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1 GENERAL INFORMATION

1.1 Purpose

Albaraka Türk Participation Bank (Albaraka Türk); aims to achieve the United Nations 2030 Sustainable Development Goals by working with all its stakeholders to produce projects that are sensitive to human and environment and that will support economic and global development for a livable world within the scope of Sustainable Banking Program and aims to be a pioneer in participation banks in this regard. In addition, it is documented that Albaraka Türk minimizes the destruction of natural environment as a result of the values it adds to urban living spaces and it is aimed to ensure its recognition on international platforms and to increase its prestige.

1.2 Scope

Albaraka Türk has adopted the principle of respecting the environment in all its activities in order to improve the quality of life of the society while carrying out its activities in line with its leading position in the Participation Banking sector and its sustainable banking targets. In this respect, Albaraka Türk has adopted internalizing and implementing the transparency, fairness, accountability and environmental strategies which are the basic principles of Corporate Governance as basic principles.

In this context, studies were initiated by determining the Sustainable Banking Program and sustainability strategy initiated by our bank and the title of Turkey's first LEED GOLD certified Bank Headquarters Building was assumed. In addition, studies related to BIST Sustainability Index, Carbon Disclosure Project (CDP) and Zero Waste Project are also regularly monitored.

1.3 Related Documents

- a) Our Bank's Policy on Compliance with Obligations for the Prevention of Laundering Proceeds of Crime and Financing of Terrorism
- b) Environmental Management System

2 APPLICATION

2.1 Environmental Policy Strategies

Albaraka Türk exhibits a proactive attitude in its activities in order to improve its sustainability level positively. In this context, Albaraka Türk;

- a) Supports seven of the United Nations 2030 Sustainable Development Goals; conducts and develops its activities in this context. Supported topics include:
 - End to Poverty,
 - Healthy Individuals and Welfare,
 - Qualified Education,
 - Gender Equality,
 - Accessibility and Clean Energy,
 - Decent Work and Economic Growth,
 - Industry, Innovation and Infrastructure.
- b) Thinks about the future and keeps the consumption of world resources under control.
- c) Supports energy, water, waste and recycling projects that are necessary for a sustainable life and aims to reduce the consumption of these resources.
- d) Enables the creation of technological and systematic infrastructure by reducing the consumption of resources such as electrical energy, water, paper and natural gas.
- e) Calculates greenhouse gas emissions and develops mitigation strategies for emissions management. Contributes to the prevention of greenhouse gas emissions by implementing innovative energy management and business models based on renewable materials. In this context, it is involved in the valuation of the Carbon Disclosure Project (CDP), which is considered to be the most comprehensive and prestigious environmental project in the world, aimed at collecting and sharing information that will enable companies, investors and governments to take precautions against climate change threat.
- f) Assuming the title of Turkey's first LEED GOLD certified Bank Headquarters Building, Albaraka Türk aims to be one of the leading companies that try to reduce energy use in buildings.
- g) Within the scope of the Zero Waste Project initiated by the Ministry of Environment and Urbanization, it conducts works for reuse, procurement, compostable waste and prevention/reduction within the framework of waste prevention, more efficient use of resources, reduction of the amount of waste generated and recovery of waste.
- h) Conducts studies with its employees to increase environmental awareness and sustainability awareness of the society.
- i) Works to meet the requirements of regulations set out by all national and international legal authorities regarding the environment.

- j) Undertakes to work within the framework of rules of law in which the sector is involved. In this context, Albaraka Türk is a member of International Chamber of Commerce (ICC) Turkey.
- k) It monitors activities prohibited and restricted by national legislation and international conventions under “Our Bank’s Policy on Compliance with Obligations for the Prevention of Laundering Proceeds of Crime and Financing of Terrorism” and does not finance these activities without subjecting them to any environmental and social impact assessment or regardless of the amount limit.

2.2 Duties and Responsibilities

- a) Albaraka Türk’s sustainability practices are managed by the Sustainability Committee. The coordination of the sustainability efforts within the executive organs is ensured by the Strategic Planning Department.
- b) The Sustainability Management System is structured with processes and job descriptions and is regularly subjected to audits and the results are presented to the senior management.
- c) Sustainability action plans are followed under documents containing Albaraka Türk’s business program and strategic plans.

2.3 Audit

The audit of compliance with the provisions of the Environmental Policy is carried out within the scope of internal audit. The Sustainability Committee determines the principles regarding the implementation of action plans for the elimination of the findings determined as a result of these audits.

2.4 Review

This policy is evaluated in terms of compliance with current conditions due to organizational changes, business conditions, legal and technical regulations etc., reviewed once a year and updated as necessary.

Authorization of making amendments on this policy is possessed by Sustainability Committee. Yet, the Board of Directors is authorized to annul this policy completely and/or to issue a new policy, which shall abrogate this policy hereby. Sustainability Committee informs the Board of Directors on the amendments made on the policy. This policy hereby and the amendments made are published on the Bank’s website.

2.5 Enforcement

This Policy shall enter into force on the day of it is approved by the Board of Directors.