



KUVEYT TÜRK

**CREDIT POLICIES AND IMPLEMENTATION
PROCEDURES**

**ANNEX-11 ENVIRONMENTAL, SOCIAL AND
GOVERNANCE PRINCIPLES IMPLEMENTATION
PROCEDURES**

REVISION HISTORY

Version ID	Affected Section	Change Definition	Date
1			

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A. Purpose

This document has been prepared with the aim of stating the implementation procedures of environmental, social and governance principles adopted by our Bank as a whole and to increase energy efficiency, support the transition to a low carbon economy and carry out activities to raise awareness about sustainable development accordingly.

B. Scope

This document covers the implementation procedures of environmental, social and governance principles adopted by our Bank and the types of activities that are not deemed appropriate to be financed accordingly.

C. Implementation Procedures

Our bank has adopted to implement the following procedures in order to ensure that the credit activities comply with the environmental, social and governance principles:

- To follow national and international legislative arrangements and standards on environmental, social and governance issues; take the necessary measures and actions to fulfill its obligations arising from them.
- To support sustainable production and consumption, innovative and social initiatives.
- To observe that the projects it finances have maximum environmental, social and governance benefits.
- To prioritize to provide credit for projects that improve environmental, social and governance conditions such as energy investments, environmentally friendly technology projects, waste transformation investments, investments reducing carbon emissions, increasing efficiency, providing access to basic services and employment.
- To aim to identify and effectively manage environmental and social risks and/or opportunities that may arise as a result of the financing that it will disburse and not to provide financing without the relevant report or document for renewable energy project financing requests deemed necessary by the Republic of Turkey

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Ministry of Environment and Urbanization for an Environmental Impact Assessment Report or document.

- To monitor activities prohibited and restricted by national legislation and international conventions to which Turkey is a party, and not to finance activities under the "List of Unfunded Activities" specified below without any environmental, social and governance impact assessments or regardless of the amount limit.

List of Unfunded Activities:

- Production or trade of products that are illegal or subject to international prohibitions in compliance with Turkish legal legislation or international regulations and treaties.
- Cross-border movements of waste prohibited by Turkish legal legislation or international regulations and treaties.
- Production or trade of products containing PCB (biphenyl with polychlorination - a group of highly toxic chemicals) regardless of sector.
- Wildlife trade; Trade or production of wildlife products regulated under CITES (Convention on the International Trade in Endangered Species of Wild Flora and Fauna).
- Production or trade of weapons of mass destruction or landmines.
- Production or trade of tobacco, cigarettes and alcoholic beverages.
- Gambling, casinos and equivalent ventures.
- Production and trade of radioactive materials.
- Trade or production of non-bonded asbestos fiber (not applied to the use and purchase of cement sheet containing fiber-free or bonded asbestos with an asbestos content of less than 20%).
- Fishing activities with nets longer than 2.5 km, using explosives and toxic substances.
- Projects involving forced labor or production in which child workers are employed in activities with exploitative or harmful content.
- Activities carried out in wetlands designated as RAMSAR (Wetlands of International Importance) area.
- Activities that do not comply with local legislation and international treaties for the protection of biodiversity resources and cultural heritage.