Yapı Kredi

Double Materiality Assessment

2025

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Glossary

Double Materiality	Double Materiality means that a sustainability topic can be important because of the organization's impacts on people and the environment, because of the way these impacts affect financial results, or because of both factors at once.
External Stakeholders	External stakeholders are individuals or groups outside the organization, including customers, suppliers, regulators, communities, and investors, whose interests are affected by the organization's activities, products, or services.
Financial Materiality	Financial Materiality describes when a sustainability matter is expected to create risks or opportunities that could influence the financial health or performance of an organization.
Impact Materiality	Impact Materiality captures how significant an organization's actual or potential effects are on society and the environment, whether those effects are positive or negative, and whether they stem from direct operations or the wider value chain.
Internal Stakeholders	Internal stakeholders are individuals or groups within an organization, such as employees, managers, or shareholders, whose work, decisions, or investments are directly tied to the organization's performance and outcomes.
Irremediable Character	Irremediable Character shows the degree to which a negative impact can or cannot be undone, including whether people or ecosystems can be returned to their previous condition.
Likelihood	Likelihood is the probability that a certain event or impact will occur
Materiality	Materiality is the practice of determining which sustainability issues are most relevant, both for stakeholders and for shaping an organization's strategy and everyday business.
Scale	Scale indicates how serious a negative impact is or how significant a positive impact is on the society or the environment.
Scope	Scope refers to how widely an impact is felt. For environmental issues, this can mean geographic spread or the extent of damage. For social issues, it reflects how many people are affected.
Stakeholder Engagement	Stakeholder Engagement refers to the way an organization involves its internal and/or external stakeholders in planning, decision-making, or carrying out initiatives.
Stakeholders	Stakeholders are groups or individuals such as employees, investors, customers, and communities who are linked to a business and whose interests are affected by its activities.

Abbreviations

AA	MSCI ESG Rating Category (“Leader” Class)
BIST	Borsa Istanbul
BRSA	Banking Regulation and Supervision Agency
CBAM	Carbon Border Adjustment Mechanism
CDP	Carbon Disclosure Project
CIFAL	International Training Center for Authorities and Leaders (UNITAR)
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CSRD	Corporate Sustainability Reporting Directive
DMA	Double Materiality Assessment
E&S	Environmental & Social
EMS	Environmental Management System
EOC	Equal Opportunity Certificate
ERM	Enterprise Risk Management
ESG	Environmental, Social, and Governance
ESMS	Environmental & Social Management System
ESRA	Environmental & Social Risk Assessment
ESRS	European Sustainability Reporting Standards
EU	European Union
FfB	Finance for Biodiversity Pledge
GAR	Green Asset Ratio
GEI	Gender Equality Index (Bloomberg)
GRI	Global Reporting Initiative
ICAAP	Internal Capital Adequacy Assessment Process
IFC	International Finance Corporation
IROs	Impacts, Risks, and Opportunities
İSEDES	Internal Systems and Evaluation of Capital Adequacy (Türkiye regulation equivalent of ICAAP)
ISO	International Organization for Standardization
IT	Information Technology
KAGİDER	Women Entrepreneurs Association of Türkiye
LCR	Liquidity Coverage Ratio
LEED	Leadership in Energy and Environmental Design
CI	Morgan Stanley Capital International
NGO	Non-Governmental Organization
NZBA	Net-Zero Banking Alliance
PCAF	Partnership for Carbon Accounting Financials
PE	Private Equity
POS	Point of Sale
PRB	Principles for Responsible Banking (UNEP FI)
RAF	Risk Appetite Framework
RAMSAR	Convention on Wetlands of International Importance (Ramsar Convention)
SBTi	Science Based Targets initiative
SDGs	Sustainable Development Goals
SME	Small and Medium-sized Enterprises
SPP	Solar Power Plant
Step	Sustainable Preferences Program
TCFD	Task Force on Climate-related Financial Disclosures
TSRS	Türkiye Sustainability Reporting Standards
UNEP FI	United Nations Environment Programme Finance Initiative
UNGC	United Nations Global Compact
UNITAR	United Nations Institute for Training and Research
WEF	World Economic Forum
WEPs	Women's Empowerment Principles
WPP	Wind Power Plant
WWF	World Wildlife Fund

1 Introduction

1.1 About This Report

With the entry into force of the Corporate Sustainability Reporting Directive (CSRD) in 2024, companies operating in the European Union (EU) are required to determine their most material topics in line with the principle of double materiality. This principle enables a comprehensive assessment of both the organization’s impacts on the environment and society and the resulting implications of these impacts on its financial performance. In 2025, Yapı Kredi initiated a double materiality assessment in accordance with the European Sustainability Reporting Standards (ESRS). The objective of this initiative was to enhance and expand previous materiality analyses. As part of the project, Yapı Kredi evaluated its material sustainability topics as well as related impacts, risks, and opportunities (IROs) pertinent to its business activities and financial outcomes, in full alignment with ESRS requirements.

In line with these requirements, the assessment evaluates sustainability topics from two complementary perspectives: the impact perspective, which considers how the Bank’s activities affect people, society, and the environment; and the financial perspective, which assesses how these matters may influence the Bank’s financial position, performance, and resilience over time.

The purpose of this report is to provide a transparent account of Yapı Kredi’s double materiality process and its outcomes. It outlines the steps taken, the sources considered, and the perspectives integrated, ensuring that the results meet regulatory requirements and reflect stakeholder expectations. By publishing this assessment, Yapı Kredi aims to strengthen its sustainability governance, supports effective risk management, and provide a robust foundation for future reporting and strategic decision-making.

1.2 About Yapı Kredi

Founded in 1944, Yapı Kredi is Türkiye's first nationwide private bank with a strong retail orientation. A deep-rooted institution, the Bank has consistently strengthened its market presence over the decades. As of the first half of 2025, Yapı Kredi's total assets stood at TL 3.0 trillion, while total cash and non-cash loans increased by 36% year on year to reach TL 2.2 trillion.

Yapı Kredi provides services through 772 branches, a workforce of more than 15 thousand employees, 5,760 ATMs, over 1.4 million POS terminals and advanced digital channels including internet and mobile banking. With this extensive distribution network, the Bank delivers a comprehensive range of financial services across retail banking, covering payment systems, business banking, private banking and wealth management, as well as commercial and SME banking and corporate banking. Yapı Kredi also maintains a strong position in payment systems and digital banking. Its operations are supported by domestic subsidiaries in asset management, brokerage, leasing and factoring, together with international subsidiaries in the Netherlands, Germany and Azerbaijan.

With this wide scope of operations, Yapı Kredi's ownership structure provides a solid foundation for sustainable growth. The Bank's shareholding structure is composed of 40.95% Koç Financial Services A.Ş. (wholly owned by Koç Group), 20.22% Koç Holding A.Ş., and 38.83% publicly traded shares on Borsa İstanbul. With a combined 61.17% stake, Koç Group is the main shareholder of Yapı Kredi.

Vision: To be the undisputed leader in the finance sector.

Mission: To ensure long-term sustainable growth and value creation for all stakeholders, and become the first choice of customers and employees.

Strategy: A customer centric commercial bank driven by cutting edge technology and committed workforce, delivering responsible growth.

Best-in-class profitability, backed by a strong balance sheet, resulting in enhanced and sustainable shareholder returns.

Values

- ***Freedom***
- ***Fairness***
- ***Transparency***
- ***Integrity***
- ***Diversity***
- ***Collaboration***
- ***Excellence***
- ***Agility***
- ***Responsibility***
- ***Sustainability***

Table 1. Yapı Kredi's Value Chain

Segment	Actors	Description
Upstream value chain	**Investors / Providers of capital**	Provide debt and equity funding.
	Suppliers	Deliver goods and services to Yapı Kredi.
	Regulators	Set and enforce rules for banking activities.
Own operations	**Yapı Kredi & workforce**	Daily operations carried out by employees and subsidiaries.
Downstream direct clients	**Corporate clients**	Companies using Yapı Kredi's financial products and services.
	Consumer clients	Individuals using retail banking services.
Downstream value chain	**Suppliers of clients**	Businesses that supply goods or services to Yapı Kredi's customers.
	Clients of clients	Organizations and people connected to Yapı Kredi's customers.
	End clients / society	Final consumers and wider community impacted by client activities.

1.3 Sustainability at Yapı Kredi

1.3.1 Sustainability Governance

Yapı Kredi manages its environmental, social and economic impacts within a comprehensive Sustainability Management framework. This approach ensures that sustainability is embedded into the Bank's strategy, risk management and business processes, while also enabling transparent communication with stakeholders.

The Bank implements a Sustainability Management System that defines its governance structure, policies and strategic priorities. Clear responsibilities are assigned across the organization, while training programs strengthen employee awareness and capacity. Performance is tracked through key indicators, disclosed annually in the Integrated Annual Report and subject to limited assurance.

The Sustainability Committee, established in 2014 and chaired by an Independent Board Member, is responsible for integrating sustainability practices into business processes and monitoring performance. The Committee reports its activities annually to the Executive Committee and the Board of Directors.

The Sustainability Unit, under Corporate Communications Management, coordinates the implementation of sustainability policies and strategies, consolidates data and ensures transparent communication of results. The Unit also manages the activities of the Bank's working groups.

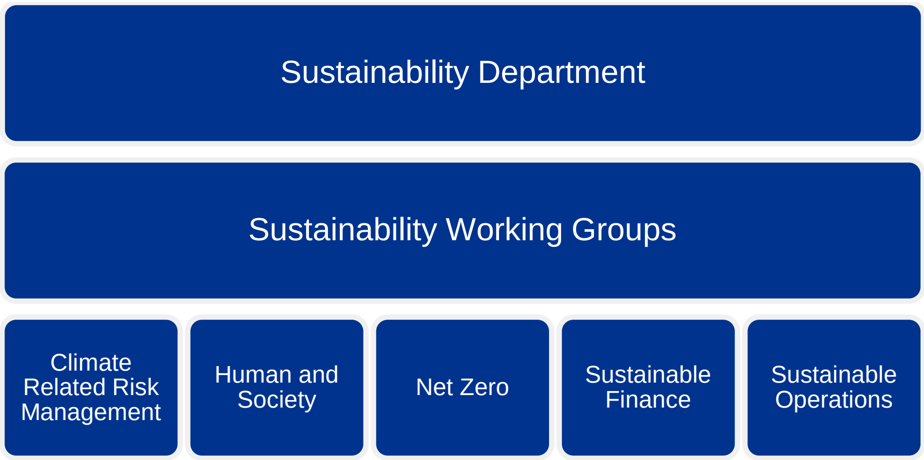
Five Sustainability Working Groups support the Committee by focusing on priority areas: Climate-Related Risk Management, Human and Society, Net Zero, Sustainable Finance and Sustainable Operations. They implement projects, update work plans and regularly present their progress to the Committee.

Board of Directors

Executive Committee

Sustainability Committee

Ahmet Çimenoğlu Independent Board Member *Chair*	**Cahit Erdoğan** Executive Vice President - Commercial and SME Banking *Member*	**Mehmet Erkan Akbulut** Executive Vice President - Corporate Banking *Member*	**Serkan Ülgen** Executive Vice President - Retail Banking *Member*
Demir Karaaslan Executive Vice President - Financial Planning and Administration *Member*	**Mehmet Erkan Özdemir** Executive Vice President - Compliance, Internal Control and Risk Management *Member*	**Nursezil Küçük Kocak** Executive Vice President - Loans *Member*	**Özden Önaldı** Executive Vice President - Human Resources, Organization and Internal Services *Member*
Gökhan Özdinç Executive Vice President - Technology, Data and Process Management **Member**	**E. Kürşad Keteci** Executive Vice President - Strategy (CSO) *Member*	**Korkut Okay** Senior Vice President - Banking Operations *Member*	**Arda Öztaşkın** Vice President - Corporate Communications *Member*



1.3.2 Sustainability Milestones

Year	Milestones
2014	Included in Borsa Istanbul (BIST) Sustainability Index
	Established Sustainability Committee
2015	Published first GRI-compliant Sustainability Report
	Underwent independent audit on selected sustainability indicators
2016	Joined UNEP FI by signing the Statement on Environment and Sustainable Development
	Joined Women’s Empowerment Principles (WEPs) Platform
	Published first CDP Climate Change Report
	Established Environmental Management System (EMS) and received ISO 14001 certification
2017	Founding signatory to the Global Compact Türkiye Declaration on Sustainable Finance
	Included in FTSE4Good Emerging Index
	Founding member of Equal Opportunities for Women at Work (ESRA) Platform
2018	Published first CDP Water Security Report
	Participated in “Business World Against Domestic Violence” Project and adopted workplace policy
	Issued Türkiye’s first Sustainability-Linked Loan
2019	One of the founding signatories of UN Principles for Responsible Banking (PRB)
	Revised Equator Principles assessment criteria
	Ranked among leaders in CDP Water Security (A- Leadership)
	Enhanced environmental & social risk assessment in lending
2020	Published first Integrated Annual Report
	Issued first Green Bond
	Launched eco-friendly mortgage product
	Became first financial institution in Türkiye granted ISO 14046 certification
	Expanded ISO 14064-1 certification scope to all premises & subsidiaries
	Received Zero Waste Certificate for Banking Base
	Awarded Equal Opportunity Certificate (EOC) by KAGİDER & World Bank

2021	Joined SBTi as first Turkish bank committing to “Business Ambition for 1.5°C”
	Declared no financing for new coal-fired power plants or coal mining
	Became TCFD Supporter
	Published CDP Climate Change & Water Security Reports
	Launched EV/Hybrid Auto Loan Product
	Received Zero Waste Certificate for Head Office
	Included in Bloomberg Gender Equality Index (GEI)
2022	Calculated financed emissions using PCAF methodology
	Upgraded MSCI ESG rating to AA — only bank in Türkiye in “Leader” class
	Listed in S&P Global Sustainability Yearbook 2022
	Included in Bloomberg Gender Equality Index (GEI)
	Selected as Türkiye’s Water Leader in CDP Water Security Programme
2023	First Turkish bank to sign Finance for Biodiversity Pledge (FfB)
	Joined Net Zero Banking Alliance (NZBA)
	Developed decarbonisation plan for loan portfolio aligned with SBTi targets
	Modelled SBTi-aligned Scope 1&2 and financed Scope 3 emissions
	Launched Sustainable Preferences Program (Step)
	Issued first Sustainable Eurobond
	Increased CDP Climate Change score to A- (Leadership)
2024	Obtained LEED Platinum Certification for Banking Base
	Signed first Sustainable Syndicated Loan
	Updated Sustainable Finance Framework with new themes
	Extended ISO 14001 & ISO 14046 certifications to all locations
	Obtained SBTi verification for interim net-zero targets
	Achieved inclusion in CDP Global A List (Climate Change & Water Security)
	Established Net-Zero Working Group
	Included in Sustainalytics Top-Rated Companies List
2025	Disclosed Net-Zero Roadmap for financed emissions
	Achieved second consecutive inclusion in CDP Global A List (Climate Change)
	Recognized by TIME & Statista among “World’s Most Sustainable Companies 2025”

1.3.3 Materiality at Yapı Kredi

Yapı Kredi’s approach to materiality has become an integral part of its sustainability management and corporate strategy. From the earliest assessments to today’s practices, materiality has provided the Bank with a structured way to identify risks, anticipate opportunities and respond to stakeholder expectations. It has also strengthened the link between sustainability priorities and long-term value creation, ensuring that environmental and social considerations are addressed alongside financial performance.

Over the past decade, the Bank has established a framework that focuses on the issues most relevant to its business model, stakeholder relationships and value chain. Customer satisfaction and engagement have remained a central theme, while digital transformation and innovation have gained prominence, highlighting the importance of technology for efficiency, customer experience and data security. Climate change has also become a defining topic, reflecting the growing importance of environmental responsibility and alignment with global developments. Alongside these, financial performance, business continuity, ethics and compliance, strong corporate governance, transparency, responsible products, financial inclusion and effective risk management have reinforced Yapı Kredi's commitment to responsible growth and stakeholder trust.

This process has matured into a framework that connects sustainability priorities with financial outcomes and strategic resilience. Materiality assessments are biennially updated through extensive stakeholder engagement, senior management input and alignment with international standards, ensuring that the Bank remains responsive to evolving global trends. As a result, sustainability considerations are systematically embedded into the core of the business model and are reflected across strategy, governance and daily operations.

Building on this foundation, Yapı Kredi is embedding the principles of double materiality with this assessment into its framework as both a strategic priority and in alignment with the CSRD and the ESRS. In its previous assessments, the Bank primarily focused on the impact dimension, evaluating how its activities affect society and the environment. With the adoption of the double materiality approach, the financial dimension is now also systematically assessed, providing a more comprehensive view of impact, risks and opportunities across the Bank's entire value chain. This risk-based approach is reinforced by TSRS compliant reporting, which incorporates a climate risk lens and complements international standards. Together, these steps mark a new phase in the Bank's materiality journey, where impact and financial considerations are evaluated jointly to guide strategic decision-making and to strengthen long-term resilience.

2 Double Materiality Assessment Methodology

This section outlines Yapı Kredi’s double materiality analysis (DMA). The European Sustainability Reporting Standards (ESRS), which define detailed disclosure requirements for companies that are subject to the Corporate Sustainability Reporting Directive (CSRD), served as the primary reference point for identifying material topics. In alignment with CSRD, the analysis expands the Bank’s reporting boundary to its entire value chain, assessing material impacts, risks, and opportunities both within the organization and across its ecosystem. By incorporating perspectives from both internal and external stakeholders, the DMA process ensures a comprehensive evaluation of Yapı Kredi’s material topics. The outcomes of this assessment inform the Bank’s strategic priorities, enhance transparency in decision-making, and provide a robust foundation for reporting, future planning, and the overall sustainability strategy. Material topics are assessed through two dimensions: impact materiality and financial materiality.

Impact materiality looks at whether any sustainability issue creates actual or potential impacts, positive or negative, on people or the environment over the short, medium, or long term. These impacts may occur anywhere in the company’s value chain, including upstream with suppliers, within the organization’s own operations, or downstream with customers. A topic is considered material from an impact perspective if it relates to significant effects on society or the environment. For actual impacts, materiality is determined by the severity of the impact. For potential impacts, both severity and likelihood are taken into account. Severity is assessed based on three factors: the scale of the impact, its scope, and, in the case of negative impacts, how irremediable that impact is.

Financial materiality focuses on whether any sustainability matter poses any financial risks or creates any financial opportunities for the organization. According to the ESRS, this requires disclosure of sustainability matters that may have a material effect on a company’s development, such as its cash flows, financial position, or performance, in the short, medium, or long term. In this context, an organization should consider its sensitivity to natural and social resources and phenomena, the significance of these sensitivities, and whether they create risks or opportunities. For both risks and opportunities, financial materiality is assessed by looking at the likelihood of events occurring and the potential magnitude of the financial impact.

2.1 Stakeholder Engagement

2.1.1 Surveys

Yapı Kredi has conducted a survey to review its sustainability priorities and reinforce its strategy through the contributions of stakeholders. The objective of this initiative was to ensure that the Bank’s strategic approach to sustainability is developed in a holistic, inclusive, and stakeholder-aligned manner. The survey was conducted via an online data collection tool between July 30 and August 15, 2025. It examined sustainability under three key dimensions: Environmental, Social, and Governance. Each dimension was structured around critical issues that either arise from or may impact the Bank’s activities.

Surveys formed a key part within the verification process, ensuring that stakeholder perspectives were incorporated into the double materiality assessment. Their feedback provided valuable insight into how sustainability topics align with the Bank’s internal priorities and operational realities.

A total of 132 internal stakeholders participated, including employees, senior executives at director level and above, and managers at department head level and above. Their feedback provided valuable insight into how sustainability topics align with the Bank’s internal priorities and operational realities. In parallel, surveys were completed by 70 external stakeholders representing a broad spectrum of Yapı Kredi’s stakeholder ecosystem. Participants included customers, financial institutions and creditors, shareholders, investors and financial analysts, rating agencies, regulators and international initiatives, strategic partners, subsidiaries, suppliers, non-governmental organizations, Koç Holding Group employees, academia, and media. Their feedback provided valuable insights into how sustainability topics align with the Bank’s internal priorities and operational realities.

Environmental
The following topics were evaluated under the environmental focus:
- Climate Change Adaptation
- Climate Change Mitigation
- Energy
- Environmental Pollution
- Water Management
- Waste Management
- Circular Economy
- Biodiversity

Social
The following topics were evaluated under the social focus:
- Working Conditions
- Occupational Health and Safety
- Equity, Diversity, and Inclusion
- Employee Development
- Human Rights
- Social Inclusion
- Community Relations
- Supply Chain Management
- Open Banking
- Financial Literacy

Governance
The following topics were evaluated under the governance focus:
- Information Security
- Digitalization
- Corporate Culture
- Development of Feedback Channels
- Business Ethics

The survey consisted of a total of 24 questions. Participants were asked to evaluate each topic using a five-point scale by selecting the option they found most appropriate.

Table 2. Evaluation Scale

Evaluation Scale	
5	Very Important: Indicates that the company should develop strategies related to this issue and consider it among its top priorities.
4	Important: Indicates that the company may prioritize this issue without neglecting other activities and thereby create value.
3	Moderately Important: Indicates that it would be valuable for the company to begin working on this issue.
2	Slightly Important: Indicates that the company may consider this issue in addition to higher-priority topics.
1	Not Important: Indicates that the company should not be involved in this issue.

2.2.2 Interviews

To further enhance the verification step of the DMA for Yapı Kredi, comprehensive stakeholder interviews were conducted with 21 senior executives across all major business functions and governance areas. The interviews were conducted to identify the sustainability issues most relevant to Yapı Kredi's business, risk profile and strategy. Both the challenges the Bank faces and how these are understood, prioritized and managed within the organization were explored.

Yapı Kredi conducted a total of 21 interviews with management to gain deeper insights into sustainability priorities. Eleven interviews were held with senior management and ten with mid-level management, with two to three colleagues from the same department often participating together. The discussions covered a broad set of functions, including sustainability, SME financing, strategy, operations, and financial management. This process ensured that diverse internal perspectives were captured, and that the assessment reflects the full scope of the Bank's activities and priorities.

The interview process was designed to capture Yapı Kredi's long-term sustainability vision and the practical steps needed for implementation. By speaking with stakeholders from the Sustainability Committee Chair down to operational department heads, the interviews provided insights into how sustainability considerations flow through the organization and where gaps exist between policy and practice. This approach ensured that the materiality analysis would be grounded in actual business experience rather than desktop research alone.

2.2 IRO Longlists

The preparation of the long list is a critical starting point in Yapı Kredi's double materiality assessment. This stage establishes the foundation for the analysis by mapping the value chain and compiling a comprehensive set of potential impacts, risks, and opportunities defined under the ESRS (AR 16). In addition to the topics in ESRS 1 AR 16, internal and external sources, detailed below, were used to identify additional entity-specific IRO's. Beginning with sector-agnostic subtopics that apply across industries, the long list ensures that both actual and potential sustainability matters are captured. Topics are considered if they may arise at any point in the value chain, from upstream to the Bank's own operations and downstream. By creating this broad base, Yapı Kredi ensures that all relevant environmental, social, and governance issues are considered before prioritization, supporting a robust and transparent assessment process.

The double materiality assessment process begins with defining the scope and objectives, which set the boundaries of the analysis and clarify its overall purpose. For Yapı Kredi, the scope of this DMA covers the Bank's direct operations, as well as impacts across its value chain, including upstream, own operations, and downstream. The assessment applies only to Yapı Kredi and does not extend to any of Yapı Kredi's other subsidiaries. All material topics are evaluated and scored across short, medium, and long-term horizons. The DMA encompasses the full range of ESRS topics, including environmental, social, and governance issues.

Once the scope has been established, the process continues with the identification of sustainability matters, where a comprehensive "long list" of potential topics is compiled. This list is informed by multiple sources, including regulatory frameworks, peer and industry analyses, sector benchmarks, internal assessments, and sustainability reports prepared by other banks under the CSRD. The resulting compilation captures a wide spectrum of environmental, social, and governance (ESG) issues that may be material from either an impact or financial perspective. This long list has then been refined to a "medium list" using inputs from experts and relevant stakeholders representing various functions within Yapı Kredi.

As the next step, precise definitions are established to ensure consistency, and relevant stakeholder groups are identified to provide input for the assessment and scoring process. For Yapı Kredi, risks and opportunities are evaluated based on likelihood and magnitude. Impacts are evaluated on the basis of scale and scope, and in the case of negative impacts, irremediable character; for potential impacts, likelihood is also taken into account. Impact materiality considers whether a topic creates actual or potential positive or negative effects on people or the environment over different time horizons. These impacts are analyzed throughout the value chain, including upstream suppliers, the Bank's own operations, and downstream customers. Each topic is scored on a scale from 1 (insignificant) to 5 (critical), enabling results to be compared across short, medium, and long-term horizons. This scoring framework ensures a structured and transparent basis for evaluating impacts, risks, and opportunities, laying the groundwork for reliable and comparable outcomes.

Table 3. Scoring Scale Definitions

Score	Scale – How serious the impact is	Scope – How widespread the impact is
5 (Critical)	Negative impacts that pose critical threats (to the environment or core human rights such as life, dignity, freedom). These may include transformative changes, severe harm, or death, as well as gross violations. Positive impacts can lead to transformative improvements in environmental quality or rights.	**Global/Systemic** – The impact is global, systemic, or affects a very large population, spanning multiple countries or continents.
4 (High)	Negative impacts that cause significant harm to environmental quality or to the most basic human rights. Positive impacts can result in high improvements in rights or environmental conditions.	**Regional/Widespread** – The impact occurs across multiple countries, regions, or a considerable portion of a population or ecosystem.
3 (Moderate)	Negative impacts that result in moderate harm to environmental quality or temporary but noticeable infringements on rights. Positive impacts can lead to noticeable improvements.	**National/Medium** – The impact occurs within national borders, affecting a notable percentage of a population or ecosystem
2 (Low)	Negative impacts that result in limited harm to the environment or human rights (temporary disruptions, short-term inconveniences). Positive impacts may result in small-scale improvements.	**Local/Concentrated** – The impact is limited to part of a country, province, community, or a limited number of people.
1 (Minor/Insignificant)	Minor or temporary impacts that do not cause significant harm to the environment or rights. Positive impacts may result in small, incremental improvements.	**Site/Isolated** – The impact is highly localized or affects only a very small number of individuals or a single site.

Table 4. Irremediable Character (Negative impacts only)

Score	Definition
5 (Non-remediable)	Negative impacts that result in permanent or long-lasting damage, harm, or loss, with no feasible or only minimal options for restoration or compensation.
4 (Very difficult to remediate)	Negative impacts that are extremely hard to reverse or compensate. The affected people or environment cannot be restored to their

	original state in the short to medium term. Remediation efforts may require extensive resources and involve complex technical requirements, limited acceptance by affected groups, lack of capacity of relevant actors, or no viable replacements for the harm incurred.
3 (Difficult to remediate)	Negative impacts that may be reversed or restored, in the medium-term, requiring significant resources and coordinated efforts. While technically feasible, remediation may still face challenges due to scope, capacity, or acceptance issues.
2 (Relatively easy to remediate)	Negative impacts that can generally be reversed within a short period of time. Restoration requires low levels of resources or effort. There are simple technical requirements for remediation and sufficient capacity from the relevant actors or business partners to deliver it.
1 (Very easy to remediate)	Negative impacts that can be fully reversed within one year, requiring minimal resources or effort, restoring conditions to a state very similar or equal to that prior to the harm.

The "likelihood" of impacts, risks, and opportunities is defined by their chance of occurrence, classified as very likely, likely, reasonably likely, or unlikely. These categories indicate whether a component has a high, medium, or low probability of materializing, potentially affecting Yapı Kredi's financial performance and/or position.

Table 5. Likelihood Scoring Scale Definitions

Scale	Definition
5 (Very Likely)	The event/opportunity has frequently occurred in the past and/or is almost certain to occur within a defined timeframe.
4 (Likely)	The event/opportunity has occurred several times in the past and/or can reasonably be expected to occur within a defined timeframe.
3 (Reasonably Likely)	The event/opportunity has occurred on a limited basis and/or has been observed among peers, suggesting a moderate probability of occurrence.
2 (Not likely)	The event/opportunity has little or no history of occurrence and/or has been rarely observed among peers, indicating a low probability of occurrence.
1 (Highly Unlikely)	The event/opportunity has no history of occurrence and has only been observed under exceptional circumstances among peers, indicating a very low probability of occurrence.

The next step is the preparation of the assessment, which focuses on defining the thresholds and criteria used to determine materiality. Following the scoring process, separate materiality thresholds were determined for financial and impact materiality. These thresholds were based on the outcomes of the scoring process, with the threshold being set as the median financial and impact materiality scores, rounded down to the nearest decimal. After applying the threshold to the ultimate scores obtained for each sub-topic, the short list of financially and impact material topics and sub-topics were obtained, which have been presented in the materiality matrix.

2.2.1 Internal Sources

As part of the Bank's integrated activities, key internal references as primary sources such as its strategic targets, commitments, policies, procedures, investor presentations and disclosures such as CDP, integrated annual report, the Net Zero Roadmap, and TSRS report were taken into account while creating this report, in addition to the interviews and surveys.

- The Bank's CDP disclosures were used to inform both impact and financial perspectives, providing data on environmental dependencies and impacts across operations, the value chain, and the financed portfolio, as well as climate related risk scenarios with their potential financial effects.
- The Bank's TSRS report was also taken as a reference for the risk assessment, linking materiality outcomes with climate-related risks and opportunities that may influence cash flows, financing, or capital costs in the short, medium, or long term. The TSRS framework covers governance, strategy, risk management, metrics, and targets, and draws on TSRS 1 (general sustainability disclosures), TSRS 2 (climate-related disclosures), and the sector-specific guidance for commercial banks.
- Yapı Kredi's Net Zero Roadmap for Financed Emissions was used for identifying milestones and guiding downstream activities in line with SBTi and NZAB targets. The roadmap's primary focus is on expanding green financing, reflecting the Bank's strategic emphasis on financing as the most material topic. Financing-related targets were also integrated into IROs in line with net zero commitments.
- The Bank's commitment as a founding signatory to the UN Principles for Responsible Banking (UNPRB) was also taken into account, particularly for the social dimension of the assessment. The principles provided a reference framework for how stakeholder engagement, social impacts, and governance of client and community relationships are addressed, ensuring alignment with global standards on transparency, accountability, and sustainable development.
- Yapı Kredi's Sustainable Finance Framework (July 2024) provided a structured basis for linking the Bank's financing activities to material environmental and social themes during the IRO longlist process, ensuring alignment between the Double Materiality Assessment and the Bank's sustainable finance strategy.

2.2.2 External Sources

Secondary research has been carried out to strengthen the robustness of the double materiality assessment. This included a review of published WEF Global Risk Report, CSRD reports, and double materiality analyses prepared by the Bank’s peers. As well as key regulatory and ESG developments relevant to Türkiye and the Banking sector. These included the Türkiye Climate Law; the EU Carbon Border Adjustment Mechanism (CBAM), which impacts Turkish exporters in carbon-intensive sectors; the Banking Regulation and Supervision Agency (BRSA) Green Asset Ratio, which introduces mandatory reporting of green assets by banks; and the EU “Simplification Omnibus,” which adjusts CSRD and related ESG disclosure requirements. These sources together ensured that Yapı Kredi’s assessment is consistent with both local and global regulations and emerging best practices in the sector.

2.3 Assessment of Potential IROs

The severity assessment formed a central step in narrowing the long list of potential impacts, risks, and opportunities into a medium list of priority topics. The evaluation was conducted internally ensuring that the results reflected the Bank’s priorities and broader sustainability strategy. To create a consistent and transparent process, each item in the long list was scored on a five-point scale, allowing for comparability across categories and time horizons.

Impacts were assessed as effects on people, society, and the environment. Each potential impact was scored out of five using three dimensions: scale, which represents how grave the negative impact is or how beneficial the positive impact is for people or the environment; scope, which represents how widespread the negative or positive impacts are. In the case of environmental impacts, the scope may be understood as the extent of environmental damage or a geographical perimeter, and for negative impacts, irremediability, which represents whether and to what extent the negative impacts could be remediated, i.e., restoring the environment or affected people to their prior state. For potential impacts, likelihood was also evaluated, defined as the probability with which a given negative or positive impact can occur. This scoring ensured that both the probability and the seriousness of consequences were factored into the evaluation. For example, even a low-likelihood event could be classified as material if its potential scale was large or if its damage was irreversible.

Risks were defined as potential financial losses that could arise from sustainability matters. They were also scored on a five-point scale but were assessed using only two criteria: likelihood and magnitude. Likelihood referred to the probability of the risk materializing, while magnitude measured the potential size of its financial impact on the Bank’s cash flows, financial position, or performance. This approach allowed the Bank to systematically evaluate which topics represented material threats to its business.

Opportunities were understood as potential financial gains linked to sustainability matters. Like risks, they were assessed out of five for likelihood and magnitude, enabling the Bank to identify the topics with the strongest potential to generate financial benefits. By applying this scoring consistently across impacts, risks, and opportunities, Yapı Kredi ensured that both financial and non-financial considerations were addressed in a balanced way. This process created a robust and comparable foundation for prioritizing the most significant topics in the double materiality assessment.

Risks were assessed across the entire value chain, covering upstream supply activities, the company’s own operations, downstream use, and end-of-life stages, as well as potential impacts that may emerge over longer timeframes. This ensures that risks are not limited to internal operations but reflect broader, system-level consequences. To maintain consistency and comparability, the assessment of impacts, risks, and opportunities applied common time horizon definitions: short term (within one year), medium term (up to 2030, approximately five years), and long term (beyond 2030). In addition, environmental, social, and governance matters were evaluated against three dimensions by integrating both the temporal perspective (short, medium, and long-term horizons) and the qualitative dimensions (scale, scope, and irremediable character), the methodology establishes a consistent and robust basis for prioritizing impacts, risks, and opportunities across the ESG spectrum.

2.3.1 Validation

The validation phase plays an important role in ensuring that every material sustainability issue recognized by stakeholders is not only considered, but also thoroughly scrutinized within the shortlist. Its scope includes determining whether any shortlisted matters should be reclassified as non-material and consequently omitted from the reporting scope. This process involves a rigorous cross-examination of diverse data sources, ranging from interviews to surveys and workshop resultsto detect any significant inconsistencies or areas requiring closer attention. When new, potentially material topics arise, they are systematically evaluated against a consistent set of criteria, such as scale, scope, and the degree of difficulty in reversing negative impacts. These topics are then integrated into supporting assessment documentation, maintaining a comprehensive and transparent audit trail for future reference and accountability.

Beyond refining the shortlist, validation also deepens and clarifies the definitions of identified impacts, risks, and opportunities. Updates are made where necessary to reflect evolving stakeholder perspectives, detailing how these matters manifest, their placement within the value chain, and any associated dependencies. If overlapping or duplicative topics are discovered, they are consolidated to improve clarity and consistency throughout the reporting framework. The process concludes with meticulous documentation of the methodologies employed, the rationale behind key decisions, and the overall outcomes. This robust approach not only strengthens transparent reporting but also establishes a solid foundation for continuous improvement and stakeholder trust.

3 Findings

To compile the final list of material topics, the results of the IRO scoring exercise, the stakeholder survey, and the interviews were consolidated to obtain the final scores for each topic. To consolidate these results, each IRO was mapped to a given topic, and the average scores from the IRO scoring exercise were obtained per topic and consolidated at the risk, opportunity, and impact level. Interviews were considered during this scoring exercise. Then, these average scores were then scaled using the topic scores from the stakeholder surveys by way of multiplication and re-scaled to the same range to allow the use of a homogeneous materiality threshold and for comparability. Financial and impact materiality were then determined using the averages of risk and opportunity scores and negative and positive impact scores respectively and applying the materiality thresholds. The results presented below reflect the final list of material topics.

3.1 Data Insights

The materiality assessment process conducted for Yapı Kredi's sustainability approach has identified several key topics that are essential for the Bank's operations and stakeholders. These topics have been evaluated based on their financial materiality and impact materiality, ensuring that the Bank's sustainability strategy is fully aligned with both regulatory requirements and stakeholder expectations. Interviews with senior and mid-level management provided valuable insights, directly shaping the DMA and clarifying Yapı Kredi’s material topics.

During the interviews, climate change mitigation was consistently highlighted as one of the most prominent issues. This priority is strongly reinforced by the Bank’s decision to exclude coal financing while significantly increasing its support for renewable energy projects. Such measures reflect the Bank’s dual focus on managing the transition of its portfolio in line with the climate policies and responding to stakeholder expectations for strong environmental responsibility. Moreover, it was emphasised that frameworks play a crucial role in shaping the green finance agenda. In particular, the BRSA’s Green Asset Ratio (GAR) not only guides banks to expand their green financing activities but also sets a benchmark for sustainable banking practices in Türkiye. On this vein, renewable energy financing - especially solar (SPP) and wind (WPP) projects – was repeatedly mentioned as offering significant opportunities. To support these type of green projects, the Bank has already introduced a range of green loan products.

In parallel, particular emphasis during the interviews has been placed on the Bank’s net-zero roadmap for financed emissions. This roadmap built around six hard-to-abate sectors to align with SBTi and NZBA targets of the Bank. While existing green loan products have laid an important foundation, interviews underlined the medium to longer term transition finance is expected to gain momentum. As macroeconomic conditions evolve and national climate commitments deepen, supporting the Bank’s net-zero pathway will rely heavily on expanding transition finance mechanisms and scaling up green financing across the real economy.

At the same time, the interviews revealed varying levels of demand for sustainability-focused products and services. Large corporates are developing a broader perspective, moving beyond renewable energy projects, while incentives remain the main driver of action for SMEs. Yapı Kredi addresses this by channeling international funding programs such as EBRD and IFC, which provide lower-cost financing tied to sustainability commitments. Neverthlesess, the complexity of requirements can be demanding for some clients. Sensitive sectors such as mining, coal, agriculture, livestock, and textiles face higher environmental and social risks, while export-oriented firms are more exposed to global value chain pressures. In this context, the emissions trading system and the border carbon tax regulation directly concern the Bank, and its customers. In the global scale, the introduction of CBAM is expected to create greater opportunities. Yapı Kredi's role is to translate these complex requirements into accessible financing solutions, offering clear benefits and supporting customers in gradually aligning with sustainability priorities.

While customer engagement is at an early stage, the trend clearly indicates growth potential, driven by expanding regulatory frameworks, EU-aligned climate policies, and increasing awareness across industries. Yapı Kredi is positioning itself to capture this potential by expanding its portfolio of climate-related financial solutions and maintaining a proactive, customer-oriented approach. As regulations and market conditions continue to evolve, demand for such products is expected to rise steadily, supporting the long-term integration of sustainability into financial systems and reinforcing Yapı Kredi's role as a leading institution in sustainable finance.

Information and data governance have emerged as highly material topics, as the availability and quality of data are fundamental to managing sustainability risks and opportunities effectively. Yapı Kredi recognizes the need for standardized datasets to assess risks in lending and has already initiated work on developing the data infrastructure for financed emissions.

Integrating climate-related data into risk models requires systematic infrastructure development, and the Bank is advancing efforts to improve data quality and embed climate considerations into risk management and decision-making. Despite this progress, assessing and managing climate-related risks remains challenging, particularly in calculating financed emissions, given the lack of standardized, comprehensive global climate data and the ongoing development of regulatory frameworks for climate disclosures across the financial sector.

Calculating financed emissions is challenging because there are no standard global climate data guidelines. Interviewees acknowledged that current efforts are not yet sufficient and there is still a long way to go. They emphasized that IT plays a critical role in automating these efforts and ensuring systematic monitoring. People interviewed for this report said it's very important for teams to use clear, accurate definitions when implementing these processes - specifically, the risk team must correctly define risks and opportunities and set appropriate KPIs for data to become usable. Yapı Kredi improved its data quality and methods for calculating financed emissions in early 2024, which provides a strong foundation for its decarbonization plans. The bank plans to develop automated systems for tracking emissions in the future.

Energy consumption and efficiency are among the areas the Bank prioritizes and invests in as part of its efforts to minimize environmental impacts. These initiatives also contribute to reducing Scope 1 and Scope 2 emissions within operations. Interviewees highlighted the importance of improving energy performance, supported by initiatives such as a 25MW solar plant, which is expected to reduce emissions by 89%, which meets our target determined by our SBTi commitments (42% Scope 1 and 2 emission reduction). Operational efficiency is also being advanced through the "zero paper office" initiative, which has already achieved substantial reductions in physical document processing and storage. Looking ahead, ESG data management is expected to benefit from technological advances, including artificial intelligence and automation, with applications such as AI-supported analysis of utility bills for energy optimization. These efforts are complemented by broader progress in digitalization and process integration, embedding sustainability more deeply into daily business practices.

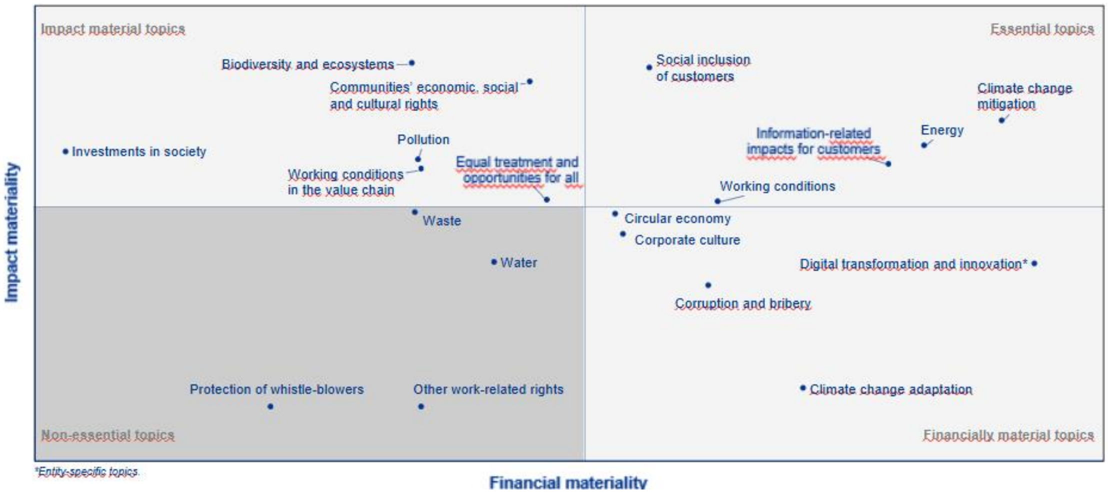
Employee development and welfare are critical to Yapı Kredi's sustainability strategy. Equal and transparent remuneration practices are being advanced. Diversity and equal opportunity are priorities, with gender balance actively considered in talent management and promotion decisions. Training and upskilling programs, including technology-focused education and partnerships with Koç Holding and academic institutions, support employees in adapting to evolving business needs. These efforts are reinforced by initiatives around flexible working models, ergonomics, and inclusive workplace practices, underscoring Yapı Kredi's commitment to long-term employee wellbeing.

3.2 List of Material Topics

Table 6. List of Material Topics

Impact material	Financially material	Material from both perspectives
Biodiversity and ecosystems	Digital transformation and innovation	Climate change mitigation
Communities' economic, social and cultural rights	Climate change adaptation	Energy
Investments in society	Corruption and bribery	Information-related impacts for customers
Pollution	Corporate culture	Social inclusion of customers
Working conditions in the value chain	Circular economy	Working conditions
Equal treatment and opportunities for all		

Figure 1. Yapı Kredi Materiality Matrix – Sub-Topic Level



3.3 Performance Metrics for Material Topics

Table 7. Performance Metrics for Material Topics

Materiality	Direction	Material Topic	Significance for the Bank	Actions Taken
Both (Impact, Risk and Opportunity)	±	**Climate change mitigation**	Description: Climate change poses major threats to nature, society and the global economy. According to the Global Risks Report 2023, the biggest global risk in the next decade is the inadequacy in the fight against climate change. To avoid the dire consequences of the climate crisis, global economy must act now to achieve net-zero emissions by 2050, with the collaboration of governments, policymakers and businesses. Yapı Kredi recognizes climate change as a negative externality in the business environment, meaning it detrimentally affects individuals' well-being due to economic activities. Impacts: Limiting green energy sources and/or credits provided to carbon-intensive sectors can contribute to transition options to a low-carbon economy. Risks: Transition Risks: Credit restrictions for carbon-intensive sectors, coupled with legal regulations regarding climate change strategies, could narrow customer portfolios. At the same time, the failure to develop new sustainable credit policies and new ones could increase competitiveness.	Yapı Kredi, a key player in the Turkish banking sector, is committed to driving the green transition and places impact creation at the heart of its sustainability strategy. Aiming to lead this shift, Yapı Kredi consistently monitors climate-related indicators that are likely to influence the green transformation of its lending portfolio and customers. In light of these potential impacts, Yapı Kredi has undertaken significant steps to finance the real sector's green investments. The Bank has engaged in numerous leading international initiatives, affirming its commitment to the net-zero transition. Initially, it became a founding signatory of the UN PRB in 2019. Subsequently, aligning with the Paris Climate Agreement's action plan for climate risks, the Bank pledged to the SBTi in 2021 to lower its emissions. Furthermore, Yapı Kredi is the first and only Turkish institution to pledge emission reduction targets under the "Business Ambition for 1.5°C" framework. Reinforcing its commitment to a net-zero economy, the Bank joined the NZBA in 2023. Yapı Kredi also supports the TCFD, endorsing transparent and consistent reporting on climate change risks and opportunities. In order to fulfil the commitments it has made, Yapı Kredi has launched a new project within the Carbon Transformation Program in 2021, which was initiated by its main shareholder Koç Holding. Within the scope of the project, the measurement and analysis of financed emissions, which constitutes almost all of the banking sector's greenhouse gas emissions, has been completed by PCAF methodology for the first time in 2022. In 2023, a modelling study of the interim net-zero emission reduction targets was carried out within the framework of SBTi guidance. In the same year, a financial

				feasibility study was conducted to achieve the targets set. During this study, decarbonisation strategies were developed for prioritized sectors and action sets were determined to achieve these strategies. The targets modelled after the said feasibility and strategy study were submitted to the SBTi for verification and the Bank has recently obtained verification for submitted targets in Figure 1. Thus, Yapı Kredi achieved to be the first private Tier-I bank in Turkey to get SBTi verification. Additionally, the Bank has the most comprehensive credit portfolio target coverage compared to other verified Turkish banks and become the only Turkish bank to set targets for its entire portfolio of mandatory targets. Moreover, at the beginning of 2024, the work initiated to improve the data quality and methodology for calculating financed emissions, which is of paramount importance in the implementation of the strategy, has been successfully completed. In this regard, Yapı Kredi aims to continue its determined efforts to reduce its financed emissions and to guide its customers in their journey to net zero not only as a financier but also as an advisor and partner. In addition, in 2022, the Bank launched a project to incorporate climate risks into all its risk management processes, starting with credit evaluation. The project, titled "Integration of Climate Change Risks and Opportunities into Credit Processes," involves continuous training and workshops to improve the Bank's internal understanding of this issue. Currently, Yapı Kredi is leading the climate risk group formed under the Turkish Banking Associations to develop a standardized framework for the Turkish Banking sector that aligns with EU regulations.
Both	**±**	**Information-related impacts for customers**	Description: Customer information security and service quality drive trust and retention. About this impact, cybercrime encompasses any criminal activity that involves a computer, network, or networked device. In today's world, cybersecurity has become increasingly vital especially for banking industry due to heightened security and regulatory requirements, escalating threats, and growing network infrastructures. Impacts:	Information security & PDPL trainings; robust service operations and CX governance.

			Additional protection measures that can be activated when bank customers access bank applications will contribute to the cybersecurity of customer devices. Risks: Yapı Kredi could face risks related to accessibility, integrity, and confidentiality due to the intensive use of information technologies in its operations. Through effective cybersecurity risk management and mitigation strategies, the Bank can eliminate security gaps and avert potential risks. Successfully managing technology risks that may disrupt the Bank's operations enhances business continuity by swiftly addressing risk incidents, thereby preventing financial and reputational damage.	
Impact	**-**	**Biodiversity & ecosystems**	Environmental impacts tied to financed activities can affect ecosystems, community well-being and license to operate; robust screening and exclusions reduce ecological risk across the portfolio.	ESRA system applied to qualifying investment/project finance; exclusion of new coal power/mining; category-based risk management and monitoring.
Impact	**±**	**Communities' economic, social & cultural rights**	Social value creation in education and culture strengthens trust, reputation, and long-term customer relationships.	Long-running education & culture programs (Yapı Kredi Publications, Yapı Kredi Museum, Afife Theatre Awards); support for NGOs; employee volunteering.
Impact	**+**	**Investments in society**	Targeted social investments build resilience and inclusion in priority communities and themes.	"Snowball for the Future" early-childhood program expanded; financial literacy initiatives (FODER, Digipro, TEGV).
Impact	**-**	**Pollution**	Effective waste, water and materials management limits environmental footprint and operational risk.	Zero Waste expansion; organic waste biomethanization and coffee-grounds-to-bioplastic pilots; certified environmental management.

Impact	+	**Working conditions in the value chain**	Supplier practices influence the Bank's indirect social and environmental footprint.	Supplier Environmental & Sustainability Evaluation Survey; trainings extended to subcontractors.
Impact	+	**Equal treatment & opportunities for all**	Inclusive policies sustain talent attraction, engagement and performance.	WEPs signatory; Bloomberg GEI listed; targets on women in leadership; policies and channels against discrimination.
Financial	+	**Digital transformation & innovation**	Scalable digital channels drive growth, cost efficiency and competitive differentiation.	Continuous CX improvements; strong digital servicing and contact-center KPIs; NPS leadership.
Financial	-	**Climate change adaptation**	Climate risks (physical & transition) can affect credit quality, operations and funding; structured governance builds resilience.	Sustainability Committee oversight; climate-risk heat-map methodology; SBTi verification and NZBA-aligned sector targets; data-quality upgrades for financed emissions.
Financial	-	**Corruption & bribery**	Ethical conduct protects license to operate and access to markets.	Code of Ethics; regular trainings; whistleblowing/ethics line and investigations.
Financial	±	**Corporate culture**	An engaged, values-driven workforce underpins execution and risk culture.	Engagement and development programs; structured union dialogue; diversity initiatives.

Financial	±	**Circular economy**	Resource efficiency reduces costs and environmental risk.	Paper-saving digitalization; Zero Waste rollout; reuse/recycling of electronic assets.
Both	+	**Energy**	Energy sourcing and efficiency affect cost, emissions and continuity.	Renewable procurement (IRECs & on-site renewables); energy-efficiency projects; Land SPP approved to meet a substantial share of future load.
Both	+	**Social inclusion of customers**	Accessible products and channels broaden reach and deepen relationships in underserved segments.	Barrier-Free Banking (voice-guided and ergonomically designed ATMs, sign-language video onboarding, chat services); targeted inclusion programs for women entrepreneurs and vulnerable groups.
Both	±	**Working conditions**	Safe, fair and engaging workplaces sustain productivity and service quality.	OHS programs, extensive training, parental/return policies, union engagement.

4 Conclusion

4.1 Implications

Yapı Kredi's sustainability strategy presents several promising opportunities. The bank's commitment to climate change mitigation, including the cessation of new coal financing and investment in renewable energy projects, positions it as a leader in environmental responsibility. These initiatives not only align with regulatory requirements but also enhance the Bank's reputation and stakeholder trust. Additionally, the development of a on-site renewables and other energy efficiency projects are expected to significantly reduce emissions and operational costs, contributing to the Bank's long-term sustainability goals.

Information and data governance is another area of opportunity for Yapı Kredi. The bank's investments in data infrastructure and process optimization are crucial for managing sustainability risks and opportunities effectively. Improved data quality and the integration of climate-related data into risk models can enhance risk management and decision-making. By leveraging technological advancements such as artificial intelligence, Yapı Kredi can further strengthen its data management capabilities and support its sustainability strategy.

Social inclusion and equal opportunities are also important aspects of Yapı Kredi's sustainability strategy. Initiatives to support employee welfare, such as training, flexible working arrangements, and ergonomic improvements, contribute to both sustainability objectives and employee wellbeing. These efforts can lead to increased employee satisfaction and productivity, ultimately enhancing the Bank's overall performance. Additionally, the Bank's leadership in sustainable finance, including the integration of ESG factors into credit pricing and decision-making, reflects a shift towards value-creating sustainability practices. This approach ensures that sustainability commitments are translated into operational risk practices, supporting the Bank's ability to manage sustainability-related risks and assist clients in their sustainability transitions.