

NON-FINANCING ACTIVITIES LIST

Akbank attaches great importance to the implementation of environmental and social policy requirements and elements by customers with whom it has a loan relationship. Companies that are in the high and medium risk category as a result of the Environmental and Social Impact Assessment System but do not agree to take actions to eliminate the identified risks are not financed.

In addition, Akbank has determined activities it will not finance within its knowledge, regardless of limit and without the need for environmental and social impact assessment, including activities prohibited in accordance with national legislation and international agreements to which our country is a party of.

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 destruction¹ 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-depleting² 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 PCBs (polychlorinated biphenyls)³, 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,

¹ Nuclear, chemical and biological weapons

² Ozone Depleting Substances (ODSs): Chemical compounds which react with and deplete stratospheric ozone, resulting in the widely publicized ‘ozone holes’. The Montreal Protocol on Substances that Deplete the Ozone Layer lists ODSs and their target reduction and phase out dates. A list of the chemical compounds regulated by the Montreal Protocol, which includes aerosols, refrigerants, foam blowing agents, solvents, and fire protection agents, together with details of signatory countries and phase out target dates, is available from the United Nations Environment Programme.

³ PCBs: Polychlorinated biphenyls are a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985.

- Commercial activity using rainforest, trading of wildlife products of CITES⁴-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)⁵ sites
- New coal (thermal) power plant projects
- Project activities in an area larger than 25 km², that refuse to provide all the necessary independent consultant⁶ reports required for construction projects such as excavation, filling, water filling, canal or dam, etc.
- Cross-border trade of wastes and waste products that do not comply with the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal and the relevant international conventions signed by our country
- Activities that do not comply with local legislation and international conventions on the protection of biological diversity resources and cultural heritage⁷
- Production or trading of any products or services such as pharmaceuticals and insecticides/pesticides that are subject to international prohibitions/sanctions,⁸

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

⁴ CITES: The Convention on International Trade in Endangered Species of Wild Fauna and Flora. A list of CITES listed species is available from the CITES secretariat.

⁵ Ramsar Convention on Wetlands of International Importance Especially as Waterfowl Habitat

⁶ The best international environmental and social impact consultants known by our bank with their expertise in their field

⁷ The Convention on Biological Diversity is the Convention on the Conservation of Migratory Species of Wild Animals (Bonn Convention-CMS), the European Convention on the Conservation of Wildlife and Habitats (Bern Convention), the World Convention on the Conservation of Cultural and Natural Heritage (Paris Convention) and acknowledged under threat by the IUCN. activities for the flora and fauna species that are caught

⁸ *Reference documents are Council Regulation No. 2455/92 / EEC on Import and Export of Certain Hazardous Chemicals as amended from time to time; Consolidated List of Products Banned, Withdrawn, Severely Restricted or Not Approved by the United Nations Consumption and / or Sale by Governments; Rotterdam Convention on Pre-Notified Acceptance Procedure for International Trade of Certain Hazardous Chemicals and Pesticides; Stockholm Convention on Persistent Organic Pollutants; and World Health Organization (WHO) Classification of Pesticides According to the Level of Hazard*

- Production or trading of weapons and ammunition.
- Coal mining, coal transportation (such as port and railway operations carrying out transportation to power plants operating with coal) and power plants operating with coal⁹

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 loans¹⁰ :

- 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 products¹⁰
- Production or operations on the land that local people own or claim, or production and operations without fully documented consent from local people.¹⁰

⁹ Production and trade for heating purposes and charcoal etc. are not included in this scope.

¹⁰ 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".