

ENVIRONMENT, ENERGY AND WATER POLICY

1. Purpose and Scope

Yapı ve Kredi Bankası A.Ş. (“Yapı Kredi”) aims to pursue its banking operations in a manner sensitive to environment and community within framework of its sustainable and responsible banking understanding. In this context, the bank commits to minimize its environmental impacts along with its entire value chain, to constantly improve and regularly report its performance. The bank aims to actively communicate with its stakeholders when it comes to environment, energy and water management.

Yapı Kredi, taking into account pioneering approach and policies of Koç Holding, its principal shareholder, in terms of environment, energy and water management, carries out its activities in a fashion aligned with such practices.

2. Principles and Commitments

Yapı Kredi;

- Follows all legal regulations and requirements on the environment, energy and water management and carries out its activities in full compliance with them,
- Works to protect the natural resources of our country and the world, to use them in the most efficient and effective way and to control and reduce the environmental impacts that occur as a result of its activities, and it encourages all its stakeholders in this regard,
- Aims to reduce environmental impacts resulting from energy, water and resource consumption of resources, to efficiently use natural resources and increase use of renewable energy sources,
- Prioritizes prevention of waste generation, reduction, recycling and re-use of waste generation in line with principles of circular economy,
- Aims to look out for right of access to clean water along the entire value chain,
- Determines energy and water risks stemming from geographies where it has operations and from its lending activities and conducts intended to manage such risks,
- Regularly calculates its greenhouse gas emissions generated by its operational and lending activities and takes steps required to render both its operations and credit portfolio carbon neutral in line with the goal of net-zero by 2050,
- Sets goals of performance improvement for itself, plans actions, follows up and reports results throughout the year, focusing on constant progress in the field of environment, energy and water management,
- Keeps abreast of all innovations and developments as well as scientific researches and technologies concerning environment, energy and water management, across the world and considers opportunities for putting them into practice,
- Communicates and cooperates with relevant institutions, organizations and all of its stakeholders for development and constant improvement of legal regulations, policies and standards with a view to improving its environment, energy and water management performance,

- Supports renewable energy, resource efficiency, recovery and waste reduction projects which are of paramount importance for our nation's sustainable development and fight with climate change, and takes due care that projects in respect of which it makes available loans offer superior environmental and social benefits,
- Develops environmentally-friendly credit products and supports the shift to low carbon economy,
- Subjects those projects in respect of which it issues loans with a size in excess of size within framework of Environmental and Social Risk management Policy to Environmental and Social Risk Evaluation System. Yapı Kredi monitors that an institution demanding loan takes measures intended to mitigate such risks in line with risk groups established according to risks determined and acts in compliance with Environmental and Social Action Plan so created through monitoring activities.
- Does not finance those operations contained in “List of Operations Not Financed”, as set out in the annex Environmental and Social Risk Management Policy, irrespective of any imitation as to amount ,
- Takes utmost care that environmental impacts of products and services purchased by it are minimal within framework of its Responsible Purchasing Policy,
- Expects its suppliers to reduce their environment impacts, increase their environment performance and sensitivity to environment, grow their capacities and raise their level of awareness in sustainability,
- Organizes trainings and internal/external communication activities intended to raise awareness and knowledge level on environment issues of all of its stakeholders, notably, its employees,
- Pays regard to views on environment issues of its employees, clients, suppliers, subcontractors and other operational stakeholders and conducts operations intended to help them put into practice this policy.

3. Monitoring and Reporting

Yapı Kredi follows up its environment, energy and water performance within framework of international management standards such as 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 14064-1 Greenhouse Gas Emissions Reporting Standard and ISO 14046 Water Footprint Standard and shares its performance with all of its stakeholders annually via Integrated Activity Report and Holding reports.

Environment, Energy and Water Policy of Yapı Kredi is annually reviewed and practices are regularly monitored by Sustainability Committee. Necessary revisions are promptly reflected upon the policy in case of any amendment to the legislation or change in practice.

Environmental, Energy and Water Policy of Yapı Kredi was, first, approved and put into force at Board of Directors that convened in November 2016 and was updated under a resolution of Board of Directors dated 27.03.2024.

Our stakeholders may forward their suggestions, request for information and complaints regarding environment, energy and water management to cevreyonetimi@yapikredi.com.tr by e-mail.