

## NON-FINANCING ACTIVITIES LIST

Akbank attaches great importance to the implementation of environmental and social policy requirements and elements by the customers it lends to. Akbank does not lend to companies that are categorized as medium- and high-risk by the Environmental and Social Impact Assessment System, and that do not agree to take actions to mitigate or eliminate the identified risks as required.

Akbank has also adopted a "Non-Financing Activities List" which stipulates the activities Akbank will not finance, regardless of limit and without requiring an environmental and social impact assessment, including the operations that are prohibited by the national legislation and the international treaties Turkey is a party to.

These include;

- Production or trading of any products or services that are deemed illegal by the national legislation and the international treaties our country is a party to,
- Production of weapons of mass destruction or land mines,
- Activities that involves illegal child labor and violating human rights
- Production or trading of chainless (prohibited) asbestos,
- Production and trading of ozone-depleting products (products that are included in the Regulation on the Reduction of Ozone-Depleting Substances, entered into effect after being published on the Official Gazette No. 30031 dated April 7, 2017),
- Production and trading, regardless of industry, of products that contain polychlorinated biphenyls (PCBs) – a group consisting of highly toxic chemicals (products within the scope of Article 5 of the Regulation on the Control of Polychlorinated Biphenyls and Polychlorobiphenyls, entered into effect after being published on the Official Gazette No. 26739 dated December 27, 2007),
- Fishing operations that involve use of drift nets longer than 2.5 km and/or explosives and toxic substances,
- Commercial activity using rainforest, trading of wildlife products of CITES-listed species,
- Production or trading of radioactive products (with the exception of purchasing medical equipment, quality control [measurement] equipment, or equipment with an insignificant source of radioactivity and/or equipment that is protected properly),
- Ship demolition operations.
- Casinos or accommodation facilities with casinos
- Activities in areas designated as the Convention on Wetlands of International Importance (RAMSAR) sites

**Also, the following operations shall not be financed particularly with regard to SME customers:**

- Production or trading of any products or services such as pharmaceuticals and insecticides/pesticides that are subject to international prohibitions/sanctions,
- Production or trading of weapons and ammunition.

## **2- OPERATIONS THAT IMPOSE LIMITS ON SME CUSTOMERS AND ADDITIONAL ARTICLES TO APPLY IN MICRO-LOANS**

**Particular limitations are imposed on SME customers with regard to financing of the following loans<sup>1</sup> :**

- Production or trading of alcoholic beverages, except beer and wine,
- Production or trading of tobacco,
- Operations of casinos and similar businesses,
- Production and trading of forest products, except logs/wood products that are acquired from forests that are run in a sustainable fashion.

### **Additional articles to apply in micro-loans:**

- Production, trading, storing or shipping of significant amount of hazardous chemicals or use of dangerous chemicals in commercial volumes, Dangerous chemicals include gasoline, gas oil or other petroleum products<sup>1</sup>
- Production or operations on the land that local people own or claim, or production and operations without fully documented consent from local people.<sup>1</sup>

<sup>1</sup> This article shall not apply to project sponsors that are not involved in the related operations in essence. "Not being involved in an operation in essence" means that the related operation is not the main area of operation of the project sponsor, but it is an auxiliary operation. "Total project lending in subject to this list" would be below 13% of "total SME and Micro Lending".