

ZİRAAT BANK ENVIRONMENTAL POLICY

Introduction

Climate change is a fundamental and transformative dynamic that generates significant global impacts through its economic and ecological consequences, requiring shared responsibility from governments, regulatory authorities, financial institutions, the real sector, consumers, and all stakeholders of society.

Operating under the vision of being “More Than a Bank” since 1863, Ziraat Bank addresses the economic, environmental, and social dimensions of sustainable development through a holistic approach, adopting an environmentally sensitive and responsible banking perspective as an integral part of its corporate strategy.

Within this framework, Ziraat Bank adopts a core, strategic approach focused on supporting the transition to a low-carbon economy, assuming an active role in combating climate change, supporting renewable energy and energy efficiency projects, developing green finance practices, internalizing resource efficiency and circular economy principles, reducing its environmental footprint through Zero Waste practices, and minimizing its operational environmental impacts via eco-friendly technologies and digital transformation.

As a key actor in the financial system, the Bank aims to effectively manage risks arising from climate change and integrate the opportunities offered by sustainable transformation into its banking activities. In this respect, environmental responsibility is addressed not only within the scope of operational activities but also in terms of the indirect impacts generated through lending, investment, and financing processes. The Bank takes into account the environmental expectations of all stakeholders, including regulatory authorities, customers, employees, suppliers, investors, and society.

Purpose and Scope

Ziraat Bank commits to conducting all its operations in accordance with the principles of sustainable development, identifying and prioritizing environmental aspects, managing them based on their significance, controlling environmental impacts, and ensuring the continual improvement of environmental performance. It adopts a life cycle perspective across its supply chain, digital services, procurement activities, and financial product processes.

The Environmental Policy has been prepared in line with the Bank’s Sustainability Policy, Strategies and Zero Waste Declaration. It encompasses the Bank’s headquarters, regional directorates, branches, and money group centers, and has been constructed in compliance with the requirements of ISO 14001:2015 Environmental Management System Clause 5.2.

Policy Principles and Commitments

Ziraat Bank;

- Conducts activities which contribute to the goal of limiting the global temperature increase to well below 2°C, and preferably to 1.5°C, in alignment with Türkiye’s 2053 Net Zero Emission Target, its Nationally Determined Contributions (NDC), and the Paris Climate Agreement to which Türkiye is a stakeholder,
- Develops and promotes responsible banking practices characterized by high degrees of environmental sensitivity and social responsibility,
- Supports the transition to a low-carbon economy,
- Promotes the enhancement of energy efficiency and the sustainable use of natural resources,
- Contributes to climate change mitigation and supports adaptation processes,
- Encourages green and sustainable investments, as well as specialized financing solutions for such investments,
- Evaluates environmental and social risks within lending and investment processes and integrates these assessments into its decision-making frameworks,
- Reduces resource consumption through Zero Waste and digital transformation initiatives,

- Measures, documents, and reports the green assets within its portfolio,
- Incorporates measures to mitigate biodiversity risks in its financed projects,
- Adopts environmental protection, pollution prevention at source, and circular economy principles as fundamental tenets,
- Manages environmental impacts arising from banking activities within the framework of routine operations, planned changes, and emergency scenarios,
- Identifies environmental emergency risks, develops necessary preparedness and intervention strategies, and conducts scheduled drills,
- Implements the Zero Waste Management System, ensures waste segregation at source, and supports recycling processes,
- Addresses climate change as a significant financial and environmental risk factor,
- Measures, monitors, and sets reduction targets for greenhouse gas emissions resulting from its operational activities,
- Integrates climate risks into its lending, investment, and operational processes,
- Develops green and sustainable financing products,
- Strengthens infrastructure, energy management, and business continuity plans in order to adapt to the impacts of climate change.
- Operates in alignment with Türkiye's 2053 Net Zero Emission and Green Development targets,
- Ensures compliance with national legislation on environment and zero waste, legal regulations concerning climate change and energy efficiency, and international environmental agreements.
- Monitors legal and other requirements regularly, evaluates non-conformities, and implements necessary corrective actions,
- Monitors and reports environmental performance indicators regularly,
- Sets measurable environmental targets and evaluates their performance,
- Raises environmental awareness through targeted training and communication programs among employees, suppliers, and all relevant stakeholders,
- Utilizes internal audits, corrective actions, and senior management reviews as principal tools for continuous improvement,
- Shares its environmental and climate performance transparently with the public through its annual TSRS-compliant (Turkish Sustainability Reporting Standards) Sustainability Report;
- Tracks indirect environmental impacts arising from its financial activities,
- Monitors and reports the environmental impacts of its loan portfolio regularly,
- Prioritizes choosing suppliers who implement environmental management systems, demonstrate strong environmental performance, and maintain regulatory compliance,
- Gives priority to energy-efficient and recyclable products and services with low carbon footprint within its procurement operations,
- Informs suppliers regarding compliance with environmental criteria and incorporates environmental clauses into contracts where deemed necessary.

Approval, Review, and Auditing Terms

Ziraat Bank;

- Maintains the Environmental Policy as documented information and discloses it to all Bank units and relevant stakeholders,
- Informs employees, suppliers, customers, and subsidiaries about the policy through its corporate website, internal communication channels, and training programs,

- Publishes the Environmental Policy on its corporate website, ensuring it is publicly accessible,
- Reviews the eligibility, adequacy, and effectiveness of the policy at least once a year under the oversight of Senior Management,
- Updates the policy with the approval of the Board of Directors whenever deemed necessary,
- Ensures the preparation and implementation of the Environmental Policy under the coordination of the Department of Project Finance and Sustainability, with contributions from the Departments of Procurement and Service Management, Information Technology Management, and Branch Operations within their respective areas of responsibility. Monitoring and ensuring compliance with policy provisions are carried out by the Department of Internal Control,
- Ensures the effectiveness of the environmental management system through the Sustainability Committee, supports the provision of necessary human, financial, and technical resources to fulfill policy commitments, and guarantees continuous improvement.