitative impacts of the risks and opportunities which might result from climate change on the operations of one of our customers as well as its quantitative impacts on the credit portfolio in 2022. The bank actively manages environmental and social risk assessment processes through its Environmental and Social Risk Framework. Akbank offers innovative financing products that support the low-carbon transformation of companies and customers, positioning itself as a leading institution in its country and region in terms of sustainability-related borrowing transactions.</p>

W7.3a**(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.**

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related	Our scenario analysis, conducted in line with international standards, aimed to evaluate the qualitative and quantitative impacts of climate change risks and opportunities on our operations and credit portfolio. The analysis primarily focused on achieving a zero-carbon target by 2050 . We utilized the WRI Aqueduct tool to monitor both quantitative and qualitative risks associated with the internal environmental effects of our operations. The framework of the "Task Force on Climate-related Financial Disclosures" was employed to assess qualitative scenarios. We developed the Environmental and Social Management System (ESMS) and Environmental and Social Impact Assessment (ESIA) System to identify and manage environmental and social risks resulting from our financing. By incorporating scenario models such as "Representative Concentration Pathways" (RCPs) and	WRI Aqueduct tool results indicates that, Data center & Akbank Banking Center: Environmental risks: High physical risks (4-5), moderate water stress (40-80%), medium drought risk (0.4-0.6), high riverine flood risk. Regulatory & Reputational risks: Low to medium regulatory and reputational risk, high RepRisk country ESG risk index. Sabancı Center (headquarters): Environmental risks: High physical risks (4-5), extremely high water stress (>80%), medium to high drought risk (0.6-0.8), low riverine flood risk.Regulatory & Reputational risks: Low to medium regulatory and reputational risk, high RepRisk country ESG risk index. Silivri Archive:Environmental risks: High physical risks (4-5), extremely high water stress (>80%), medium to high drought risk (0.6-0.8), low riverine flood risk.Regulatory & Reputational risks: Low to medium regulatory and reputational risk, high RepRisk country ESG risk index. In our heatmap analysis, we identified various risks including regulatory impacts, potential exposure to litigation, technological aspects such as low-carbon technology development and CCUS feasibility. We also considered	The assessment and incorporation of climate change risks into our capital requirements and risk management framework have significantly influenced our business strategy.To calculate the capital requirement for climate change risks, we have identified potential transition and physical risks within our credit portfolio. We have developed a methodology based on a heat map study that digitizes the impact of climate change risk and determines the amount of capital that needs to be set aside for such risks.This will be included in our Internal Capital Adequacy Assessment Process (ICAAP) starting from 2023.We have also integrated climate-related risks into our risk limit framework.The sectors exposed to carbon costs under the "Emission Trading System Directive" and sectors identified as risky in the heat map study are taken into consideration when setting risk limits.In terms of our operations,

		"Shared Socio-economic Pathways" (SSPs), we gained insights into vulnerabilities related to climate change. Our analysis considered scenario details for 1.5 and 3.5 degrees Celsius temperature increases, focusing on various perspectives and utilizing climate change analysis and heat maps to assess qualitative impacts on our operations.	reputation and social risks, market-related risks, and resource scarcity risks encompassing extreme weather events, biodiversity loss, water scarcity, increasing temperatures, and land degradation.	we have conducted assessments of our Head Office building, the Data Centre, and other critical infrastructure to identify the impact of climate risks. We have engaged with internal and external stakeholders to ensure preparedness for potential disasters.
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W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

Since it is not a critical issue for the bank's own operations, the pricing of the municipalities is valid at the moment. However, we are currently investigating water assessment applications.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
Row 1	Yes	Last year, Akbank started to offer Türkiye's first and only Blue Financing Product Package, focusing on sustainable tourism, marine activities,	Akbank's offers products that are low-water impact through financing options for initiatives such as sustainable tourism, marine activities, and port

		<p>and port development. The package includes financing options for new hotel construction, hotel refinancing, building renovations, sustainability investments, waste management, biodiversity studies, water and wastewater management, energy efficiency, port construction and refinancing, circular economy initiatives, and purchasing eco-friendly sea transportation vehicles. These initiatives align with Sustainable Development Goals 12, 13, 14, and 15.</p> <p>Additionally, we provide drip irrigation credit to prevent wild irrigation, provide efficient irrigation, and safeguard water resources.</p> <p>We continued to strengthen our green and social loan portfolio in all our units with 16 sustainable finance products as of 2022.</p>	<p>development, which focus on water and wastewater management, efficient irrigation, and safeguarding water resources. Additionally, Akbank provides drip irrigation credit to prevent wasteful irrigation and promote efficient water usage. By supporting projects aligned with Sustainable Development Goals 12, 13, 14, and 15, Akbank actively contributes to reducing water consumption, promoting water conservation, and implementing sustainable water management practices, thereby minimizing the overall water impact of their products.</p>
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W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	Yes	
Water withdrawals	Yes	
Water, Sanitation, and Hygiene (WASH) services	No, but we plan to within the next two years	In line with the WASH initiative, our policy includes the provision of basic sanitation, such as septic tanks and treatment facilities, as well as water infrastructure, in areas with low socio-economic development and limited access to water. Furthermore, we are committed to setting targets within the next two years to ensure

		effective implementation and measurable progress towards achieving these goals.
Other	Yes	

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Company-wide (direct operations only)

Quantitative metric

Reduction in total water withdrawals

Year target was set

2020

Base year

2019

Base year figure

300,544

Target year

2023

Target year figure

294,533

Reporting year figure

184,583

% of target achieved relative to base year

1,929.1465646315

Target status in reporting year

Please explain

As stated in our publicly available Environmental Policy, We are constantly monitoring our water use and conducting evaluation studies, We are working to minimize our environmental footprint by acting on the principle of responsible consumption in our value chain and operations, We regularly report our consumption of water with a remote

monitoring system, as of the end of 2021. In line with these principles, Akbank has set a target to reduce absolute water withdrawal by 2% company-wide by 2023, with the base year 2019. This target was set by the The Integrated Management System-Management Review Committee, which includes two C-level executives of the bank, oversees the bank's environmental performance, specifically in relation to ISO14001 certificate. While setting the target, factors such as the water needs of the personnel and the infrastructure of the facilities were considered. Akbank has already achieved its 2023 target for total water withdrawal. The bank aims to update its targets in terms of water withdrawal in 2023.

Target reference number

Target 2

Category of target

Monitoring of water use

Target coverage

Company-wide (direct operations only)

Quantitative metric

Increase in the proportion of sites monitoring water withdrawals total volumes

Year target was set

2020

Base year

2020

Base year figure

250

Target year

2023

Target year figure

711

Reporting year figure

711

% of target achieved relative to base year

100

Target status in reporting year

Achieved

Please explain

As stated in our publicly available Environmental Policy, We are constantly monitoring our water use and conducting evaluation studies, We are working to minimize our environmental footprint by acting on the principle of responsible consumption in our value chain and operations, We regularly report our consumption of water with a remote monitoring system, as of the end of 2021. Akbank has made a target in 2020, and allocated the necessary resources/budget, for insulating a tracking system for all of the bank's facilities, including its more than 700 branches. In doing so, the bank aims to improve water use efficiency and reduce overall water withdrawal in all the bank's facilities. This target was approved and monitored by the Board-Level Sustainability Committee. In 2022 we were able to include all our 700+ branches in this tracking system.

Target reference number

Target 3

Category of target

Water recycling/reuse

Target coverage

Company-wide (direct operations only)

Quantitative metric

Increase in water use met through recycling/reuse

Year target was set

2022

Base year

2022

Base year figure

2,500

Target year

2025

Target year figure

7,500

Reporting year figure

2,500

% of target achieved relative to base year

0

Target status in reporting year

New

Please explain

We collect rainwater and store it in large underground tanks. In 2021, we collected 500m³ of rainwater. In 2022, we collected 2500 m³ and use it as needed, in compliance with the LEED Gold Standards. Our goal is to recycle and use xx m³ of water by the end of the year 2025

Target reference number

Target 4

Category of target

Water pollution

Target coverage

Company-wide (direct operations only)

Quantitative metric

Other, please specify
reduction of single use plastic consumption

Year target was set

2021

Base year

2021

Base year figure

14.15

Target year

2023

Target year figure

0

Reporting year figure

5.6

% of target achieved relative to base year

60.4240282686

Target status in reporting year

Underway

Please explain

As of May 2022, in our HQ buildings, the use of single-use plastics has been discontinued, and porcelain plates are now being used for meal services. With the reduction of single-use plastics, approximately 9 tons less plastic is being consumed annually. Additionally, in order to reduce the consumption of plastic/cardboard cups,

employees are being provided with water bottles for use in offices. Furthermore, to raise awareness among our employees, "Zero Waste" e-learning classes has been conducted.

Together with other SAHOL community companies, we pledge to completely eliminate single-use plastics, including those used in our minimum administrative buildings, by the end of 2023 at the latest. This target specifically focuses on our office operations and encompasses the effective management of plastic waste originating solely from sources under our control, specifically those classified as 'supplier status'.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Total water withdrawal and water discharge	ISAE 3000	Independent limited assurance was provided for all locations (in Turkey) of Akbank including but not limited to the scope of the CDP Reporting by PwC in compliance with ISAE 3000 (Revised) in 2022. This is a standard annual assurance system that Akbank voluntarily carries out with an independent audit firm as part of its integrated annual reporting procedure

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain Product use phase	<p>In our value chain, we have taken significant steps to address the use and production of plastics. In the supply chain, as of May 2022, we discontinued the use of disposable plastics in our Head Office buildings. Instead, we started using porcelain plates for food service, eliminating the need for single-use plastic utensils, plates, and cups. This initiative alone resulted in a reduction of approximately 14 mn tons of plastic consumption per year, demonstrating our commitment to reducing plastic waste.</p> <p>In the product use phase, we have made substantial changes in the production of our credit and bank cards offered to customers. Since 2022, all cards, including Axxess, Wings, Akbank Card, and Free, are produced using recycled plastic materials. Moreover, the papers and envelopes accompanying these cards are made from recycled materials as well. With approximately 19 million cards currently in use by our customers, made from recycled materials, we are actively minimizing environmental impact and conserving natural resources.</p>

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Yes	Direct operations Product use phase	<p>Our company has made significant efforts across our value chain to assess and mitigate the potential environmental and human health impacts of our use and production of plastics. We have successfully decreased our environmental footprint and increased our positive impact by adopting banking operations that prioritize resources for the low carbon economy and circular economy. Additionally, we have achieved a high recycled waste rate of 97% and prevented the consumption of 14 million tons of plastic by eliminating the use of single-use plastics in our food service operations.</p>

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Please explain
Row 1	Not assessed – but we plan to within the next two years	We are planning to mitigate plastic-related risks across our operations in coming years.

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Yes	Plastic polymers Plastic packaging Waste management	Increase the proportion of post-consumer recycled content in plastic polymers Increase the proportion of renewable content from responsibly managed sources in plastic polymers Increase the proportion of recyclable plastic waste that we collect, sort, and recycle Other, please specify Eliminate single use plastic	<p>Starting from 2022, we have taken significant steps towards sustainability in our card production. All commercial and individual cards, including Axess, Wings, Akbank Card, and Free, offered to our customers are now made from recycled plastic. Additionally, the papers and envelopes accompanying the cards are made from recycled materials . With approximately 19 million cards currently in use, our aim is to minimize the consumption of natural resources and reduce environmental impact by prioritizing recycling and reusing materials.</p> <p>We aim to increase the use of environmental cards in 2023 years by 100% in 2023.</p> <p>To further reduce plastic waste, we have eliminated the use of disposable plastics in our Head Office buildings since May 2022. Instead, we have transitioned to using porcelain plates for food service, resulting in a reduction of approximately 14 tons of plastic consumption per year. Furthermore, we have provided water bottles to our employees for office use, aiming to minimize the consumption of plastic and paper cups.</p> <p>We aim to increase the reduction of plastic consumption in our food service further, by 100%, to an absolute value of 0, in 2023.</p> <p>Since 2021, we have implemented a waste</p>

				<p>sorting system in our Head Office, Sabancı Centre, in line with the "Zero Waste Management System" and the Zero Waste Directive. As a result of our efforts, we have been awarded the Basic Level Zero Waste Certificate. We plan to extend the zero-waste system to our banking system in 2022 . To support this initiative, our employees have participated in training on "Zero Waste in All Aspects, Installation of the Zero Waste System, and Implementation of the Zero Waste Information System" provided by ÇEVKO Academy in 2021.</p>
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W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	Yes	<p>As of the end of 2022, the number of our customers using cards was recorded as 6.1 million, the number of our credit cards as 7.7 million, the number of our debit cards as 11.6 million.</p> <p>Total Credit Cards sold in 2022: 4,046,522* = 20 tonnes of PVC plastic in use.</p> <p>*2,401,273 of 4,046,522 cards were recycled.</p>
Production of durable plastic components		
Production / commercialization of durable plastic goods (including mixed materials)		
Production / commercialization of plastic packaging		
Production of goods packaged in plastics		
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	Yes	5.60 tonnes total Total Plastic Consumption in 2022.

W10.6

(W10.6) Provide the total weight of plastic polymers sold and indicate the raw material content.

Row 1

Total weight of plastic polymers sold during the reporting year (Metric tonnes)

2,023

Raw material content percentages available to report

% virgin fossil-based content

% virgin renewable content

% virgin fossil-based content

40.7

% virgin renewable content

59.3

Please explain

As of the end of 2022, the number of our customers using cards was recorded as 6.1 million, the number of our credit cards as 7.7 million, the number of our debit cards as 11.6 million.

Total Credit Cards sold in 2022: 4,046,522*: = 20 tonnes of PVC plastic in use.

*2,401,273 of 4,046,522 cards were recycled.

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	Please explain
Plastic packaging used	5.6		<p>We do not have a direct plastic packaging sale in our operations.</p> <p>During the reporting year, we are using the plastic in our food services.</p> <p>0.98 tonnes of the plastic used were recycled while 4.62 tonnes were not recycled.</p>

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W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is recyclable in practice at scale	Please explain
Plastic packaging used	% recyclable in practice and at scale	17.5	<p>During the reporting year, we are using the plastic in our food services.</p> <p>0.98 tonnes of the plastic used were recycled which is equal to 17.5% of the total plastic packaging used, remaining 4.62 tonnes were not recycled.</p>

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Sustainability VP	Environment/Sustainability manager

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP



	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options		Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Please confirm below