

ZİRAAT BANK SUSTAINABILITY POLICY

Purpose and Scope

To use the unrivalled experience and knowledge we have built up over 150 years and to utilise our resources efficiently within the framework of responsible banking principles for the benefit of the economy, environment and the community, and to generate enduring value for our stakeholders is the objective of Ziraat Bank.

The Bank works to contribute to Türkiye's 2053 Net-Zero emission target, Nationally Determined Contribution, and the global goal of keeping the increase in the global temperature below 2°C - or limit to 1.5°C if possible - as set out in the Paris Climate Agreement, which Türkiye is a stakeholder of.

The Bank contributes to Türkiye's achievement of sustainable development goals by focusing on achieving inclusive and high value-added growth through the economic, environmental, social and governance (ESG) practices it implements.

Sustainability Approach

Ziraat Bank's sustainability approach is shaped around its obligations to the environment, its customers and the community, and its duties as an employer.

Ziraat Bank;

- Determines and implements its targets in the field of economic sustainability from a short, medium and long-term corporate, environmental and social sustainability perspective. The Bank manages its resources and service infrastructure by carefully considering environmental and social issues and potential risks and opportunities. The Bank deems environmental sustainability to be a priority issue, including its contributions to tackling the climate crisis and the transition to a zero-carbon economy.
- Develops its service processes with a focus on sustainability and offers banking products and services to all customers in practical, understandable, accessible and digitally focused formats.
- Contributes to the implementation of investments to address the pressures and challenges of tackling the climate crisis and the transition to a zero-carbon economy will have on value chains in the real sectors. In a similar vein, our Bank deploys its resource structure to contribute to turning technological developments in the fields of energy efficiency, renewable energy, efficient mobility, and the circular economy into opportunities.
- Develops and implements projects with the aim of integrating universally accepted principles of sustainability into the business model and processes. In this context, the Bank focuses on areas where it contributes to the UN Sustainable Development Goals (SDGs).
- Aims to play an active role in multilateral sustainability initiatives and cooperation platforms on a national and international scale.

In summary, Ziraat Bank is focused on disseminating, developing and maintaining sustainability throughout the value chain.

Sustainability Structure

The sustainability strategy and road map, structured under the direction of Ziraat Bank's Board of Directors, is executed within the scope of a simple and effective organizational structure.

Sustainability practices at our Bank are developed, planned, coordinated, with the results monitored and reported by the Sustainability Committee, which operates under the chairmanship of the Board Member. Sustainability activities are coordinated by the Project Finance and Sustainability Department.

Dialogue with Stakeholders

Ziraat Bank conducts its dialogue with stakeholders under the guidance of the SDGs. This approach also forms the basis for measuring and reporting studies in which areas the added value produced and shared on the ESG axes contributes directly and indirectly to global goals.

Employees

Ziraat Bank;

- Aims to maintain and develop a modern business environment that respects human rights, social justice and workers' rights. The Bank rejects any discrimination and inequality which would disrupt equal opportunity based on gender, physical disability, cultural views, social class or differences of opinion and thought. The Bank recognizes diversity in the workforce as a key component of our intellectual capital and adopts an understanding based on fair sharing and does not tolerate bribery and corruption in any way.
- Supports its employees in adopting the Bank's sustainability approach and commitments and encourage them to take initiative. The Bank views training and development as an important element of the progress it aims to achieve in the field of sustainability and implements investments to promote the continuous development of our employees.
- Provides a healthy, safe working environment for its employees within the scope of legislation and practices regarding occupational health and safety. The Bank applies preventive, corrective, and protective approaches and undertakes improvements in its processes where necessary. The Bank respects the right to unionization and collective bargaining and pioneer the widespread use of this right.
- Encourages a collective working culture compatible with ethical values and strategic goals and adopts a fair rewarding approach that takes each employee's contribution to success into account.
- Places priority on providing the training the qualified workforce requires for managerial and specialist positions based on equal opportunity.

Customers

Customers are the main reason for the Bank's existence. Ziraat Bank's goal is to deliver products and services with a strong value proposition to all segments of society with the principle of financial inclusion and to improve customer satisfaction and loyalty.

The Bank carries out a range of activities aimed at improving financial literacy and sustainability awareness. Through its lending activities, the Bank aims to manage and reduce emissions of the funded projects within the scope of green transformation, while eliminating the negative effects on the environment.

Suppliers

Ziraat Bank's priority is to develop and maintain relationships with suppliers based on mutual benefit, respect and honesty. It is important that suppliers adopt universally accepted principles and practices on the issues of sustainability, and the Bank encourages them in this regard.

Open communication with all stakeholders based on mutual respect

In addition to its economic performance, the Bank transparently discloses its progress in corporate, environmental and social issues to the public. It adopts an approach based on fair sharing of the value it generates and accumulates with its employees, customers, shareholders, and other stakeholders.

The Environment and Ziraat Bank

Ziraat Bank aims to control its direct and indirect environmental impacts, to manage the risks resulting from the climate crisis with the right strategies and technologies, and provides continuous improvements.

The Bank carries out studies to measure and reduce the greenhouse gas emissions that occur within the scope of its service cycle, focusing on the efficient use of all-natural resources consumed, primarily energy. With these activities, the Bank demonstrates its direct contribution to the global goal of keeping the increase in global temperatures to below 2°C and, if possible, limit to 1.5°C.

The Bank attaches importance to the development of domestic and renewable energy resources, increasing the share of renewable energy in our country's total installed generation capacity and shape our activities accordingly.

The Bank prioritizes the use of renewable energy sources to meet its energy needs.

The Bank views the management of clean water resources as a key priority area. Extreme weather events resulting from the climate crisis place a significant part of Türkiye's territory at risk of meteorological and hydrological drought and increase water stress. This situation represents significant risks for the production sectors, which are among the Bank's largest customer base.

Since the sectors financed, especially the agricultural sector, are highly dependent on water, the Bank closely monitors water-related risks, the amount of water in basins, water stress and water quality parameters. Viewing clean water and sanitation as human rights, efforts are taken to ensure sustainable management of water with accessibility to water and sanitary conditions for all.

In addition to full compliance with legally determined environmental standards in Türkiye, the Bank also aims to roll out global best practices and standards. The Bank continues to work in this area within the scope of multifaceted dialogue with its stakeholders.

Another issue which the Bank prioritizes and encourages is to increase environmental awareness among its customers and suppliers and to expand work that will add value to environmental sustainability.

The Bank aims to internalize climate and water-related risks in line with internationally accepted standards.

Contribution to the community and Ziraat Bank

As the sole financial service provider in around 400 districts and towns throughout Türkiye, the Bank offers employment opportunities to more than 25,000 people and helps the dreams of tens of millions of its customers come true, demonstrating its contribution to society widely and on different axes.

The Bank is focused on adding value to society and supporting social development with a multifaceted approach, continuing with work that will create widespread social impact.

Sustainability in Products, Services and Processes

Ziraat Bank also takes environmental and social issues into account in the processes of meeting changing customer demands and expectations, offering the right value proposition to the right customer at the right time, and efficiently evaluating new business opportunities provided by the markets. In this context, Ziraat Bank;

- Contributes to the agricultural industry, which the Bank believes is of vital importance for the sustainable success of the agricultural sector, which formed the core of its founding mission in 1863.
- Ensures that the benefits of economies of scale are provided by being a finance group generating integrated solutions with its domestic and foreign subsidiary banks, branches and financial companies in order to meet the financial needs of its customers as a whole.
- Offers products and services which provide an environmental and social impact within the scope of the banking service cycle, aiming to increase the use of sustainable products that will ensure resource efficiency. This includes renewable energy financing, loans for the efficient use of energy and natural resources and waste management and financing packages to support SMEs, entrepreneurs, women and young people, and to increase employment.

- Aims the transition of its business processes to a digital environment at every possible point by utilizing sustainable technology solutions and developing them with a focus on sustainability. The Bank aims to provide the best digital experience by offering products and services which offer a high value proposition to meet the changing needs of its customers through the digital transformation.
- Views developing a range of products and services with environmental and social impact in cooperation with international financial institutions as an important part of its sustainability vision.
- Ensuring uninterrupted and organization-wide business continuity in emergency situations is a fundamental priority for the Bank. The Bank develops, the Business Continuity and Emergency Management Structure and processes which have been structured accordingly, keeps them up to date and strengthens them.

In Summary

Operating with the aim of being "more than a bank" in accordance with the general framework defined in this policy, Ziraat Bank is determined to maintain its growth under the guidance of efficiency and responsible banking principles as a competitive, strong, high market value, globally integrated bank.

Ziraat Bank will continue to be "more than a bank" in the field of sustainability by constantly improving its sustainability performance under the guidance of the Bank's Sustainability Committee, with the principles of transparency, accountability, compliance with laws and adherence to ethical principles.